

**Comprehensive
Annual Financial Report
Of
Shelby County, Tennessee
For The Year Ended
June 30, 2010**

Prepared by the Department of Finance

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SINGLE AUDIT



Shelby County Government

MARK H. LUTTRELL, JR.
MAYOR

December 8, 2010

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, 2010 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, 2010. 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 919,137. 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. 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, 2010 was 9.8%, as compared to the state's rate of 9.4% and the national rate of 9.6%.

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 decreased as a percent of total expenditures from 72.2% to 70.9%. Education expenditures decreased from 37.1% to 34.5%. Community service expenditures have increased from 5.2% to 6.9% due to increases in grants such as Head Start.

During this same ten-year period, local taxes have increased as a percent of total revenue from 71.7% to 76.1% because the areas of relative increase in expenditures are primarily supported by local taxes. As a percent of total revenue, State, Federal and Other Local revenue has increased from 14.2% to 15.2%. Fines, fees and permits have decreased from 9.0% of total revenue to 6.2% and all other revenues have decreased from 14.1% to 8.7%. Most fees and fines as well as many 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 for seven consecutive years and is 21.1% as of June 30, 2010. A result of increasing fund balances, the County ended in 2009 a long history of short term borrowing for cash flow purposes.

Close cooperation exists 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 general obligation debt, excluding accretion, peaked at \$1.85 billion and it has declined to \$1.66 billion as of June 30, 2010. 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.

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 has adopted 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.
- 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 a coalition of citizens and government planners to developed 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)** – The decline in the economy and an increase in uncompensated care due to reductions in the TennCare roles and the economy have had a negative impact on The Med. In fiscal 2009, a comprehensive review was made by FTI Cambo and major initiatives were recommended and implemented reducing cost and enhancing revenue. However, additional resources were necessary and working with both the Federal and State Governments, Shelby County provided \$10 million and a \$30 million match was received for fiscal 2010 and a commitment was received for a \$20 million match for fiscal 2011. These resources will allow The Med to continue its mission and to stabilize its operations for years to come.

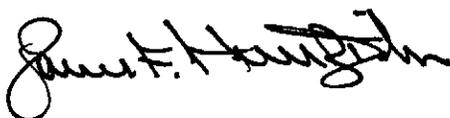
Awards and Acknowledgements

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, 2009. This was the twenty-fifth 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 years ending June 30, 2009 and 2010.

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,



James F. Huntzicker,
Director of Division of Administration & Finance

**Shelby County, Tennessee
County Officials
As of June 30, 2010**

Shelby County Board of Commissioners

**Joyce Avery, Chairman
Sidney Chism, Chairman Pro Tempore**

**Henri E. Brooks
Wyatt Bunker
Mike Carpenter
George S. Flinn, Jr.**

**J. W. Gibson, II
James M. Harvey
Deidre Malone
Edith Ann Moore**

**Steve Mulroy
John Pellicciotti
Mike Ritz**

Publicly Elected Officials

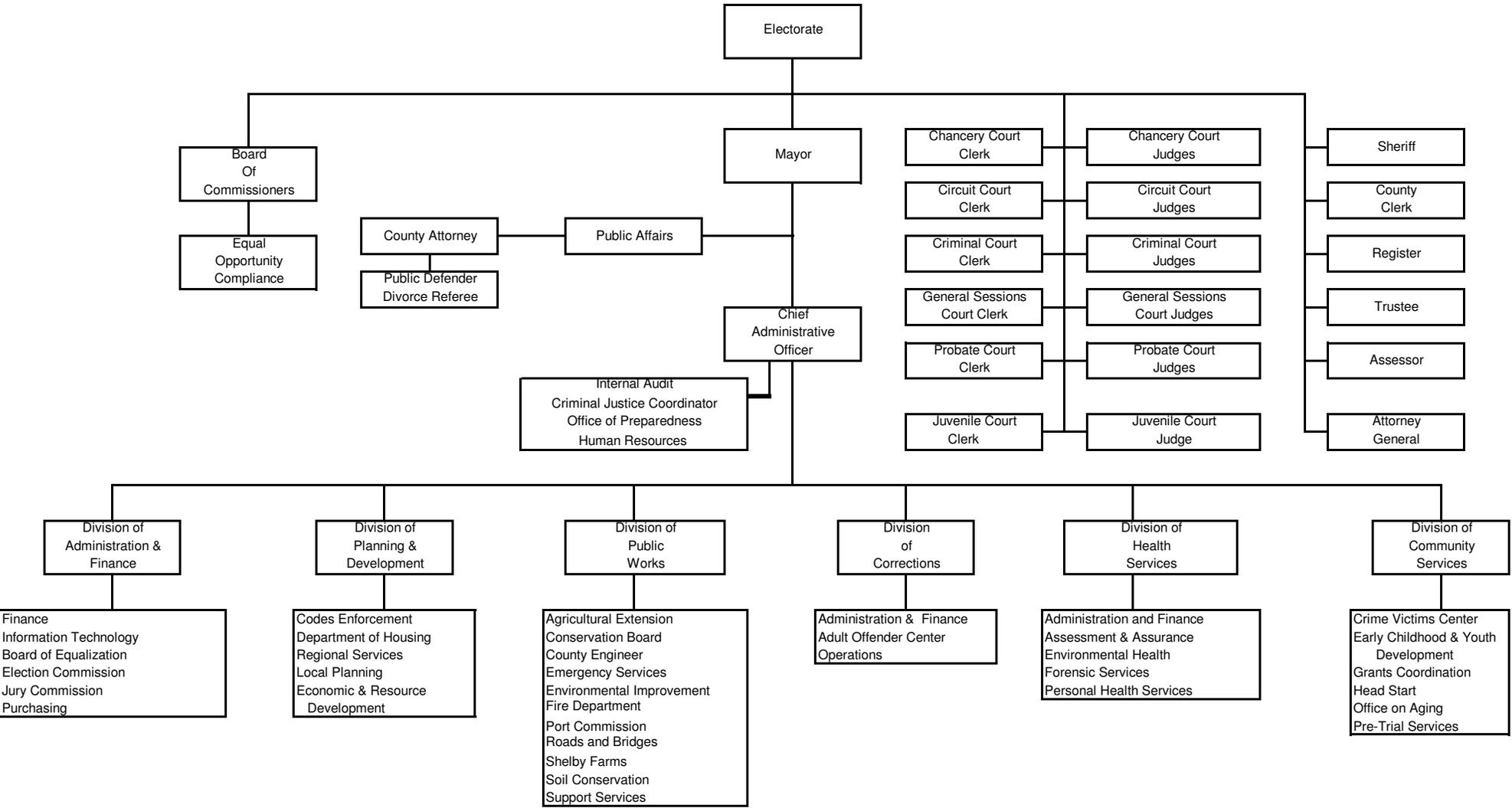
**Assessor of Property – Cheyenne Johnson
Attorney General – William L. Gibbons
County Clerk – Debbie Stamson
Interim County Mayor – Joe Ford
County Register – Tom Leatherwood
County Trustee – Regina Newman
Juvenile Court Clerk – Steve Stamson
Chancery Court Clerk and Master – Dewun Settle (Appointed)
Circuit Court Clerk – Jimmy Moore
Criminal Court Clerk – William R. Key
General Sessions Court Clerk – Otis Jackson, Jr.
Probate Court Clerk – Chris Thomas
Sheriff – Mark H. Luttrell, Jr.**

Shelby County Administrative Officials

**Joe Ford - Interim 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, 2010



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, 2009

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, 2010, 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 \$152,899,379 and \$289,223,637, respectively, of the assets and revenues of the component units, and Shelby County Retirement System, which represents \$837,879,006 of the assets and \$143,285,557 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 provide 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, 2010, 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 8, 2010 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 26 and the budgetary comparison and other information on pages 86 through 90 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shelby County, Tennessee's basic financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Walter A. Liberal, PLLC

Banks, Finley, White & Co.

Memphis, Tennessee
December 8, 2010

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, 2010. 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, unassigned fund balance for the general fund was \$75.7 million, or 21.1% of total general fund revenue. This compares to the unrestricted fund balance at the end of the previous year of \$74.4 million, or 20.8% of general fund revenue.
- Fund balance for the debt service fund increased \$27.9 million to \$102.5 million, which is 52.1% of total revenue of the debt service fund. The balance is consistent with our debt plan to provide for future debt service requirements.
- The capital projects fund balance increased \$185.7 million to a balance of \$101.3 million. This was the result of issuing \$120.0 million of bonds to retire short-term borrowing used to finance capital projects and the proceeds of a \$55.1 mill loan for school capital projects through the State of Tennessee under the Qualified School Construction Bond program.
- Total liabilities of Shelby County exceed total assets as of June 30, 2010 by \$802.9 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. Outstanding debt for these entities as of June 30, 2010 was \$1,355,930,329.
- Total government-wide net assets increased \$120.6 million as a result of activity for the fiscal year, with an increase of \$123.4 million from governmental activities and a decrease of \$2.8 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 (9-1-1). 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 included are 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, 2010). This statement shows the financial position of the County as a whole at specific points in time – in this case as of June 30, 2010 and as of June 30, 2009.

Property taxes receivable is by far the largest portion of Shelby County's assets (44.0% at June 30, 2010 and 44.6% at June 30, 2009). The June 30, 2010 property taxes receivable includes \$753.4 million, offset by an equal deferred revenue amount in other liabilities, which became a property lien on January 1, 2010 but are levied for next fiscal year's operations. The similar amount at June 30, 2009 was \$725.9 million. Total assets increased by \$103.8 million. This included increases in taxes receivable of \$33.9 million, increases in cash and cash equivalents and investments combined of \$72.0 million and smaller net decreases in other assets of \$2.1 million.

Liabilities decreased by \$16.7 million during the year. This decrease was due to an increase of \$85.9 million in long-term liabilities and decreases of \$102.6 million in other liabilities. Most of the change between long-term and other liabilities was due to the conversion of \$120.0 million of short-term notes payable to long-term debt during the year.

Table 1
Condensed Statement of Net Assets
As of June 30, 2010 and June 30, 2009

	June 30, 2010	June 30, 2009	Change
<u>Governmental Activities</u>			
Property taxes receivable	\$ 816,217,944	\$ 782,287,685	\$ 33,930,259
Current and other assets	449,189,750	372,455,391	76,734,359
Capital assets	543,765,068	550,093,389	(6,328,321)
Total assets	<u>1,809,172,762</u>	<u>1,704,836,465</u>	<u>104,336,297</u>
Long-term liabilities	1,777,143,478	1,693,145,626	83,997,852
Other liabilities	870,729,611	973,789,820	(103,060,209)
Total liabilities	<u>2,647,873,089</u>	<u>2,666,935,446</u>	<u>(19,062,357)</u>
Invested in capital, net of related debt	240,569,297	204,190,463	36,378,834
Restricted	207,993,719	87,310,795	120,682,924
Unrestricted	(1,287,263,343)	(1,253,600,239)	(33,663,104)
Total net assets	<u>(838,700,327)</u>	<u>(962,098,981)</u>	<u>123,398,654</u>
<u>Business-Type Activities</u>			
Current and other assets	22,065,107	21,478,449	586,658
Capital assets	25,154,882	26,230,845	(1,075,963)
Total assets	<u>47,219,989</u>	<u>47,709,294</u>	<u>(489,305)</u>
Long-term liabilities	8,651,466	6,810,644	1,840,822
Other liabilities	2,768,956	2,285,479	483,477
Total liabilities	<u>11,420,422</u>	<u>9,096,123</u>	<u>2,324,299</u>
Invested in capital, net of related debt	24,388,818	25,324,668	(935,850)
Unrestricted	11,410,749	13,288,503	(1,877,754)
Total net assets	<u>35,799,567</u>	<u>38,613,171</u>	<u>(2,813,604)</u>
<u>Total Primary Government</u>			
Property taxes receivable	816,217,944	782,287,685	33,930,259
Current and other assets	471,254,857	393,933,840	77,321,017
Capital assets	568,919,950	576,324,234	(7,404,284)
Total assets	<u>1,856,392,751</u>	<u>1,752,545,759</u>	<u>103,846,992</u>
Long-term liabilities	1,785,794,944	1,699,956,270	85,838,674
Other liabilities	873,498,567	976,075,299	(102,576,732)
Total liabilities	<u>2,659,293,511</u>	<u>2,676,031,569</u>	<u>(16,738,058)</u>
Invested in capital, net of related debt	264,958,115	229,515,131	35,442,984
Restricted	207,993,719	87,310,795	120,682,924
Unrestricted	(1,275,852,594)	(1,240,311,736)	(35,540,858)
Total net assets	<u>\$ (802,900,760)</u>	<u>\$ (923,485,810)</u>	<u>\$ 120,585,050</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, 2010	June 30, 2009
Shelby County and City of Memphis Schools	\$ 1,185,181,389	\$ 1,178,058,254
Shelby County Health Care Corp. (component unit)	74,932,946	82,316,669
Convention Center (joint venture)	58,273,905	62,181,609
Other	37,542,089	38,446,024
Total	\$ 1,355,930,329	\$ 1,361,002,556

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 \$120.6 million. The net increase in invested in capital assets, net of related debt constituted \$35.4 million of this increase; this was primarily due to the liquidation of long-term debt in an amount greater than the amount of new debt for capital projects. Restricted net assets increased by \$120.7 million, almost entirely due to debt service and capital project activities. 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, 2010, with comparative amounts for the fiscal year ending June 30, 2009.

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 increased by 1.8% or \$4.1 million, primarily due to a net increase in revenues from other governments. The shift between charges for services and operating grants and contributions resulted primarily from refinements to the classification of revenues of these two categories. General revenues increased \$44.5 million, with a 6.8% or \$49.1 million increase in property taxes. Other taxes had a net decrease of \$1.1

million, caused primarily by a decrease in sales taxes. Other general revenues are lower almost entirely because of \$3.4 million lower interest earnings.

Table 2
Shelby County Change in Net Assets
Fiscal Years Ended June 30, 2010 and 2009

	FY 2010	FY 2009	Change
Governmental activities:			
<u>Revenues:</u>			
Program revenues:			
Charges for services	\$ 108,459,891	\$ 82,189,738	\$ 26,270,153
Operating grants and contributions	114,344,216	136,145,188	(21,800,972)
Capital grants and contributions	710,000	1,126,464	(416,464)
Total program revenues	<u>223,514,107</u>	<u>219,461,390</u>	<u>4,052,717</u>
General revenues:			
Property taxes	773,832,412	724,765,511	49,066,901
Other taxes	93,635,983	94,721,982	(1,085,999)
Other	3,105,416	6,588,123	(3,482,707)
Total general revenues	<u>870,573,811</u>	<u>826,075,616</u>	<u>44,498,195</u>
Total revenues-governmental activities	<u>1,094,087,918</u>	<u>1,045,537,006</u>	<u>48,550,912</u>
<u>Expenses:</u>			
General government	63,105,682	53,354,405	9,751,277
Hospital	38,816,666	27,491,667	11,324,999
Planning & development	5,151,177	6,060,521	(909,344)
Public works	47,801,753	45,709,098	2,092,655
Corrections	1,481,007	1,318,182	162,825
Health services	59,823,299	61,837,782	(2,014,483)
Community services	72,340,940	59,988,698	12,352,242
Law enforcement	149,248,036	149,586,517	(338,481)
Judicial	66,108,459	77,792,534	(11,684,075)
Other elected officials	25,700,703	27,230,582	(1,529,879)
Education	363,281,302	420,351,443	(57,070,141)
Interest on debt	70,146,945	86,882,448	(16,735,503)
Total expenses-governmental activities	<u>963,005,969</u>	<u>1,017,603,877</u>	<u>(54,597,908)</u>
Increase (decrease) in net assets before transfers	131,081,949	27,933,129	103,148,820
<u>Transfers</u>	<u>(7,683,295)</u>	<u>(6,806,798)</u>	<u>(876,497)</u>
Increase (decrease) in net assets	123,398,654	21,126,331	102,272,323
Net assets - beginning of year	<u>(962,098,981)</u>	<u>(983,225,312)</u>	<u>21,126,331</u>
Net assets - end of year	<u>\$(838,700,327)</u>	<u>\$(962,098,981)</u>	<u>\$ 123,398,654</u>

Total expenses for the year in governmental activities decreased \$54.6 million (5.4%). The decrease of \$57.1 million for education was due to only nominal capital projects funding during the year, which are expenses to the County since the capital assets resulting from the funding are not County assets. The increase in general government was the result of paying out in FY2010 an

additional \$10.8 million of prior year tax revenue to an affiliated organization (the Memphis and Shelby County Sports Authority). The increase in Hospital was the result of a special appropriation of \$10 million to the Shelby County Health Care Corporation (dba The Med), a component unit. The increase in Community services was due primarily to an increase in grants funding, including several stimulus-related grants. The decrease in Judicial was primarily due to the loss of grant funds by the Juvenile Court to collect child support. A significant amount of the decrease in interest was due to the cost of liquidating a swap agreement in FY2009 and lower interest costs in FY2010 on the County's variable rate debt.

Business-type activities:	<u>FY 2010</u>	<u>FY 2009</u>	<u>Change</u>
Revenues:			
Operating revenues:			
Charges for services	\$ 72,752,829	\$ 76,330,759	\$ (3,577,930)
Operating grants and contributions	75,600	81,000	(5,400)
Total operating revenues	72,828,429	76,411,759	(3,583,330)
Non-operating revenues	48,728	207,994	(159,266)
Total revenues	72,877,157	76,619,753	(3,742,596)
Expenses:			
Operating expenses	83,374,056	79,802,179	3,571,877
Non-operating expenses and losses	-0-	6,796	(6,796)
Total expenses	83,374,056	79,808,975	3,565,081
Increase (decrease) in net assets before transfers	(10,496,899)	(3,189,222)	(7,307,677)
Transfers	7,683,295	6,806,798	876,497
Increase (decrease) in net assets	(2,813,604)	3,617,576	(6,431,180)
Net assets - beginning of year	38,613,171	34,995,595	3,617,576
Net assets - end of year	35,799,567	38,613,171	(2,813,604)
Total primary government:			
Increase (decrease) in net assets	120,585,050	24,743,907	95,841,143
Net assets - beginning of year	(923,485,810)	(948,229,717)	24,743,907
Net assets - end of year	\$(802,900,760)	\$(923,485,810)	\$ 120,585,050

In business-type activities, operating revenues decreased by \$3.6 million. Of this decrease, \$2.3 million was in Corrections Center reimbursement for housing a reduced ratio of State inmates. There was a \$1.3 million decrease in Consolidated Codes as the result of lower inspection fees. Non-operating revenue decreased \$159,266 due to lower interest earnings, with some of the lower interest due to having used some cash to repay a loan to the general fund. Overall expenses increased \$3.6 million, or 4.5%.; Corrections increased \$3.1 million, Fire Services \$1.3 million and Codes Enforcement decreased \$0.8 million.

CHANGE IN FINANCIAL POSITION DURING YEAR

The overall change in the financial position of Shelby County during fiscal year 2010 was an increase in net assets of approximately \$120.6 million. The County's governmental activities

operated with an increase in net assets of approximately \$123.4 million. The business-type activities had a net decrease of \$2.8 million.

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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Readers will notice a change in the classifications of fund balances within the governmental funds from previous years. The County chose to implement a new financial accounting standard for FY2010 (GASB Statement No. 54). This standard establishes fund balance categories in a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The categories, in order of the constraints, are restricted, committed, assigned and unassigned. More details on these classifications are presented in the Notes to Financial Statements I (D). under "Net Assets and Fund Equity."

As of the end of the current fiscal year, Shelby County's governmental funds reported a combined ending fund balance of \$293,184,033. The components of the balances are:

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
General Fund	\$ 78,157,913	\$ 75,164,958
Debt Service Fund	102,529,235	74,646,920
Special Revenue Funds	<u>11,157,276</u>	<u>21,296,087</u>
Total, except Capital Projects Fund	191,844,424	171,107,965
Capital Projects Fund	101,339,609	(84,323,603)
Total all governmental funds	<u>\$ 293,184,033</u>	<u>\$ 86,784,362</u>

There was a \$20.7 million increase in fund balance excluding capital projects. There was an increase of \$3.0 million in the general fund, an increase of \$27.9 million in the debt service fund and a decrease of \$10.1 million in all special revenue funds. There was also an increase of \$185.7 million in the capital projects fund. Each of these changes is discussed below.

The general fund is the chief operating fund of Shelby County and operated with a net increase in fund balance of \$3.0 million, compared to a net increase of \$9.7 million in the previous year. The general fund had an increase in revenue of \$0.7 million and an increase in expenditures of \$5.2 million. The general fund was projected to have a significantly larger increase in fund balance for the year until the County Commission appropriated an extra \$10 million to The Med due to its financial condition. The general fund unassigned fund balance of \$75.7 million is available for spending at the government's discretion.

As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund revenue. Unassigned fund balance represents 21.1% of total general fund revenue. Management is committed to maintaining an unassigned fund balance of the general fund of 15% to 25% of general fund revenue.

The debt service fund has a total fund balance of \$102.5 million, all restricted or committed to be used for the payment of debt service. The net increase in fund balance during the current year was \$27.9 million. This increase resulted from an increase of \$21.6 million in revenue, mostly from property taxes and slightly reduced expenditures.

The fund balance of the capital projects fund fluctuates significantly as funds are borrowed for capital project purposes and are then expended for the projects. This fund balance improved from a deficit of \$84.3 million to a positive balance of \$101.3 million. The increase in fund balance was primarily the result of \$120 million of revenue from issuance of bonds to pay off short-term borrowing and proceeds of a \$55.1 million loan from the State of Tennessee under the Qualified School Construction Bond program; the proceeds of this loan will ultimately be paid to the Shelby County and Memphis City school systems. All fund balances of the capital projects fund are restricted, committed or assigned.

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. The Education Fund, a special revenue fund, had an ending fund balance of \$9.1 million. This balance resulted from more property tax revenue during the year than the expenditure appropriation to the Shelby County and City of Memphis school systems. This restricted fund balance will be paid to the school systems as future appropriations are made.

The grant fund balance decreased further from a negative balance of \$10.1 million at June 30, 2009 to a deficit of \$15.5 million at June 30, 2010; this was caused by an increase in receivables not being received in the time to be considered "available" in FY 2010. Other special revenue funds had a net decrease in fund balances during the year of \$13.9 million, primarily from the \$13.1 million decrease in the Hotel and TDZ Taxes Fund as revenue from previous years were used in the current year. Significant balances at year-end, all positive and all restricted, include \$1.6 million in the Health Services Restricted Fees Fund, \$5.9 million in the Roads and Bridges fund, \$2.4 million in the Hotel and TDZ Taxes Fund and \$6.4 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, economic conditions have resulted

in a reduction in construction activities resulting in much lower codes enforcement fees, requiring support from the general fund. During this fiscal year \$1.9 million was transferred from the general fund to maintain the net asset balance of \$2.2 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 \$118,566 to a balance of \$5.6 million, of which \$3.6 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 a decrease of \$3.5 million in net assets to a balance of \$30.1 million, of which \$9.4 million is unrestricted. Overall the net assets of the enterprise funds decreased by \$3.6 million during the year with total net assets at year-end of \$37.9 million, of which \$13.5 million was unrestricted. Unrestricted net assets decreased 16.3% or \$2.6 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, 2010 these funds combined had net assets of \$18.8 million, an increase of \$5.0 million. The group health insurance fund had an increase of \$2.7 million in net assets to total net assets of \$9.4 million. The employer insurance fund had an increase of \$0.7 million to total net assets of \$5.1 million. At year-end the central services fund had net assets of \$1.7 million and the tort liability fund had net assets of \$2.6 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 at June 30, 2010 were 97.1% of the currently calculated actuarial liability, meaning the system is almost fully funded. The County provides funding as required each year for the increased liability for benefits being earned by current employees. At June 30, 2010 the Retirement System had net assets held in trust of \$825,764,292.

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, 2010 the Trust had net assets held in trust of \$61.6 million. The ratio of current funding to the actuarial liability improved from 11.8% to 15.1% during the past year.

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 \$2.9 million – less than one percent of the original budget. The increases were recorded in state, federal, and local revenue as well as charges for services.

- Actual revenues exceeded the final budget by \$3.0 million – almost 1.0% over the budgeted amount. Actual property tax collections were \$13.8 million (6.6%) more than budgeted as a result of significantly fewer valuation appeals reduction than projected. This favorable variance offset the negative trends in most other revenue categories, with the largest unfavorable variance recorded in interest income as a result of substantially lower interest rates.
- The overall expenditure budget was increased during the year by \$8.4 million, or 2.4%. The primary factor driving the overall increase was the decision to provide additional funding for the Shelby County Health Care Corporation (The Med).
- Actual expenditures were \$7.0 million (2.0%) below the amended budget. Significant personnel savings resulted from a hiring freeze and the elimination of some vacant positions. Savings were also realized from cutbacks and cost containment efforts in most operating account categories. As a result of favorable net variances in both revenues and expenditures, use of the \$12.0 million budgeted for planned change in fund balance became unnecessary.

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, 2010 amounts to \$568.9 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 \$21.6 million and depreciation was \$28.6 million. Construction in progress as of the end of the current fiscal year was \$14.8 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 2010 the County provided capital improvement funding of approximately \$1.9 million to the Memphis and Shelby County school systems.
- Construction of a bicycle and pedestrian trail from Shelby Farms to Tillman Street in Memphis was begun. Costs incurred were approximately \$6.1 million.
- Roadway improvements continued within the County with expenditures of approximately \$1.0 million.
- Renovation work continued at the Criminal Justice Complex, with expenditures of approximately \$0.9 million.
- Construction began on the renovation of the Shelby County Office Building at 157 Poplar Avenue; expenditures on this renovation were approximately \$0.6 million.
- Construction of the Cotton Creek Sewer System was begun. Costs incurred were approximately \$0.5 million.

Long-term Debt. At June 30, 2010 Shelby County's general obligation bonded debt (bonds payable) outstanding totaled \$1,707,260,182 which represented approximately 8.7% of assessed

value of taxable property. The County's bonds, loans and notes payable decreased by approximately \$40.6 million (2.3%) 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. During FY 2010 \$120 million of short-term notes were converted to long-term bonded debt.

During FY 2010 the County entered into an agreement with the State of Tennessee. The State issued \$55,120,000 of Qualified School Construction Bonds and loaned the proceeds to the County; the County is making the funds available to the Shelby County and City of Memphis schools for specific capital projects. The County will repay the State over the life of the bonds. Since the loan is a general obligation of the County and is backed by the full faith and credit and unlimited taxing power of the County, the County is reporting the loan with other long-term debt.

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.
Aa1	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 1 indicates that the bonds are in the top 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 2010 unemployment rate for Shelby County was 9.8%, which compares to the rate of 9.4% for the State of Tennessee and 9.6% for the nation. General economic conditions in the region have been parallel to those across the nation.

The total property tax rate for fiscal 2011 was maintained at the same level as fiscal 2010. Conservative growth in property taxes has been forecasted in the FY11 budget to recognize a trend toward more stability in home values and the overall economy, while allowing for the continuing impact of reappraisal appeals and foreclosures.

For fiscal 2011 budget, general fund revenue growth of 1.9% is projected in comparison to the 2010 amended budget, or 1.0% compared to actual receipts for 2010. General fund total expenditures are budgeted to increase by only 0.4% compared to prior year budget. The FY11 budget includes a 2.0% salary increase for all employees for the first time in the past three years; however, 34 vacant positions are eliminated. A hiring freeze implemented in 2009 has continued as a means of evaluating staffing priorities and personnel expense on an ongoing basis. Small increases in budgeted expenditures are primarily due to health insurance rates, utility costs, the jail medical contract and other post employment benefits. Expenditures include an additional \$10.0 million for the Regional Medical Center to be used as matching funds for \$20.0 million in federal funding for uncompensated care. The County Mayor and Commission are committed to holding general fund expenditures at the same level as projected general fund revenue growth.

Debt service expenditures decreased \$7.7 million in FY 2010, primarily as a result of lower interest rates on the County's variable rate debt. Expenditures are budgeted to increase to \$182.3 million in FY 2010 mainly because of the County's participation in the Qualified School Construction Bond Program. 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, Suite 1150, Memphis, Tennessee 38103.

Statement of Net Assets
June 30, 2010

	Governmental Activities	Business-type Activities	Total	Component Units
Assets:				
Cash and cash equivalents	\$ 284,165,139	\$ 3,924,856	\$ 288,089,995	\$ 75,085,938
Investments	72,503,867	---	72,503,867	109,663,469
Property taxes receivable, net of allowance for uncollectibles	816,217,944	---	816,217,944	---
Accrued interest receivable	768,301	---	768,301	---
Accounts receivable and accrued revenues	29,061,464	1,624,177	30,685,641	32,660,912
Due from primary government	---	---	---	14,570,196
Due from other governmental entities	18,297,339	14,601,479	32,898,818	15,440,524
Internal balances	2,992,737	(2,992,737)	---	---
Due from component units	698,928	---	698,928	---
Inventories	38,055	---	38,055	3,522,728
Prepays and deferred charges	848,433	---	848,433	---
Deposits held by others	878,585	---	878,585	---
Notes receivable	9,992,560	3,509	9,996,069	---
Other assets	---	---	---	4,700,662
Restricted and other investments	---	---	---	5,677,069
Net pension obligation	28,944,342	4,903,823	33,848,165	---
Land	25,981,294	---	25,981,294	---
Construction in progress	14,836,093	---	14,836,093	---
Depreciable capital assets, net	502,947,681	25,154,882	528,102,563	431,932,142
Total assets	\$ 1,809,172,762	\$ 47,219,989	\$ 1,856,392,751	\$ 693,253,640
Liabilities:				
Accounts payable and accrued liabilities	\$ 22,259,422	\$ 2,139,469	\$ 24,398,891	\$ 65,443,154
Accrued interest payable	11,692,911	23,069	11,715,980	---
Due to other governmental entities	49,898,838	109,727	50,008,565	---
Due to component units	14,570,196	---	14,570,196	---
Due to primary government	---	---	---	698,928
Deposits held for others	5,777,761	411,799	6,189,560	---
Deferred revenue	759,068,627	84,892	759,153,519	976,587
Claims payable, current	7,461,856	---	7,461,856	4,612,503
Long-term liabilities				
Due within one year	130,332,555	3,678,728	134,011,283	80,441
Due in more than one year	1,646,810,923	4,972,738	1,651,783,661	162,627,606
Total liabilities	2,647,873,089	11,420,422	2,659,293,511	234,439,219
Net assets:				
Invested in capital assets, net of related debt	240,569,297	24,388,818	264,958,115	431,213,739
Restricted for:				
Education	9,136,859	---	9,136,859	5,505,780
Debt service	118,987,524	---	118,987,524	---
Capital improvement projects	56,613,022	---	56,613,022	4,372,870
Roads and bridges	6,033,188	---	6,033,188	---
Law enforcement	6,401,837	---	6,401,837	---
Other purposes	10,821,289	---	10,821,289	12,948,620
Unrestricted	(1,287,263,343)	11,410,749	(1,275,852,594)	4,773,412
Total net assets	(838,700,327)	35,799,567	(802,900,760)	458,814,421
Total liabilities and net assets	\$ 1,809,172,762	\$ 47,219,989	\$ 1,856,392,751	\$ 693,253,640

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

**Statement of Activities
For the Year ended June 30, 2010**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 63,105,682	\$ 5,252,005	\$ 9,921,713	\$ ---
Hospital	38,816,666	---	---	---
Planning and development	5,151,177	158,140	5,927,468	---
Public works	47,801,753	10,973,551	7,675,757	710,000
Corrections	1,481,007	---	1,453,664	---
Health services	59,823,299	18,863,908	20,573,531	---
Community services	72,340,940	2,143,715	63,665,890	---
Law enforcement	149,248,036	8,640,259	918,800	---
Judicial	66,108,459	27,621,412	4,012,091	---
Other elected officials	25,700,703	34,806,901	195,302	---
Education	363,281,302	---	---	---
Interest on debt	70,146,945	---	---	---
Total governmental activities	<u>963,005,969</u>	<u>108,459,891</u>	<u>114,344,216</u>	<u>710,000</u>
Business-type activities:				
Codes enforcement	10,472,229	8,749,266	---	---
Fire services	18,938,445	19,109,260	75,600	---
Corrections	53,963,382	44,894,303	---	---
Total business-type activities	<u>83,374,056</u>	<u>72,752,829</u>	<u>75,600</u>	<u>---</u>
Total primary government	<u>\$ 1,046,380,025</u>	<u>\$ 181,212,720</u>	<u>\$ 114,419,816</u>	<u>\$ 710,000</u>
Component units:				
Board of Education	\$ 451,620,707	\$ 33,404,455	\$ 212,167,306	\$ ---
Shelby County Health Care Corporation	281,646,950	220,753,013	40,228,000	2,000,000
Agricenter International	3,583,297	3,513,093	49,747	---
Emergency Communications District	4,386,284	7,283,624	1,560,405	---
Total component units	<u>\$ 741,237,238</u>	<u>\$ 264,954,185</u>	<u>\$ 254,005,458</u>	<u>\$ 2,000,000</u>

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
 Litigation 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, 2009
 Net assets - June 30, 2010

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

Net (Expenses) Revenues and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (47,931,964)	\$ ---	\$ (47,931,964)	\$ ---
(38,816,666)	---	(38,816,666)	---
934,431	---	934,431	---
(28,442,445)	---	(28,442,445)	---
(27,343)	---	(27,343)	---
(20,385,860)	---	(20,385,860)	---
(6,531,335)	---	(6,531,335)	---
(139,688,977)	---	(139,688,977)	---
(34,474,956)	---	(34,474,956)	---
9,301,500	---	9,301,500	---
(363,281,302)	---	(363,281,302)	---
(70,146,945)	---	(70,146,945)	---
(739,491,862)	---	(739,491,862)	---
---	(1,722,963)	(1,722,963)	---
---	246,415	246,415	---
---	(9,069,079)	(9,069,079)	---
---	(10,545,627)	(10,545,627)	---
(739,491,862)	(10,545,627)	(750,037,489)	---
---	---	---	(206,048,946)
---	---	---	(18,665,937)
---	---	---	(20,457)
---	---	---	4,457,745
---	---	---	(220,277,595)
372,416,931	---	372,416,931	---
160,298,952	---	160,298,952	---
241,116,529	---	241,116,529	---
22,028,916	---	22,028,916	40,354,509
11,428,545	---	11,428,545	---
13,550,421	---	13,550,421	---
29,429,162	---	29,429,162	---
3,769,732	---	3,769,732	---
2,494,372	---	2,494,372	---
1,300,937	---	1,300,937	---
9,633,898	---	9,633,898	---
---	---	---	146,365,697
---	---	---	520,246
2,950,625	48,728	2,999,353	1,161,638
154,791	---	154,791	---
(7,683,295)	7,683,295	---	---
862,890,516	7,732,023	870,622,539	188,402,090
123,398,654	(2,813,604)	120,585,050	(31,875,505)
(962,098,981)	38,613,171	(923,485,810)	490,689,926
\$ (838,700,327)	\$ 35,799,567	\$ (802,900,760)	\$ 458,814,421

**Governmental Funds
Balance Sheet
June 30, 2010**

	General Fund	Debt Service Fund	Capital Projects Fund
Assets:			
Cash and cash equivalents	\$ 51,594,867	\$ 70,207,663	\$ 103,093,692
Investments	19,250,000	28,250,000	25,003,867
Property taxes receivable, net of allowance for uncollectibles	278,480,273	159,824,189	-
Accrued interest receivable	635,958	35,262	-
Accounts receivable and accrued revenues	2,117,874	168,894	-
Due from other governmental entities	3,617,321	-	98,819
Due from other funds	26,240,152	2,846,727	-
Due from component units	-	677,113	-
Deposits held by others	26,386	-	-
Notes receivable	350,664	5,175,587	2,530,000
	<u>\$ 382,313,495</u>	<u>\$ 267,185,435</u>	<u>\$ 130,726,378</u>
Liabilities:			
Accounts payable and accrued liabilities	\$ 8,009,162	\$ 732,228	\$ 842,070
Accrued interest payable	-	174,641	-
Due to other governmental entities	15,392,390	-	16,842,000
Deposits held for others	420,740	-	2,609,314
Deferred revenue	275,856,475	163,749,331	2,835,385
Due to other funds	4,210,296	-	-
Due to component units	266,519	-	6,258,000
	<u>304,155,582</u>	<u>164,656,200</u>	<u>29,386,769</u>
Fund balances:			
Restricted	567,558	7,486,042	56,613,022
Committed	799,402	95,043,193	8,234,947
Assigned	1,096,493	-	36,491,640
Unassigned	75,694,460	-	-
	<u>78,157,913</u>	<u>102,529,235</u>	<u>101,339,609</u>
	<u>\$ 382,313,495</u>	<u>\$ 267,185,435</u>	<u>\$ 130,726,378</u>

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

<u>Education Fund</u>	<u>Grants Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 4,495,245	\$ 3,669,117	\$ 16,232,878	\$ 249,293,462
-	-	-	72,503,867
377,913,482	-	-	816,217,944
-	-	-	671,220
-	25,076,893	1,680,725	29,044,386
47,816	12,064,523	1,801,868	17,630,347
-	-	1,363,569	30,450,448
21,815	-	-	698,928
-	4,966	797,233	828,585
-	1,911,210	25,099	9,992,560
<u>\$ 382,478,358</u>	<u>\$ 42,726,709</u>	<u>\$ 21,901,372</u>	<u>\$ 1,227,331,747</u>
\$ -	\$ 8,362,160	\$ 3,516,129	\$ 21,461,749
-	-	-	174,641
-	16,011	13,689	32,264,090
-	1,950,474	797,233	5,777,761
373,341,499	22,634,937	25,298	838,442,925
-	25,291,733	-	29,502,029
-	-	-	6,524,519
<u>373,341,499</u>	<u>58,255,315</u>	<u>4,352,349</u>	<u>934,147,714</u>
9,136,859	14,313,849	17,549,023	105,666,353
-	-	-	104,077,542
-	-	-	37,588,133
-	(29,842,455)	-	45,852,005
<u>9,136,859</u>	<u>(15,528,606)</u>	<u>17,549,023</u>	<u>293,184,033</u>
<u>\$ 382,478,358</u>	<u>\$ 42,726,709</u>	<u>\$ 21,901,372</u>	<u>\$ 1,227,331,747</u>

**Reconciliation of Fund Balances of Governmental
Funds to the Statement of Net Assets
June 30, 2010**

Fund balance - total governmental funds (page 31)	\$	293,184,033
<p>Amounts reported for the governmental activities in the statement of net assets (page 27) are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in funds		542,150,536
Receivables not available to pay for current expenditures are reported as deferred revenue in the funds		83,257,319
Accrued interest receivable in the statement of activities that does not provide current financial resources is not reported as revenues in the funds		97,081
Long-term receivables not available to pay for current expenditures are not recorded in the funds		649,365
Amounts payable to schools from receivables not available to pay current expenditures are reported as deferred revenue in the funds		(25,680,426)
Certain types of services paid for in advance and reported as prepaid are reported as expenditures in the funds under the purchase method		175,892
Interest on long-term debt is not payable with current financial resources and, therefore, is not reported in the funds		(11,518,270)
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)		(1,770,799,087)
Excess contributions to the pension trust funds are expenditures for a future period and, therefore, are not reported in the funds		28,835,297
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 \$2,099,965 related to "look back" adjustments for internal service funds.		20,947,933
Net assets of governmental activities (page 27)	\$	(838,700,327)

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, 2010

	General Fund	Debt Service Fund	Capital Projects Fund
Revenues:			
Property taxes	\$ 224,297,858	\$ 151,142,924	\$ -
Other local taxes	32,278,259	38,573,503	-
State revenue	21,144,826	-	2,018,902
Federal and local revenue	13,568,726	1,991,043	2,333,904
Charges for services	4,277,593	204,000	88,671
Fines, fees and permits	62,044,010	-	-
Other revenue	498,039	4,490,261	-
Investment income	528,662	467,058	572,139
Total revenues	<u>358,637,973</u>	<u>196,868,789</u>	<u>5,013,616</u>
Expenditures:			
Current			
General government	26,294,235	-	-
Hospital	38,816,666	-	-
Planning and development	453,617	-	-
Public works	18,299,171	-	-
Corrections	-	-	-
Health services	29,604,991	-	-
Community services	6,876,346	340,400	-
Law enforcement	141,653,017	-	-
Judicial	59,336,155	-	-
Other elected officials	25,058,000	-	-
Education	-	-	-
Debt service and related cost	-	171,728,253	523,076
Capital outlay: capital projects	-	-	7,848,475
Total expenditures	<u>346,392,198</u>	<u>172,068,653</u>	<u>8,371,551</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,245,775</u>	<u>24,800,136</u>	<u>(3,357,935)</u>
Other financing sources (uses):			
Transfers in	3,989,297	9,646,179	12,070,200
Transfers out	(13,715,787)	(6,564,000)	(2,331,207)
Bond proceeds	-	-	120,000,000
Premium on bonds issued	-	-	4,162,154
Long term debt proceeds other than bonds	-	-	55,120,000
Proceeds from sale of capital assets	406,021	-	-
Insurance proceeds	67,649	-	-
Total other financing sources (uses)	<u>(9,252,820)</u>	<u>3,082,179</u>	<u>189,021,147</u>
Net change in fund balances	2,992,955	27,882,315	185,663,212
Fund balances June 30, 2009	<u>75,164,958</u>	<u>74,646,920</u>	<u>(84,323,603)</u>
Fund balances June 30, 2010	<u>\$ 78,157,913</u>	<u>\$ 102,529,235</u>	<u>\$ 101,339,609</u>

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

Education Fund	Grant funds	Nonmajor Governmental Funds	Total Governmental Funds
\$ 361,240,654	\$ -	\$ -	\$ 736,681,436
9,182,975	-	13,636,848	93,671,585
-	58,564,709	22,940,418	104,668,855
-	43,767,654	3,079	61,664,406
-	1,743,336	2,592,672	8,906,272
-	223,459	5,375,267	67,642,736
-	7,505,122	3,543,151	16,036,573
1,230	73,063	212,904	1,855,056
<u>370,424,859</u>	<u>111,877,343</u>	<u>48,304,339</u>	<u>1,091,126,919</u>
-	5,619,920	28,963,265	60,877,420
-	-	-	38,816,666
-	6,540,409	-	6,994,026
-	7,815,450	13,858,636	39,973,257
-	1,384,904	-	1,384,904
-	25,775,568	4,332,088	59,712,647
-	64,992,840	-	72,209,586
-	1,620,105	2,052,900	145,326,022
-	4,961,282	118,364	64,415,801
-	-	312,576	25,370,576
361,288,000	-	-	361,288,000
-	-	-	172,251,329
-	-	-	7,848,475
<u>361,288,000</u>	<u>118,710,478</u>	<u>49,637,829</u>	<u>1,056,468,709</u>
<u>9,136,859</u>	<u>(6,833,135)</u>	<u>(1,333,490)</u>	<u>34,658,210</u>
-	4,158,755	1,281,456	31,145,887
-	(2,730,543)	(13,856,271)	(39,197,808)
-	-	-	120,000,000
-	-	-	4,162,154
-	-	-	55,120,000
-	1,850	5,300	413,171
-	12,602	17,806	98,057
-	<u>1,442,664</u>	<u>(12,551,709)</u>	<u>171,741,461</u>
9,136,859	(5,390,471)	(13,885,199)	206,399,671
-	<u>(10,138,135)</u>	<u>31,434,222</u>	<u>86,784,362</u>
<u>\$ 9,136,859</u>	<u>\$ (15,528,606)</u>	<u>\$ 17,549,023</u>	<u>\$ 293,184,033</u>

**Reconciliation of Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended June 30, 2010**

Net change in fund balances - total governmental funds (page 35) \$ 206,399,671

Amounts reported for the governmental activities in the statement of activities (page 29) 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) (6,314,687)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,950,956

Expenditures recorded under the purchases method that apply to a future period are reported as prepaid expenses in the Statement of Net Assets 139,920

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) (77,827,920)

Changes in other long-term liabilities other than in internal service funds (See Note II.B) (7,054,197)

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 1,855,759

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. 4,249,152

Change in net assets of governmental activities (page 29) \$ 123,398,654

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

**Proprietary Funds
Statement of Net Assets
June 30, 2010**

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Assets:		
Current assets		
Cash and cash equivalents	\$ 3,924,856	\$ 34,871,677
Accounts receivable and accrued revenues	1,624,177	17,078
Due from other governmental entities	14,601,479	17,628
Inventories	-	38,055
Prepays	-	672,541
Deposits held by others	-	50,000
Notes receivable	3,509	-
Total current assets	20,154,021	35,666,979
Noncurrent assets		
Net pension obligation	4,903,823	109,045
Depreciable capital assets, net	25,154,882	1,614,532
Total noncurrent assets	30,058,705	1,723,577
Total assets	\$ 50,212,726	\$ 37,390,556
Liabilities and net assets:		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,139,469	\$ 797,673
Accrued interest payable	23,069	-
Due to other governmental entities	109,727	-
Deposits held for others	411,799	-
Deferred revenue	84,892	3,883,021
Due to other funds	892,772	55,647
Sick and annual leave payable	3,531,905	69,389
Capital lease obligations, current portion	146,823	-
Claims payable	-	7,461,856
Total current liabilities	7,340,456	12,267,586
Noncurrent liabilities		
Long term claims payable	-	6,187,442
Sick and annual leave payable	1,732,524	46,076
Capital lease obligations	619,241	-
Net postemployment benefit obligations	2,620,973	41,484
Total noncurrent liabilities	4,972,738	6,275,002
Total liabilities	12,313,194	18,542,588
Net assets:		
Invested in capital assets, net of related debt	24,388,818	1,614,532
Unrestricted	13,510,714	17,233,436
Total net assets	37,899,532	18,847,968
Total liabilities and net assets	\$ 50,212,726	\$ 37,390,556
Total net assets	\$ 37,899,532	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(2,099,965)	
Net assets of business-type activities on Statement of Net Assets (page 27)	\$ 35,799,567	

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

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2010

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Operating revenues:		
State revenue	\$ 43,364,634	\$ -
Federal and local revenue	3,508,259	71,934
Premium revenue	-	53,732,693
Charges for services	1,486,207	6,149,739
Fines, fees and permits	24,422,580	-
Other revenue	46,749	18,581
Total operating revenues	<u>72,828,429</u>	<u>59,972,947</u>
Operating expenses:		
Salaries	39,374,252	711,453
Other compensation	5,154,336	564
Fringe benefits	14,624,031	261,696
Supplies and materials	5,368,133	609,475
Services and other expenses	528,943	1,400,973
Professional and contracted services	9,563,836	2,965,681
Rent, utilities and maintenance	3,108,102	2,649,213
Interfund services	4,622,356	29,416
Depreciation	1,633,381	169,287
Claims incurred	4,926	46,665,735
Total operating expenses	<u>83,982,296</u>	<u>55,463,493</u>
Operating income (loss)	(11,153,867)	4,509,454
Nonoperating revenues (expenses):		
Interest income	48,728	120,750
Interest expense	(46,170)	-
Gain (loss) on asset disposal	(95,268)	-
Income (loss) before transfers	<u>(11,246,577)</u>	<u>4,630,204</u>
Transfers:		
Transfers in	8,039,948	1,000,000
Transfers out	(356,653)	(631,374)
Net transfers	<u>7,683,295</u>	<u>368,626</u>
Change in net assets	(3,563,282)	4,998,830
Net assets:		
June 30, 2009	<u>41,462,814</u>	<u>13,849,138</u>
June 30, 2010	<u>\$ 37,899,532</u>	<u>\$ 18,847,968</u>
Change in net assets	\$ (3,563,282)	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>749,678</u>	
Change in net assets of business-type activities on Statement of Activities (page 29)	<u>\$ (2,813,604)</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, 2010

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Cash flows from operations:		
Receipts from customers	\$ 101,554,918	\$ 339,401
Receipts for special programs	75,600	-
Receipts from interfund services provided	331,872	5,945,598
Premiums received	-	54,004,094
Refunds received from suppliers	4,928	48,652
Refunds paid to customers	(37,758,341)	-
Cash payments to suppliers	(18,100,648)	(7,997,477)
Cash payments to employees	(57,433,247)	(944,536)
Claims paid	-	(47,132,233)
Payments for interfund services used	(4,966,164)	(29,416)
Net cash provided by (used in) operating activities	<u>(16,291,082)</u>	<u>4,234,083</u>
Cash flows from noncapital financing activities:		
Transfers from other funds	8,039,948	1,000,000
Transfers to other funds	(356,653)	(631,374)
Advances from other funds	892,772	55,647
Repayment of advance from other funds	(1,051,234)	(100,101)
Notes receivable issued	6,135	-
Net cash provided by (used in) noncapital financing activities	<u>7,530,968</u>	<u>324,172</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(527,911)	(145,790)
Proceeds from the sale of capital assets	10,100	-
Capital lease obligation payments	(140,113)	-
Interest paid	(43,271)	-
Insurance recoveries	6,541	-
Net cash provided by (used in) capital and related financing activities	<u>(694,654)</u>	<u>(145,790)</u>
Cash flows form investing activities:		
Interest and investment earnings	48,728	120,750
Interest paid	(7,316)	-
Net cash provided by investing activities	<u>41,412</u>	<u>120,750</u>
Net increase (decrease) in cash and cash equivalents	(9,413,356)	4,533,215
Cash and cash equivalents, June 30, 2009	<u>13,338,212</u>	<u>30,338,462</u>
Cash and cash equivalents, June 30, 2010	<u>\$ 3,924,856</u>	<u>\$ 34,871,677</u>

(continued)

Proprietary Funds
Statement of Cash Flows (continued)
For the Year Ended June 30, 2010

	Business-type Activities- Nonmajor Enterprise Funds	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (11,153,867)	\$ 4,509,454
Adjustments:		
Depreciation	1,633,381	169,287
Changes in assets and liabilities:		
Accounts receivable and accrued revenues	15,915	9,894
Due from other governmental entities	(8,992,965)	97,403
Inventories	-	(5,966)
Prepays and deferred charges	(18,052)	(342,110)
Deposits held by others	-	99,000
Notes receivable	(1,262)	-
Net pension obligation	(95,510)	(2,050)
Accounts payable and accrued liabilities	213,911	17,625
Due to other governments	109,727	-
Deposits held for others	35,514	-
Deferred revenue	(18,809)	113,254
Sick and annual leave payable	395,180	3,123
Claims payable	-	(462,934)
Net postemployment benefit obligations	1,585,755	28,103
Total adjustments	(5,137,215)	(275,371)
Net cash provided by (used in) operating activities	\$ (16,291,082)	\$ 4,234,083
Noncash investing, capital, and financing activities:		
Capital assets accrued, not reflected in capital financing activities	\$ 147,550	\$ 9,862

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

Fiduciary Funds
Statement of Fiduciary Net Assets
June 30, 2010

	Other Postemployment Benefits Trust Fund	Shelby County Retirement System	Constitutional Officers Agency Fund
Assets:			
Cash and cash equivalents	\$ 4,242,393	\$ 69,964,789	\$ 143,268,157
Investments			
Domestic Equity	20,957,139	248,793,827	-
Fixed income	15,887,295	183,325,349	-
International equity	12,121,608	167,254,053	-
Hedge funds	-	115,307,325	-
Limited partnership interests	-	27,979,958	-
Private real estate and infrastructure	1,473,068	19,920,727	-
Certificates of deposit	-	-	26,650,000
Alternative investments	7,781,426	-	-
Accounts receivable	76,940	-	2,449,416
Accrued interest and dividends receivable	27,737	2,747,129	-
Due from brokers - investment sales	-	2,585,849	-
	<u>62,567,606</u>	<u>837,879,006</u>	<u>172,367,573</u>
Total assets	\$ 62,567,606	\$ 837,879,006	\$ 172,367,573
Liabilities:			
Accounts payable	\$ 975,736	\$ 1,048,756	\$ 20,974
Funds held for others	-	-	67,392,481
Due to brokers and others	-	11,065,958	-
Due to component units	-	-	87,371,482
Due to other governmental entities	-	-	17,582,636
	<u>975,736</u>	<u>12,114,714</u>	<u>\$ 172,367,573</u>
Total liabilities	975,736	12,114,714	\$ 172,367,573
Net assets held in trust for pension and OPEB benefits	<u>61,591,870</u>	<u>825,764,292</u>	
Total plan net assets	<u>61,591,870</u>	<u>825,764,292</u>	
Total liabilities and plan net assets	\$ <u>62,567,606</u>	\$ <u>837,879,006</u>	

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

Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
June 30, 2010

	<u>Other Postemployment Benefits Trust Fund</u>	<u>Shelby County Retirement System</u>
Additions:		
Contributions:		
Employer contributions	\$ 20,611,575	\$ 19,390,150
Member contributions	4,527,284	9,381,228
Total contributions	<u>25,138,859</u>	<u>28,771,378</u>
Investment income:		
Net change in fair value of investments	5,410,496	103,697,182
Interest income	20,514	9,641,622
Dividend income	641,789	4,544,511
Other income	-	468,834
Total investment income	6,072,799	118,352,149
Less investment management expenses	<u>(79,158)</u>	<u>(3,837,970)</u>
Net investment income	5,993,641	114,514,179
Net additions	<u>31,132,500</u>	<u>143,285,557</u>
Deductions:		
Benefit payments	14,975,544	48,159,243
Administrative expenses	411,979	1,535,230
Refund of member contributions	-	3,699,296
Total deductions	<u>15,387,523</u>	<u>53,393,769</u>
Change in net assets	15,744,977	89,891,788
Net assets held in trust for benefits		
June 30, 2009	<u>45,846,893</u>	<u>735,872,504</u>
June 30, 2010	<u>\$ 61,591,870</u>	<u>\$ 825,764,292</u>

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

Component Units
Combining Statement of Net Assets
June 30, 2010

	Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total
Assets:					
Cash and cash equivalents	\$ 15,583,655	\$ 53,576,684	\$ 143,662	\$ 5,781,937	\$ 75,085,938
Investments	80,352,276	3,922,517	-	25,388,676	109,663,469
Accounts receivable	1,167,195	30,010,896	303,614	1,179,207	32,660,912
Due from primary government	14,303,677	266,519	-	-	14,570,196
Due from other governments	15,440,524	-	-	-	15,440,524
Inventories	3,518,396	-	4,332	-	3,522,728
Other assets	-	4,357,522	12,730	330,410	4,700,662
Restricted and other investments	-	5,677,069	-	-	5,677,069
Capital assets, net	375,685,630	53,074,615	1,549,219	1,622,678	431,932,142
Total assets	\$ 506,051,353	\$ 150,885,822	\$ 2,013,557	\$ 34,302,908	\$ 693,253,640
Liabilities:					
Accounts payable and accrued expenses	\$ 29,118,135	\$ 35,575,808	\$ 333,080	\$ 416,131	\$ 65,443,154
Due to primary government	21,815	677,113	-	-	698,928
Deferred revenue	846,617	-	129,970	-	976,587
Claims payable	4,612,503	-	-	-	4,612,503
Long-term liabilities					
Due within one year	-	-	80,441	-	80,441
Due in more than one year	150,583,525	12,017,000	27,081	-	162,627,606
Total liabilities	185,182,595	48,269,921	570,572	416,131	234,439,219
Net assets:					
Invested in capital assets, net of related debt	375,685,630	52,397,502	1,507,929	1,622,678	431,213,739
Restricted for:					
Building construction	-	4,372,870	-	-	4,372,870
Indigent care	-	651,783	-	-	651,783
Insurance claims	12,296,837	-	-	-	12,296,837
Education	5,505,780	-	-	-	5,505,780
Unrestricted	(72,619,489)	45,193,746	(64,944)	32,264,099	4,773,412
Total net assets	320,868,758	102,615,901	1,442,985	33,886,777	458,814,421
Total liabilities and net assets	\$ 506,051,353	\$ 150,885,822	\$ 2,013,557	\$ 34,302,908	\$ 693,253,640

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, 2010**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Board of Education	\$ 451,620,707	\$ 33,404,455	\$ 212,167,306	\$ -
Shelby County Health Care Corporation	281,646,950	220,753,013	40,228,000	2,000,000
Agricenter International	3,583,297	3,513,093	49,747	-
Emergency Communications District	4,386,284	7,283,624	1,560,405	-
Total Component Units	\$ 741,237,238	\$ 264,954,185	\$ 254,005,458	\$ 2,000,000

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, 2009 as restated
 Net assets - June 30, 2010

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
\$ (206,048,946)	\$ -	\$ -	\$ -	\$ (206,048,946)
-	(18,665,937)	-	-	(18,665,937)
-	-	(20,457)	-	(20,457)
-	-	-	4,457,745	4,457,745
(206,048,946)	(18,665,937)	(20,457)	4,457,745	(220,277,595)
115,749,031	30,616,666	-	-	146,365,697
40,354,509	-	-	-	40,354,509
6,686,244	(6,398,238)	-	232,240	520,246
-	455,390	5,966	700,282	1,161,638
-	-	-	-	-
162,789,784	24,673,818	5,966	932,522	188,402,090
(43,259,162)	6,007,881	(14,491)	5,390,267	(31,875,505)
364,127,920	96,608,020	1,457,476	28,496,510	490,689,926
\$ 320,868,758	\$ 102,615,901	\$ 1,442,985	\$ 33,886,777	\$ 458,814,421

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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 48,000 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.

There are other funds with revenue raised for a specific purpose. The County reports the following funds as Special Revenue Funds (all are nonmajor):

- Roads and Bridges Fund accounts for the proceeds received from the County's share of State Gasoline taxes and State Gas Inspection taxes. These revenues are used for the maintenance of public roads and bridges in the unincorporated areas of the County.
- Hotel and TDZ Taxes Fund accounts for the proceeds received from the hotel/motel tax levied by the County on hotel/motel occupancy within the County. Hotel/Motel tax is used to first provide debt service requirements at the Sports Authority on the FedEx Forum and then funding for the Convention and Visitors Bureau as provided in State law. Any remainder may be used for Convention Center debt, Convention Center operations and additional funding to the Convention and Visitors Bureau. This fund also accounts for incremental sales tax received from the "Tourist Development Zone" which was developed for the City of Memphis by State legislation. The State pays the City the State's share of sales tax; through an inter-local agreement most of the funds are paid to the County. The proceeds are used to pay for Convention Center debt and capital funding as authorized by the State of Tennessee.
- Sheriff Forfeitures Fund accounts for the proceeds from seizure and forfeiture of properties related to certain drug cases and property acquired and accumulated as a result of criminal offenses. These funds are used to fund further law enforcement efforts, drug investigation enforcement and certain non-recurring purposes.

- Data Processing Fund accounts for a separate computerization fee charged by the Courts and the County Register restricted by State statute. It is to be used for the purchase of computer equipment, upgrades, imaging systems and other related supplies and maintenance to support their data processing needs.
- Car Rental Tax Fund accounts for the tax proceeds on car rentals levied by the County. The proceeds are used only to help retire debt on bonds issued by the Memphis and Shelby County Sports Authority, Inc. for construction of the FedEx Forum.
- Health Services Restricted Fees Fund accounts for proceeds received from pollution control permits and fees for specific industries. There are also fees received for vector control services as a component of the fees collected through the City and County's utility services. These proceeds are used respectively, to control pollution and control rodents, mosquitoes and other pests in the County.
- Economic Development Fund accounts for certain funds designated by the County Commission "to achieve an increase in living standards that promotes an increase in per capita income, better education and health as well as environmental protection." Use of this fund was discontinued as of 6/30/10.
- Storm Water Fees Fund accounts for fees collected from unincorporated portions of the County for storm water expenses as specified in the Shelby County Code of Ordinances.

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):

- Consolidated Codes Enforcement Fund
- Fire Services Fund
- Corrections Center Fund

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 eliminated. 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 including all taxes are reported as general revenues rather than as program revenues.

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 the purpose of an expenditure would permit the use of funds in more than one fund balance category, it is the County's policy to use funds in the order of restricted, committed, assigned and unassigned, unless the appropriation or specific funding source dictates a specific fund balance category.

(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, commingled 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 Pension Trust Fund is also authorized to invest 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, 2010, 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 post 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 Nonspendable, Restricted, Committed, Assigned and/or Unassigned fund balances.

- Nonspendable fund balance reflects amounts not in spendable form or amounts that legally or contractually must be maintained intact.
- Restricted fund balance reflects amounts subject to external enforceable legal restrictions that are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance reflects amounts whose use is constrained by limitations that the County imposes upon itself by the Shelby County Commission through resolution and shall remain binding unless removed in the same manner. The County Commission is the County's highest level of decision-making authority.

- Assigned fund balance reflects the County's intended use of resources. It allows decision making authority to be delegated to some other body or official. This authority is delegated by approved County Commission resolution. No formal action is required to remove this authority.
- Unassigned fund balance is the residual net resources.

Minimum Fund Balance Policy

The County Board of Commissioners, the County's legislative body, has by resolution adopted a formal fund balance policy. The policy specifies a minimum fund balance of between 15-25% of revenues for the general fund and 20-30% of revenues for the debt service fund.

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 \$(6,275,002) of long-term liabilities and are not part of this reconciling amount. The details of this \$(1,770,799,087) are as follows:

Bonds payable	\$ (1,661,630,481)
Accreted value on bonds	(45,629,701)
Net premium and issuance cost on bonds issued	(27,324,005)
Compensated absences	(21,594,003)
Landfill postclosure	(3,262,246)
Claims and judgements	(355,848)
Net post employment benefit obligation	<u>(11,002,803)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	<u><u>\$ (1,770,799,087)</u></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 \$(6,314,687) difference are as follows:

Capital outlay	\$ 19,819,058
Developer contributions	710,000
Gain on asset disposals	154,791
Depreciation expense	<u>(26,998,536)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (6,314,687)</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 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.” The details of this \$(77,827,920) difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (120,000,000)
Premium on debt issued, net of issuance costs of \$(3,841,260) and amortization of \$5,845,177	2,003,917
Accretion of zero coupon bonds	(4,674,723)
Change in accrued interest expense	(432,114)
Long-term debt other than bonds	(55,120,000)
Principal repayments on general obligation debt	<u>100,395,000</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (77,827,920)</u>

Another element of that reconciliation is “changes in other long-term liabilities other than in internal service funds.” The details of this \$(7,054,197) difference are as follows:

Landfill post closure costs	\$ 98,585
Sick and annual leave	(371,214)
Net postemployment benefit obligations	<u>(6,781,568)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (7,054,197)</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(A) Budgetary Information

The revenues and expenditures accounted for in each of the General Fund, Special Revenue Funds, 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 (i.e. revenue, personnel related expenditures or other expenditures) of the same division (group of departments). Any adjustments that 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 do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

(B) Deficit Fund Equity

The deficit in the Grants Fund of \$15,528,606 results from deferring revenue 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, 2010. Of the total investments per financial reports, \$72,503,867 is reported on the Statement of Net Assets and \$26,650,000 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	\$ 25,003,867
Tennessee Local Government Investment Pool (LGIP)	<u>133,845,292</u>
Total investments for disclosure purposes	158,849,159
Add certificates of deposit reported as investments	74,150,000
Less amounts reported as cash equivalents	<u>(133,845,292)</u>
Total investments per financial reports	<u>\$ 99,153,867</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, 2010 the Retirement System had deposits of \$207,000 that were not insured and were uncollateralized. At June 30, 2010 the Retirement System reported the following investments with carrying amounts as shown:

Domestic equity	\$ 248,793,827
Fixed income	183,325,349
International equity	167,254,053
Hedge funds	115,307,325
Limited partnership interests	27,979,958
Private real estate	<u>19,920,727</u>
Total investments	<u>\$ 762,581,239</u>

The fair values of fixed income investments grouped by maturity at June 30, 2010 are as follows:

Current to one year	\$ 9,754,579
One to two years	7,217,408
Two to three years	10,556,679
Three to four years	9,005,793
Four to five years	8,080,896
Five years or more	<u>105,998,848</u>
	150,614,203
Funds with indeterminable maturities	<u>32,711,146</u>
Total	<u>\$ 183,325,349</u>

At June 30, 2010 the Retirement System had \$278,176,161 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, 2010. 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, 2010 the OPEB Trust had deposits of \$4,242,393 that were not insured and were uncollateralized; most of this was held in the Tennessee LGIP short term investment fund. At June 30, 2010 the OPEB Trust reported the following investments with carrying amounts as shown:

Domestic equity	\$ 20,957,139
International equity	12,121,608
Fixed income	15,887,295
Private real estate	1,473,068
Alternative investments	<u>7,781,426</u>
Total investments	<u>\$ 58,220,536</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 2010 tax bills were based was \$19,657,378,625. The estimated market value was \$66,374,654,928, making the overall assessed value 29.62% 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 92.61% of the original tax levy and 93.58% 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	\$ 1.23
Debt service funds	.81
Boards of education	<u>1.98</u>
Countywide tax rate	<u>\$ 4.02</u>
Debt service - rural school bonds	<u>\$.04</u>

The \$0.04 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	\$ 297,227,599	\$ 171,082,931	\$ 404,893,703	\$ 873,204,233
Less allowance for uncollectibles	(18,747,326)	(11,258,742)	(26,980,221)	(56,986,289)
	<u>\$ 278,480,273</u>	<u>\$ 159,824,189</u>	<u>\$ 377,913,482</u>	<u>\$ 816,217,944</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 2010	\$ 340,255	Land & Building
Promissory notes receivable due in various installments	10,409	None
Total General Fund	<u>\$ 350,664</u>	
<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>\$ 5,175,587</u>	Land & Building
<i>Capital Projects Fund</i>		
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>\$ 2,530,000</u>	None
<i>Grants Fund</i>		
Mortgage loans receivable due in various monthly installments at 0% to 5% interest through 2019	<u>\$ 1,911,210</u>	Land & Building
<i>Nonmajor Governmental Funds</i>		
Promissory notes receivable due in various installments	<u>\$ 25,099</u>	None

Note IV (G) includes details of deferred revenue relating to notes receivable. The Debt Service Fund has a note receivable from Shelby County Health Care Corporation in the amount of \$677,113, which is 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, 2010 they owed \$385,258 for which an allowance for doubtful accounts has been provided.

The County leases certain real property described as 150 Washington Avenue to the Shelby County Federal Credit Union for the sum of \$120,000 over a period of five years. The term of the lease commenced on October 1, 2009 and will end September 30, 2014. The monthly installments of \$2,000 are recognized as rental income in the General Fund.

The County leases certain real property with improvements described as Fire Station #65 to the City of Memphis, Tennessee through June 30, 2016, with no lease fees or charges. All charges for gas, water, sewer, electricity, light, heat, power, telephone, and other utilities and services used, rendered or supplied to or in connection with the leased premises will be paid for by the City of Memphis.

(E) Capital Assets

Capital asset activity of the primary government for the year ended June 30, 2010 is detailed below.

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<i>Governmental activities:</i>					
Capital assets not being depreciated:					
Land	\$ 21,487,689	\$ 4,500,000	\$ (6,395)	\$ ---	\$ 25,981,294
Construction in progress	12,438,249	7,490,660	---	(5,092,816)	14,836,093
Total not being depreciated	<u>33,925,938</u>	<u>11,990,660</u>	<u>(6,395)</u>	<u>(5,092,816)</u>	<u>40,817,387</u>
Capital assets being depreciated:					
Land improvements	13,837,753	91,516	(56,500)	210,372	14,083,141
Buildings	241,621,147	411,802	(447,027)	1,806,791	243,392,713
Equipment	91,926,502	6,067,332	(2,158,073)	3,075,653	98,911,414
Infrastructure	495,888,484	2,516,484	---	---	498,404,968
Total being depreciated	<u>843,273,886</u>	<u>9,087,134</u>	<u>(2,661,600)</u>	<u>5,092,816</u>	<u>854,792,236</u>
Less accumulated depreciation:					
Land improvements	4,865,592	477,925	(22,633)	---	5,320,884
Buildings	102,716,701	7,026,648	(358,737)	---	109,384,612
Equipment	49,141,344	7,006,384	(1,879,046)	---	54,268,682
Infrastructure	170,382,798	12,487,579	---	---	182,870,377
Total accumulated depreciation	<u>327,106,435</u>	<u>26,998,536</u>	<u>(2,260,416)</u>	<u>---</u>	<u>351,844,555</u>
Total capital assets being depreciated, net	<u>516,167,451</u>	<u>(17,911,402)</u>	<u>(401,184)</u>	<u>5,092,816</u>	<u>502,947,681</u>
Governmental activities capital assets, net	<u>\$ 550,093,389</u>	<u>\$ (5,920,742)</u>	<u>\$ (407,579)</u>	<u>\$ ---</u>	<u>\$ 543,765,068</u>

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<i>Business type activities:</i>					
Capital assets being depreciated:					
Land improvements	\$ ---	\$ 14,942	\$ ---	\$ ---	\$ 14,942
Buildings	47,635,104	---	---	---	47,635,104
Equipment	9,227,045	660,519	(530,141)	---	9,357,423
Total being depreciated	<u>56,862,149</u>	<u>675,461</u>	<u>(530,141)</u>	<u>---</u>	<u>57,007,469</u>
Less accumulated depreciation:					
Buildings	24,000,304	1,112,184	---	---	25,112,488
Equipment	6,631,000	521,197	(412,098)	---	6,740,099
Total accumulated depreciation	<u>30,631,304</u>	<u>1,633,381</u>	<u>(412,098)</u>	<u>---</u>	<u>31,852,587</u>
Business-type activities capital assets, net	<u>\$ 26,230,845</u>	<u>\$ (957,920)</u>	<u>\$ (118,043)</u>	<u>\$ ---</u>	<u>\$ 25,154,882</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
Depreciable assets:		
General government	\$ 23,528,500	\$ 1,599,032
Planning and development	10,074	35,198
Public works	384,651,024	15,350,714
Corrections	2,083,369	91,425
Health services	5,303,389	502,681
Community services	4,455,178	200,285
Law enforcement	68,629,752	6,243,116
Judicial	12,187,980	2,100,566
Other elected officials	2,098,415	875,519
Total depreciable assets	<u>502,947,681</u>	<u>26,998,536</u>
Non-depreciable assets:		
Land	25,981,294	---
Construction in progress	14,836,093	---
Total non-depreciable assets	<u>40,817,387</u>	
Total Governmental activities	<u>\$ 543,765,068</u>	<u>\$ 26,998,536</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, 2010 was \$3,241,389 for the primary government.

Capital Leases

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 the Ferrara truck was purchased for a total cost of \$584,925.

The amortization of these leased assets is included as part of depreciation expense. The total remaining balance on the capital leases is \$766,064.

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, 2010:

Fiscal Year	Operating Leases	Capital Leases
2011	\$ 1,873,776	\$ 183,384
2012	519,820	183,384
2013	367,311	183,384
2014	245,596	183,384
2015	238,437	72,395
2016-2020	---	72,395
Total minimum lease payments	3,244,940	878,326
Less: amount representing interest	---	(112,262)
Present value of minimum lease payments	<u>\$ 3,244,940</u>	<u>\$ 766,064</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	\$ 258,430,400	\$ 147,291,042	\$ ---	\$ 347,661,073	\$ ---	\$ ---	\$ 753,382,515
Grant revenue	---	---	---	---	1,596,525	---	1,596,525
Advance project contributions	---	---	206,566	---	---	---	206,566
Not Available:							
Property taxes receivable	16,447,159	10,605,589	---	25,680,426	---	---	52,733,174
Grant revenue	---	---	---	---	19,127,202	---	19,127,202
Notes receivable	350,664	5,175,587	2,530,000	---	1,911,210	25,099	9,992,560
Due from State	555,633	---	98,819	---	---	---	654,452
Due from other municipalities	15,160	---	---	---	---	---	15,160
Due from Shelby County	---	---	---	---	---	---	---
Health Care Corporation	---	677,113	---	---	---	---	677,113
Other receivables	57,459	---	---	---	---	199	57,658
	<u>\$ 275,856,475</u>	<u>\$ 163,749,331</u>	<u>\$ 2,835,385</u>	<u>\$ 373,341,499</u>	<u>\$ 22,634,937</u>	<u>\$ 25,298</u>	<u>\$ 838,442,925</u>

Internal service funds have deferred revenue of \$3,883,021 for unearned premiums. The proprietary Consolidated Codes Enforcement Fund has deferred revenue of \$84,892 for building permits and licensing fees paid in advance.

(H) Debt and Long-term Liabilities

Debt issued during current year:

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 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).

As of December 1, 2009 the County entered into a loan agreement with the State of Tennessee for \$55,120,000 related to Qualified School Construction Bonds issued by the State on behalf of the County. The proceeds of this loan must be used for specific school capital projects. This loan is a general obligation of Shelby County, backed by the full faith and credit and unlimited taxing power of the County, as well as all State shared revenue. As this loan is very similar to the general obligation bonds, it is included with general obligation bonds hereafter in this note and is identified as "2009 QSCB Loan".

Changes in short term debt:

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, 2009	Additions	Reductions	Balance June 30, 2010
2008 EMCP	\$ 120,000,000	\$ ---	\$ 120,000,000	\$ ---
Total	<u>\$ 120,000,000</u>	<u>\$ ---</u>	<u>\$ 120,000,000</u>	<u>\$ ---</u>

Changes in long-term liabilities:

Changes in long-term liabilities during the year were:

	Balance June 30, 2009	Additions	Reductions	Balance June 30, 2010	Due Within One Year
Governmental activities:					
Bonds and loans payable	\$ 1,627,860,459	\$ 179,794,723	\$ (100,395,000)	\$ 1,707,260,182	\$ 110,960,572
Net premium and issuance cost of bonds issued	29,327,922	4,162,154	(6,166,071)	27,324,005	5,411,908
Claims and judgments	7,037,805	75,519	(570,034)	6,543,290	11,710
Landfill postclosure care costs	3,360,831	---	(98,585)	3,262,246	111,848
Sick and annual leave	21,323,992	10,211,385	(9,825,909)	21,709,468	13,836,517
Net post employment benefit obligations	4,234,617	6,809,670	---	11,044,287	---
Total governmental activities	<u>\$ 1,693,145,626</u>	<u>\$ 201,053,451</u>	<u>\$ (117,055,599)</u>	<u>\$ 1,777,143,478</u>	<u>\$ 130,332,555</u>
Business-type activities:					
Capitalized lease obligations	\$ 906,177	\$ ---	\$ (140,113)	\$ 766,064	\$ 146,823
Sick and annual leave	4,869,249	2,018,153	(1,622,973)	5,264,429	3,531,905
Net post employment benefit obligations	1,035,218	1,585,755	---	2,620,973	---
Total business-type activities	<u>\$ 6,810,644</u>	<u>\$ 3,603,908</u>	<u>\$ (1,763,086)</u>	<u>\$ 8,651,466</u>	<u>\$ 3,678,728</u>

Bonds and loans payable additions include \$4,674,723 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 \$115,465 of sick and annual leave payable, \$6,187,442 of claims and judgments payable, and \$41,484 of post employment 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 and loans:

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
1996B Refunding Issue	11/01/1996	5.00 - 6.00	\$ 31,476,064	12/01/2016
1997B Refunding Issue	11/01/1997	4.50 - 5.75	16,904,416	08/01/2016
1999B Refunding Issue	02/01/1999	3.55 - 5.25	19,115,000	04/01/2013
2001A Public Imp/Schools	12/01/2001	4.50 - 5.00	6,249,999	04/01/2011
2001A Refunding Issue (a)	03/01/2001	Variable	9,800,000	03/01/2011
2003A Public Imp/Schools	06/10/2003	4.375 - 5.00	108,445,000	03/01/2028
2003A Special Rural Schools	12/02/2003	2.50 - 5.00	26,880,000	11/01/2028
2004A Public Imp/Schools	03/31/2004	3.00 - 5.00	26,274,999	04/01/2014
2004B Public Imp/Schools (a)	04/15/2004	Variable	237,705,003	04/01/2030
2005A Refunding Issue	03/10/2005	3.00 - 5.00	342,525,000	04/01/2025
2006A Public Imp/Schools	02/22/2006	5.00	46,415,000	03/01/2016
2006B Public Imp/Schools (a)	02/22/2006	Variable	159,590,000	03/01/2031
2006C Refunding Issue (a)	11/30/2006	Variable	241,875,000	12/01/2031
2009A Refunding Issue	04/02/2009	2.75 - 5.00	213,255,000	04/01/2022
2009A Public Imp/Schools	09/30/2009	2.25 - 5.00	60,000,000	04/01/2024
2009C Public Imp/Schools	09/30/2009	2.25 - 5.00	60,000,000	04/01/2024
2009 QSCB Loan	12/01/2009	1.515	55,120,000	09/15/2026
			<u>1,661,630,481</u>	
		Accreted Value of Bonds	<u>45,629,701</u>	
		Total General Obligation Bonds	<u>\$ 1,707,260,182</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	\$ 476,449,093
Education	<u>1,185,181,388</u>
	1,661,630,481
Accreted value of bonds	<u>45,629,701</u>
	<u>\$ 1,707,260,182</u>

Interest expense in the Debt Service Fund during the fiscal year ended June 30, 2010 was \$69,936,731. Entity wide interest was \$70,146,945 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

deceased bonds are not included in the County's financial statements. Of the original principal, \$138,005,000 of outstanding bonds that were advance refunded prior to Fiscal Year 2010 are considered deceased at June 30, 2010. Specific deceased maturities are shown on the combining and other statements and schedules for General Obligation 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 \$220,550,000 and 4.26% on the notional amount of \$21,320,000 for the 2006 Series C Variable Rate Demand Refunding Bonds are as follows:

Years Ended June 30	Principal	Interest	Total
2011	\$ 107,807,784	\$ 69,178,040	\$ 176,985,824
2012	93,761,208	80,195,371	173,956,579
2013	86,019,051	81,541,616	167,560,667
2014	97,127,057	64,245,623	161,372,680
2015-2019	467,638,379	245,395,252	713,033,631
2020-2024	415,067,013	128,312,716	543,379,729
2025-2029	291,069,989	54,465,150	345,535,139
2030-2033	103,140,000	9,519,603	112,659,603
	1,661,630,481	732,853,371	2,394,483,852
Accreted value of Bonds	45,629,701	(45,629,701)	---
	<u>\$ 1,707,260,182</u>	<u>\$ 687,223,670</u>	<u>\$ 2,394,483,852</u>

Interest rate swap agreements:

As of June 30, 2010 Shelby County has six interest rate swap agreements, described below. Each of these Swaps have been evaluated using the GASB 53 guidelines and all have been determined to be hedgeable.

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 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:

Trade Date	Option Notification Date	Swap Effective Date	Swap Maturity Date	Original Notional Amount	Fixed Payer Rate	Underlying Index	Upfront Cash Payment
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, 2010 has a net value of (\$315,092). The total mark-to-market was (\$479,310) of which approximately (\$164,218) is accrued interest from 3/1/2010 to the valuation date, June 30, 2010. 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, 2010, below are the principal and interest requirements of the debt and the net swap payments (assuming SIFMA equals its current level of .25% 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 Payments	Total
	Principal	Interest		
2011	\$ 9,800,000	\$ 34,018	\$ 489,510	\$ 10,323,528
Total	\$ 9,800,000	\$ 34,018	\$ 489,510	\$ 10,323,528

Credit Risk: Because the swap has a negative value on June 30, 2010, 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.

Swaps Two and Three: 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 (LFP) 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 an 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, 2010 have a net value of (\$28,685,825) consisting of (\$7,781,925) for the Goldman swap and (\$20,813,899) for the LFP swap. The total mark-to-market was (\$26,617,252) and (\$2,068,572) is accrued interest from 3/1/2010 to the valuation date, June 30, 2010. 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, 2010 of \$237,705,000. The two swaps have a notional amount of \$198,185,000 and have a more rapid maturity than the Bonds. The cash flows below assume that for the LFP swap SIFMA equals its current level, as of 6/30/10 of .25% and for the Goldman swap 1-month LIBOR equals its current

level of .35% for the term of the swaps. Interest and net swap payments will fluctuate as SIFMA and LIBOR change.

Fiscal Year Ended June 30	Variable Rate Bonds		Net Swap	Total
	Principal	Interest	Payments	
2011	\$ ---	\$ 831,968	\$ 8,703,536	\$ 9,535,504
2012	---	831,968	8,231,702	9,063,670
2013	---	831,968	7,594,131	8,426,099
2014	---	831,968	6,717,741	7,549,709
2015	8,290,000	831,968	5,600,185	14,722,153
2016	9,120,000	802,953	4,594,125	14,517,078
2017	10,030,000	771,033	3,797,388	14,598,421
2018	11,030,000	735,928	2,997,644	14,763,572
2019	12,140,000	697,323	2,182,268	15,019,591
2020	13,350,000	654,833	1,372,205	15,377,038
2021	14,685,000	608,108	688,865	15,981,973
2022	16,155,000	556,710	175,100	16,886,810
2023	17,770,000	500,168	---	18,270,168
2024	19,545,000	437,973	---	19,982,973
2025	21,500,000	369,565	---	21,869,565
2026	13,775,000	294,315	---	14,069,315
2027	15,150,000	246,103	---	15,396,103
2028	16,665,000	193,078	---	16,858,078
2029	18,335,000	134,750	---	18,469,750
2030	20,165,000	70,578	---	20,235,578
Total	\$ 237,705,000	\$ 11,233,258	\$ 52,654,890	\$ 301,593,148

Credit Risk: The County has credit exposure to Goldman and LFP 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 LFP (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, 2010, LFP 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 LFP 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 LFP swap.

Swaps Four and Five: 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	\$231,160,000	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, 2010 have a net value of (\$22,452,852). The total mark-to-market was (\$23,149,465) of which approximately (\$696,613) is accrued interest from 6/1/2010 to the valuation date, June 30, 2010. 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, 2010 (assuming SIFMA equals its current level of .25% 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		
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	824,475	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	\$ 241,875,000	\$ 39,006,270	\$ 96,260,644	\$ 377,141,912

Credit Risk: Because both swaps have a negative value on June 30, 2010, 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 Six: 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, 2010 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, 2010 has a net value of (\$26,687,381). The total mark-to-market was (\$28,500,572) of which approximately (\$1,813,191) is accrued interest from 3/1/2010 to the valuation date, June 30, 2010. 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, 2010 (assuming SIFMA equals its current level of .25% 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 Payments	Total
	Principal	Interest		
2011	\$ ---	\$ 427,600	\$ 5,031,873	\$ 5,459,473
2012	---	427,600	5,030,342	5,457,942
2013	---	427,600	5,031,873	5,459,473
2014	---	427,600	5,031,873	5,459,473
2015	---	427,600	5,031,873	5,459,473
2016	---	427,600	5,030,342	5,457,942
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	<u>\$ 159,590,000</u>	<u>\$ 6,712,236</u>	<u>\$ 93,330,888</u>	<u>\$ 259,633,124</u>

Credit Risk: Because the swap has a negative value on June 30, 2010, 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 \$6,543,290 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) Fund Balances by Purpose

Following is more detailed information on the governmental fund balances:

	General Fund	Debt Service Fund	Capital Projects Fund	Education Fund	Grants Fund	Nonmajor Special Revenue Funds	Total
Fund balances:							
Restricted for:							
Grants and sponsored projects	\$ ---	\$ ---	\$ ---	\$ ---	\$ 14,313,849	\$ ---	\$ 14,313,849
Special revenue activities	567,558	---	---	---	---	17,549,023	18,116,581
Educational projects and funding	---	7,486,042	56,560,548	9,136,859	---	---	73,183,449
Conservation projects	---	---	52,474	---	---	---	52,474
Committed to:							
Approved carryforward appropriations	799,402	---	8,234,947	---	---	---	9,034,349
Public improvement and educational projects	---	95,043,193	---	---	---	---	95,043,193
Assigned to:							
Purchase order encumbrances	1,096,493	---	7,452,384	---	---	---	8,548,877
Infrastructure and administrative improvements	---	---	29,039,256	---	---	---	29,039,256
Unassigned	75,694,460	---	---	---	(29,842,455)	---	45,852,005
Total fund balances	<u>\$ 78,157,913</u>	<u>\$ 102,529,235</u>	<u>\$ 101,339,609</u>	<u>\$ 9,136,859</u>	<u>\$ (15,528,606)</u>	<u>\$ 17,549,023</u>	<u>\$ 293,184,033</u>

(J) Interfund Receivables, Payables and Transfers

Interfund receivables and payables consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Enterprise Funds	\$ 892,772
	Internal Service Funds	55,647
	Grant Funds	25,291,733
Debt Service Fund	General Fund	2,846,727
Nonmajor Governmental Funds	General Fund	1,363,569
Total		<u>\$ 30,450,448</u>

Due To/From Component Units

Receivable Entity	Payable Entity	Amount
Debt Service Fund	The Med (component unit)	\$ 677,113
The Med (component unit)	General Fund	266,519
Board of Education (component unit)	Capital Projects Fund	6,258,000
Education Fund	Board of Education (component unit)	21,815
Total		\$ 7,223,447

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 Med (component unit) from the General Fund represents expenses accrued at year-end but not yet paid to the Med. The balance payable to the Education Fund from the Board of Education (component unit) represents the amount overpaid to the Board of Education for the fiscal year.

The total due to component units disclosed here, \$6,524,519, is less than the amount disclosed on the Statement of Net Assets due to \$8,045,677 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	\$ 7,859,837
	Debt Service Fund	542,182
	Grants Fund	3,032,312
	Nonmajor Governmental Funds	1,281,456
	Internal Service Funds	1,000,000
Debt Service Fund	Capital Projects Fund	6,564,000
Capital Projects Fund	Debt Service Fund	2,298,008
	Grants Funds	33,199
Grants Fund	General Fund	1,957,164
	Grants Fund	593,268
	Enterprise Funds	180,111
Nonmajor Governmental Funds	General Fund	1,400,759
	Debt Service Fund	6,805,989
	Grants Fund	143,323
	Capital Projects Fund	5,506,200
	Total transfers out of governmental fund types	39,197,808
Enterprise Funds	Grants Fund	356,653
Internal Service Funds	General Fund	631,374
	Total transfers out by proprietary fund types	988,027
	Total all fund types	\$ 40,185,835

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.

(K) 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 (property taxes, other local taxes, state revenue, federal and local revenue, charges for services, fines, fees and permits, investment income) are classified as other revenue.

Other revenue for the year ended June 30, 2010 is detailed below:

	General Fund	Debt Service Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
Private donor grants	\$ 16,592	\$ ---	\$ 6,745,594	\$ ---	\$ 6,762,186
Miscellaneous income	277,740	3,550,000	604,858	---	4,432,598
Forfeitures and seizures	203,707	---	---	3,543,151	3,746,858
Housing principal & interest	---	940,261	154,670	---	1,094,931
Total other income	<u>\$ 498,039</u>	<u>\$ 4,490,261</u>	<u>\$ 7,505,122</u>	<u>\$ 3,543,151</u>	<u>\$ 16,036,573</u>

Miscellaneous income in the Debt Service Fund includes \$3,500,000 received from the City of Memphis for the County's 50% interest in the Pyramid Arena; previously an organization jointly governed with the City of Memphis.

(L) 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:

	2010	2009
Insurance claims liabilities at the beginning of the fiscal year	\$ 3,814,805	\$ 4,964,463
Incurred claims and claim adjustment expenses	45,552,416	43,111,666
Payment of claims and claim adjustment expenses	<u>(45,384,887)</u>	<u>(44,261,324)</u>
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 3,982,334</u>	<u>\$ 3,814,805</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:

	2010	2009
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 3,423,043	\$ 3,736,493
Incurred claims and claim adjustment expenses	276,004	172,063
Payment of claims and claim adjustment expenses	<u>(625,099)</u>	<u>(485,513)</u>
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 3,073,948</u>	<u>\$ 3,423,043</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:

	2010	2009
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 6,874,384	\$ 7,143,487
Incurred claims and claim adjustment expenses	3,803,216	2,922,079
Payment of claims and claim adjustments expense	(4,084,584)	(3,191,182)
Claims and claim adjustment liabilities at the end of the fiscal year	\$ 6,593,016	\$ 6,874,384

The total of claims liability disclosed here, \$13,649,298 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 \$355,848 long term liability to be paid by the general fund.

(M) Contingencies and Commitments

The County’s governmental funds have obligations at fiscal year-end contingent upon contractors’ and vendors’ performance, for outstanding purchase orders and outstanding contracts. These obligations are included in the restricted, committed or assigned fund balances in the governmental funds.

The amounts of these encumbrances are as follows:

General Fund	Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total
\$ 1,724,623	\$ 7,595,350	\$ 10,855,512	\$ 256,716	\$ 20,432,201

The Capital Projects Fund had additional commitments specific to capital projects of \$55,354,180 as of June 30, 2010.

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 (N).

(N) 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, 2010 the County contributed \$2,500,000 to the operations of the Convention Center from the hotel/motel tax fund. 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. 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 \$208,047,862, net of discounted bond issuance, owed as of December 31, 2009, plus \$3,363,045 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, 2010 the County transferred to the Sports Authority for debt service purposes the amount of \$1,663,783 from car rental taxes and \$14,996,596 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.

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.

The following is a summary of the financial information of the joint ventures, as of and for the year ended June 30, 2010 (not covered by the report of independent accountants):

	Convention Center	Port Commision	Sports Authority
Assets	\$ 11,179,378	\$ 27,106,762	\$ 45,605,947
Liabilities	2,000,124	6,911,984	215,602,767
Net Assets	9,179,254	20,194,778	(169,996,820)
Operating Revenues	4,197,902	2,479,812	---
Operating Expenses	7,299,982	2,383,654	9,456,054
Other Revenues	2,761,682	115,501	16,405,343
Other Expenses	202,170	540,637	6,098,663
Change in Net Assets	(542,568)	(328,978)	850,626

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, 2010 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 \$2,530,000 as of June 30, 2010. During the year ended June 30, 2010 the Depot repaid \$175,000 of principal on this note plus \$133,950 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.

(O) Other Postemployment Benefits

Retired employees of the County and former employees receiving long-term disability benefits through the County's program may participate in postemployment 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 Administrator of Finance, Shelby County Government, 160 N. Main Street, Suite 1150, Memphis, Tennessee 38103.

Annual OPEB Cost and Net OPEB Obligations

The County's OPEB cost and net OPEB obligations to the Trust for the current year were as follows:

Annual Required Contribution (ARC)	\$	29,093,000
Interest on Net OPEB Obligation		277,000
Adjustment to ARC		(363,000)
Annual OPEB Cost		<u>29,007,000</u>
Contributions made (Per Actuarial Report)		(20,611,575)
Increase in Net OPEB Obligation		8,395,425
Net OPEB Obligation beginning of year		<u>5,269,835</u>
Net OPEB Obligation end of year	\$	<u><u>13,665,260</u></u>

The OPEB Trust has been in existence for only three 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, 2010	\$ 29,007,000	\$ 20,611,575	71.1%	\$ 13,665,260
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 15.1% funded. The actuarial accrued liability for benefits was \$303 million, and the actuarial value of assets was \$46 million, resulting in an unfunded actuarial accrued liability; (UAAL) of \$258 million. The covered payroll (Annual payroll of active employees covered by the plan) was \$248 million and the ratio of the UAAL to the covered payroll was 103.7%.

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	July 1, 2009
Actuarial cost method	Projected unit credit
Amortization method	Closed 30 year level dollar period beginning July 1, 2007
Remaining amortization period	28 years as July 1, 2009
Asset valuation method	Market value
Rate of investment return	5.25%
Projected salary increases	4.00%
Healthcare cost trend rate	9.5% graded to 5.0% over 9 years

(P) 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 2010 were based on the actuarial report as of June 30, 2009.

In accordance with the actuarial valuation as of June 30, 2009 the employer contribution rate required was 6.83% 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 \$28,771,378 (\$19,393,150 employer contributions and \$9,378,228 employee contributions). The actuarial required employer contribution of \$16,652,005 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)	\$ 16,652,005
Interest on Net Pension Obligation	(2,662,496)
Adjustment to ARC	<u>3,828,154</u>
Annual Pension Cost	17,817,663
Contributions made (Per Actuarial Report)	<u>(19,393,150)</u>
Increase in Net Pension Obligation	(1,575,487)
Net Pension Obligation beginning of year	<u>(32,272,678)</u>
Net Pension Obligation end of year	<u><u>\$ (33,848,165)</u></u>

Fiscal Year Ended	Three-Year Trend Information		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	\$ 17,817,663	108.8%	\$ (33,848,165)
June 30, 2009	\$ 16,222,013	115.5%	\$ (32,272,678)
June 30, 2008	\$ 13,671,108	137.1%	\$ (29,761,627)

Funded Status and Funding Progress:

As of June 30, 2010 the most recent actuarial valuation date, the plan was 97.1 percent funded. The actuarial accrued liability for benefits was \$1,084 million, and the actuarial value of assets was \$1,053 million, resulting in an unfunded actuarial liability (UAAL) of \$31 million. The covered payroll (Annual payroll of active employees covered by the plan) was \$267 million and the ratio of the UAAL to the covered payroll was 11.7%.

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, 2010
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	16 years on June 30, 2010
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	CPI –U up to 4.00% per year 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, 10th Floor Andrew Jackson Building, Nashville, TN 37243-0203 or can be accessed at 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, 10th floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at 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.

(Q) Subsequent Events

In October 2010 the State of Tennessee issued Qualified School Construction Bonds of which \$67,260,000 has been allocated to Shelby County in the form of loan repayable over 17 years. 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, 2010**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
General Fund				
Revenues:				
Property taxes	\$ 210,461,345	\$ 210,461,345	\$ 224,297,858	\$ 13,836,513
Other local taxes	35,210,000	35,210,000	32,278,259	(2,931,741)
State revenue	20,366,222	21,084,180	21,144,826	60,646
Federal and local revenue	10,639,304	13,082,553	13,568,726	486,173
Charges for services	3,207,480	5,092,722	4,277,593	(815,129)
Fines, fees and permits	65,382,617	64,270,229	62,044,010	(2,226,219)
Other revenue	2,499,193	1,513,041	498,039	(1,015,002)
Investment income	4,913,813	4,913,813	528,662	(4,385,151)
Total revenues	352,679,974	355,627,883	358,637,973	3,010,090
Expenditures:				
General government	25,325,335	29,748,610	26,294,235	3,454,375
Hospital	27,600,000	38,816,666	38,816,666	-
Planning and development	483,087	483,087	453,617	29,470
Public works	18,980,106	18,592,507	18,299,171	293,336
Health Services	32,537,016	29,441,553	29,604,991	(163,438)
Community services	6,942,704	7,915,708	6,876,346	1,039,362
Law enforcement	143,726,155	142,667,351	141,653,017	1,014,334
Judicial	62,263,768	60,214,404	59,336,155	878,249
Other elected officials	27,164,977	25,532,132	25,058,000	474,132
Total expenditures	345,023,148	353,412,018	346,392,198	7,019,820
Excess (deficiency) of revenues over (under) expenditures	7,656,826	2,215,865	12,245,775	10,029,910
Other financing sources (uses):				
Transfers in	9,276,520	3,519,572	3,989,297	469,725
Transfers out	(17,433,346)	(18,280,134)	(13,715,787)	4,564,347
Proceeds from sale of capital assets	500,000	485,814	406,021	(79,793)
Insurance proceeds	-	42,500	67,649	25,149
Planned change in fund balance	-	12,016,383	-	(12,016,383)
Total other financing sources (uses)	(7,656,826)	(2,215,865)	(9,252,820)	(7,036,955)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ 2,992,955	\$ 2,992,955

**Required Supplementary Information
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	
Education Fund				
Revenues:				
Property taxes	\$ 339,590,000	\$ 339,590,000	\$ 361,240,654	\$ 21,650,654
Other local taxes	21,698,000	21,698,000	9,182,975	(12,515,025)
Investment income	-	-	1,230	1,230
Total revenues	361,288,000	361,288,000	370,424,859	9,136,859
Expenditures:				
Special funded projects-county schools	109,940,000	113,191,530	113,191,530	-
Special funded projects-city schools	251,348,000	248,096,470	248,096,470	-
Total expenditures	361,288,000	361,288,000	361,288,000	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ 9,136,859	\$ 9,136,859

**Required Supplementary Information
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Grants Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 60,768,911	\$ 106,492,547	\$ 58,564,709	\$ (47,927,838)
Federal and local revenue	45,273,437	68,632,337	43,767,654	(24,864,683)
Charges for services	1,433,362	1,764,862	1,743,336	(21,526)
Fines, fees and permits	304,689	305,469	223,459	(82,010)
Other revenue	8,256,986	12,320,375	7,505,122	(4,815,253)
Investment income	-	2,826	73,063	70,237
Total revenues	<u>116,037,385</u>	<u>189,518,416</u>	<u>111,877,343</u>	<u>(77,641,073)</u>
Expenditures:				
General government	11,521,509	16,302,836	5,619,920	10,682,916
Planning and development	14,210,680	16,303,520	6,540,409	9,763,111
Public works	5,492,500	15,202,333	7,815,450	7,386,883
Corrections	1,170,909	1,869,527	1,384,904	484,623
Health Services	30,350,572	39,172,229	25,775,568	13,396,661
Community services	49,492,192	93,987,132	64,992,840	28,994,292
Law enforcement	1,604,626	3,233,432	1,620,105	1,613,327
Judicial	3,034,422	6,778,021	4,961,282	1,816,739
Total expenditures	<u>116,877,410</u>	<u>192,849,030</u>	<u>118,710,478</u>	<u>74,138,552</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(840,025)</u>	<u>(3,330,614)</u>	<u>(6,833,135)</u>	<u>(3,502,521)</u>
Other financing sources (uses):				
Transfers in	4,370,399	7,044,935	4,158,755	(2,886,180)
Transfers out	(3,911,083)	(4,095,030)	(2,730,543)	1,364,487
Proceeds from sale of capital assets	380,709	380,709	1,850	(378,859)
Insurance proceeds	-	-	12,602	12,602
Total other financing sources (uses)	<u>840,025</u>	<u>3,330,614</u>	<u>1,442,664</u>	<u>(1,887,950)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,390,471)</u>	<u>\$ (5,390,471)</u>

Required Supplementary Information
Shelby County Retirement System
For the Year Ended June 30, 2010

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	1,052,640,000	1,025,867,000	(26,773,000)	102.6%	271,888,000	(9.8%)
2010 (a)	1,053,056,000	1,084,353,000	31,297,000	97.1%	266,559,000	11.7%

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

Required Supplementary Information
Other Postemployment Benefits (OPEB) Trust Fund
For the Year Ended June 30, 2010

Schedule of Funding Progress

(amounts rounded to thousands)

Actuarial Valuation Date of July 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability Unit Credit (b)	Unfunded Actuarial Accrued Liability (b-a)	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%
2009	45,847	303,390	257,543	15.1%	248,298	103.7%

Schedule of Employer Contributions

(amounts rounded to thousands)

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2008	\$ 32,227	123.4%
2009	31,477	58.2%
2010	29,093	70.8%

Note 1: The Trust was established as of July 1, 2007 and only three actuarial valuations have been performed. Thus only limited trends may be discerned from the information at this time.

Note 2: Employer contributions in the year ended June 30, 2008 included a special, one-time contribution of \$23,892,191. Without this special contribution the employer would have contributed 53.6% of the annual required contribution.

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 three fiscal years. Limited trend information may be discerned from the three valuations made to date. The reason for the significant change in the funded ratio between the first 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, Hotel and Motel TDZ Taxes, Sheriff Forfeitures, Data Processing, Car Rental Tax, Health Services Restricted Fees, Economic Development and Storm Water Fees

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, 2010

	Consolidated Codes		Corrections Center	
	<u>Enforcement Fund</u>	<u>Fire Services Fund</u>	<u>Fund</u>	<u>Total</u>
Assets:				
Current assets				
Cash and cash equivalents	\$ 725	\$ 3,602,982	\$ 321,149	\$ 3,924,856
Accounts receivable and accrued revenues	31,757	1,506,081	86,339	1,624,177
Due from other governmental entities	828,499	42,922	13,730,058	14,601,479
Notes receivable	3,509	-	-	3,509
Total current assets	864,490	5,151,985	14,137,546	20,154,021
Noncurrent assets				
Net pension obligation	967,287	1,031,688	2,904,848	4,903,823
Depreciable capital assets, net	1,683,656	2,792,377	20,678,849	25,154,882
Total noncurrent assets	2,650,943	3,824,065	23,583,697	30,058,705
Total assets	\$ 3,515,433	\$ 8,976,050	\$ 37,721,243	\$ 50,212,726
Liabilities and net assets:				
Current liabilities				
Accounts payable and accrued liabilities	\$ 29,125	\$ 284,590	\$ 1,825,754	\$ 2,139,469
Accrued interest payable	-	23,069	-	23,069
Due to other governmental entities	35,000	74,727	-	109,727
Deposits held for others	92,262	-	319,537	411,799
Deferred revenue	84,892	-	-	84,892
Due to other funds	78,508	-	814,264	892,772
Sick and annual leave payable	343,159	1,050,729	2,138,017	3,531,905
Capital lease obligations, current portion	-	146,823	-	146,823
Total current liabilities	662,946	1,579,938	5,097,572	7,340,456
Noncurrent liabilities				
Sick and annual leave payable	283,151	398,947	1,050,426	1,732,524
Capital lease obligations	-	619,241	-	619,241
Net postemployment benefit obligations	398,987	766,352	1,455,634	2,620,973
Total noncurrent liabilities	682,138	1,784,540	2,506,060	4,972,738
Total liabilities	1,345,084	3,364,478	7,603,632	12,313,194
Net assets:				
Invested in capital assets, net of related debt	1,683,656	2,026,313	20,678,849	24,388,818
Unrestricted	486,693	3,585,259	9,438,762	13,510,714
Total net assets	2,170,349	5,611,572	30,117,611	37,899,532
Total liabilities and net assets	\$ 3,515,433	\$ 8,976,050	\$ 37,721,243	\$ 50,212,726

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

Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2010

	Consolidated Codes		Corrections Center	Total
	Enforcement Fund	Fire Services Fund	Fund	
Operating revenues:				
State revenue	\$ -	\$ 75,600	\$ 43,289,034	\$ 43,364,634
Federal and local revenue	1,974,304	1,515,755	18,200	3,508,259
Charges for services	27,590	-	1,458,617	1,486,207
Fines, fees and permits	6,747,064	17,593,465	82,051	24,422,580
Other revenue	308	40	46,401	46,749
Total operating revenues	<u>8,749,266</u>	<u>19,184,860</u>	<u>44,894,303</u>	<u>72,828,429</u>
Operating expenses:				
Salaries	6,577,702	8,505,102	24,291,448	39,374,252
Other compensation	2,641	1,459,915	3,691,780	5,154,336
Fringe benefits	2,334,135	3,133,626	9,156,270	14,624,031
Supplies and materials	147,801	304,782	4,915,550	5,368,133
Services and other expenses	292,312	38,588	198,043	528,943
Professional and contracted services	88,917	3,713,066	5,761,853	9,563,836
Rent, utilities and maintenance	212,781	203,928	2,691,393	3,108,102
Interfund services	765,907	1,235,810	2,620,639	4,622,356
Depreciation	182,999	350,916	1,099,466	1,633,381
Claims incurred	-	-	4,926	4,926
Total operating expenses	<u>10,605,195</u>	<u>18,945,733</u>	<u>54,431,368</u>	<u>83,982,296</u>
Operating income (loss)	(1,855,929)	239,127	(9,537,065)	(11,153,867)
Nonoperating revenues (expenses):				
Interest income	1,322	24,656	22,750	48,728
Interest expense	(2,940)	(38,854)	(4,376)	(46,170)
Gain (loss) on asset disposal	10,766	(112,169)	6,135	(95,268)
Income (loss) before transfers	<u>(1,846,781)</u>	<u>112,760</u>	<u>(9,512,556)</u>	<u>(11,246,577)</u>
Transfers:				
Transfers in	1,859,837	22,030	6,158,081	8,039,948
Transfers out	(214,967)	(16,224)	(125,462)	(356,653)
Net transfers	<u>1,644,870</u>	<u>5,806</u>	<u>6,032,619</u>	<u>7,683,295</u>
Change in net assets	(201,911)	118,566	(3,479,937)	(3,563,282)
Net assets:				
June 30, 2009	<u>2,372,260</u>	<u>5,493,006</u>	<u>33,597,548</u>	<u>41,462,814</u>
June 30, 2010	<u>\$ 2,170,349</u>	<u>\$ 5,611,572</u>	<u>\$ 30,117,611</u>	<u>\$ 37,899,532</u>

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

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2010

	Consolidated Codes Enforcement Fund	Fire Services Fund	Corrections Center Fund	Total
Cash flows from operations:				
Receipts from customers	\$ 9,519,523	\$ 19,073,797	\$ 72,961,598	\$ 101,554,918
Receipts for special programs	-	75,600	-	75,600
Receipts from interfund services provided	286,620	10,112	35,140	331,872
Refunds received from suppliers	254	1,357	3,317	4,928
Refunds paid to customers	(27,196)	(700)	(37,730,445)	(37,758,341)
Cash payments to suppliers	(752,369)	(3,984,581)	(13,363,698)	(18,100,648)
Cash payments to employees	(8,633,410)	(12,752,827)	(36,047,010)	(57,433,247)
Payments for interfund services used	(1,074,714)	(1,270,811)	(2,620,639)	(4,966,164)
Net cash provided by (used in) operating activities	<u>(681,292)</u>	<u>1,151,947</u>	<u>(16,761,737)</u>	<u>(16,291,082)</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	1,859,837	22,030	6,158,081	8,039,948
Transfers to other funds	(214,967)	(16,224)	(125,462)	(356,653)
Advances from other funds	78,508	-	814,264	892,772
Repayment of advance from other funds	(1,051,234)	-	-	(1,051,234)
Notes receivable issued	-	-	6,135	6,135
Net cash provided by (used in) noncapital financing activities	<u>672,144</u>	<u>5,806</u>	<u>6,853,018</u>	<u>7,530,968</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	-	(391,521)	(136,390)	(527,911)
Proceeds from the sale of capital assets	8,300	1,800	-	10,100
Capital lease obligation payments	-	(140,113)	-	(140,113)
Interest paid	-	(43,271)	-	(43,271)
Insurance recoveries	2,466	4,075	-	6,541
Net cash provided by (used in) capital and related financing activities	<u>10,766</u>	<u>(569,030)</u>	<u>(136,390)</u>	<u>(694,654)</u>
Cash flows from investing activities:				
Interest and investment earnings	1,322	24,656	22,750	48,728
Interest paid	(2,940)	-	(4,376)	(7,316)
Net cash provided by investing activities	<u>(1,618)</u>	<u>24,656</u>	<u>18,374</u>	<u>41,412</u>
Net increase (decrease) in cash and cash equivalents	-	613,379	(10,026,735)	(9,413,356)
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>
Cash and cash equivalents, June 30, 2010	<u>\$ 725</u>	<u>\$ 3,602,982</u>	<u>\$ 321,149</u>	<u>\$ 3,924,856</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	<u>\$ (1,855,929)</u>	<u>\$ 239,127</u>	<u>\$ (9,537,065)</u>	<u>\$ (11,153,867)</u>
Adjustments:				
Depreciation	182,999	350,916	1,099,466	1,633,381
Changes in assets and liabilities:				
Accounts receivable and accrued revenues	2,971	(11,870)	24,814	15,915
Due from other governmental entities	717,266	(24,293)	(9,685,938)	(8,992,965)
Prepays and deferred charges	(18,937)	-	885	(18,052)
Notes receivable	(1,262)	-	-	(1,262)
Net pension obligation	-	(24,921)	(70,589)	(95,510)
Accounts payable and accrued liabilities	(27,628)	176,876	64,663	213,911
Due to other governments	35,000	74,727	-	109,727
Deposits held for others	2,400	-	33,114	35,514
Deferred revenue	(18,809)	-	-	(18,809)
Sick and annual leave payable	35,026	26,913	333,241	395,180
Net postemployment benefit obligations	265,611	344,472	975,672	1,585,755
Total adjustments	<u>1,174,637</u>	<u>912,820</u>	<u>(7,224,672)</u>	<u>(5,137,215)</u>
Net cash provided by (used in) operating activities	<u>\$ (681,292)</u>	<u>\$ 1,151,947</u>	<u>\$ (16,761,737)</u>	<u>\$ (16,291,082)</u>
Noncash investing, capital, and financing activities:				
Capital assets accrued, not reflected in capital financing activities			\$ 147,550	\$ 147,550

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

	Special Revenue Funds			
	Roads and Bridges Fund	Hotel and TDZ Taxes Fund	Sheriff Forfeitures Fund	Data Processing Fund
Assets:				
Cash and cash equivalents	\$ 4,891,077	\$ 2,157,141	\$ 6,366,738	\$ 958,065
Accounts receivable and accrued revenues	7,470	1,101,804	45,112	-
Due from other governmental entities	1,801,868	-	-	-
Due from other funds	-	1,211,607	-	-
Deposits held by others	-	-	797,233	-
Notes receivable	3,706	-	21,393	-
Total assets	\$ 6,704,121	\$ 4,470,552	\$ 7,230,476	\$ 958,065
Liabilities:				
Accounts payable and accrued liabilities	\$ 767,476	\$ 2,109,731	\$ 31,406	\$ 90,885
Due to other governmental entities	13,689	-	-	-
Deposits held for others	-	-	797,233	-
Deferred revenue	3,906	-	21,392	-
Total liabilities	785,071	2,109,731	850,031	90,885
Fund balances:				
Restricted	5,919,050	2,360,821	6,380,445	867,180
Total fund balances	5,919,050	2,360,821	6,380,445	867,180
Total liabilities and fund balances	\$ 6,704,121	\$ 4,470,552	\$ 7,230,476	\$ 958,065

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

Car Rental Tax Fund	Health Services Restricted Fees Fund	Economic Development Fund	Storm Water Fees Fund	Total Governmental Funds
\$ 143,538	\$ 1,326,358	\$ -	\$ 389,961	\$ 16,232,878
170,909	289,951	-	65,479	1,680,725
-	-	-	-	1,801,868
151,962	-	-	-	1,363,569
-	-	-	-	797,233
-	-	-	-	25,099
<u>\$ 466,409</u>	<u>\$ 1,616,309</u>	<u>\$ -</u>	<u>\$ 455,440</u>	<u>\$ 21,901,372</u>
\$ 466,409	\$ 50,222	\$ -	\$ -	\$ 3,516,129
-	-	-	-	13,689
-	-	-	-	797,233
-	-	-	-	25,298
<u>466,409</u>	<u>50,222</u>	<u>-</u>	<u>-</u>	<u>4,352,349</u>
<u>-</u>	<u>1,566,087</u>	<u>-</u>	<u>455,440</u>	<u>17,549,023</u>
<u>-</u>	<u>1,566,087</u>	<u>-</u>	<u>455,440</u>	<u>17,549,023</u>
<u>\$ 466,409</u>	<u>\$ 1,616,309</u>	<u>\$ -</u>	<u>\$ 455,440</u>	<u>\$ 21,901,372</u>

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Funds			
	Roads and Bridges Fund	Hotel and TDZ Taxes Fund	Sheriff Forfeitures Fund	Data Processing Fund
Revenues:				
Other local taxes	\$ 86,427	\$ 11,886,638	\$ -	\$ -
State revenue	9,633,898	13,306,246	274	-
Federal and local revenue	3,079	-	-	-
Charges for services	2,451,765	-	140,345	-
Fines, fees and permits	48,643	-	22,124	509,190
Other revenue	-	-	3,543,151	-
Investment income	43,415	96,278	44,164	3,829
Total revenues	<u>12,267,227</u>	<u>25,289,162</u>	<u>3,750,058</u>	<u>513,019</u>
Expenditures:				
General government	-	26,099,482	-	-
Public works	13,692,707	-	-	-
Health services	-	-	-	-
Law enforcement	-	-	2,052,900	-
Judicial	-	-	-	118,364
Other elected officials	-	-	-	312,576
Total expenditures	<u>13,692,707</u>	<u>26,099,482</u>	<u>2,052,900</u>	<u>430,940</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,425,480)</u>	<u>(810,320)</u>	<u>1,697,158</u>	<u>82,079</u>
Other financing sources (uses):				
Transfers in	158,865	-	22,591	-
Transfers out	-	(12,312,189)	(65,152)	-
Proceeds from sale of capital assets	5,300	-	-	-
Insurance proceeds	500	-	17,306	-
Total other financing sources (uses)	<u>164,665</u>	<u>(12,312,189)</u>	<u>(25,255)</u>	<u>-</u>
Net change in fund balances	(1,260,815)	(13,122,509)	1,671,903	82,079
Fund balances June 30, 2009	<u>7,179,865</u>	<u>15,483,330</u>	<u>4,708,542</u>	<u>785,101</u>
Fund balances June 30, 2010	<u>\$ 5,919,050</u>	<u>\$ 2,360,821</u>	<u>\$ 6,380,445</u>	<u>\$ 867,180</u>

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

<u>Car Rental Tax Fund</u>	<u>Health Services Restricted Fees</u>	<u>Economic Development Fund</u>	<u>Storm Water Fees Fund</u>	<u>Total Governmental Funds</u>
\$ 1,663,783	\$ -	\$ -	\$ -	\$ 13,636,848
-	-	-	-	22,940,418
-	-	-	-	3,079
-	562	-	-	2,592,672
-	4,174,710	-	620,600	5,375,267
-	-	-	-	3,543,151
-	10,936	13,513	769	212,904
<u>1,663,783</u>	<u>4,186,208</u>	<u>13,513</u>	<u>621,369</u>	<u>48,304,339</u>
1,663,783	-	1,200,000	-	28,963,265
-	-	-	165,929	13,858,636
-	4,332,088	-	-	4,332,088
-	-	-	-	2,052,900
-	-	-	-	118,364
-	-	-	-	312,576
<u>1,663,783</u>	<u>4,332,088</u>	<u>1,200,000</u>	<u>165,929</u>	<u>49,637,829</u>
-	(145,880)	(1,186,487)	455,440	(1,333,490)
-	-	1,100,000	-	1,281,456
-	(78,171)	(1,400,759)	-	(13,856,271)
-	-	-	-	5,300
-	-	-	-	17,806
<u>-</u>	<u>(78,171)</u>	<u>(300,759)</u>	<u>-</u>	<u>(12,551,709)</u>
-	(224,051)	(1,487,246)	455,440	(13,885,199)
-	1,790,138	1,487,246	-	31,434,222
<u>\$ -</u>	<u>\$ 1,566,087</u>	<u>\$ -</u>	<u>\$ 455,440</u>	<u>\$ 17,549,023</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Roads and Bridges Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 273,000	\$ 273,000	\$ 86,427	\$ (186,573)
State revenue	10,120,000	10,120,000	9,633,898	(486,102)
Federal and local revenue	45,000	45,000	3,079	(41,921)
Charges for services	-	3,917,486	2,451,765	(1,465,721)
Fines, fees and permits	81,517	81,517	48,643	(32,874)
Investment income	300,000	300,000	43,415	(256,585)
Total revenues	<u>10,819,517</u>	<u>14,737,003</u>	<u>12,267,227</u>	<u>(2,469,776)</u>
Expenditures:				
Salaries	4,886,773	4,731,711	4,571,032	160,679
Other compensation	126,299	126,299	82,757	43,542
Fringe benefits	1,662,334	1,611,847	1,460,597	151,250
Salary restriction	(429,658)	(224,109)	-	(224,109)
Supplies and materials	4,819,828	4,872,278	3,245,366	1,626,912
Services and other expenditures	171,704	163,614	107,259	56,355
Professional and contracted services	133,662	205,311	121,524	83,787
Rent, utilities and maintenance	209,501	254,682	158,178	96,504
Interfund services	(2,700,181)	2,637,017	1,542,035	1,094,982
Capital asset acquisitions	3,376,554	3,626,327	2,403,959	1,222,368
Total expenditures	<u>12,256,816</u>	<u>18,004,977</u>	<u>13,692,707</u>	<u>4,312,270</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,437,299)</u>	<u>(3,267,974)</u>	<u>(1,425,480)</u>	<u>1,842,494</u>
Other financing sources (uses):				
Transfers in	241,548	313,600	158,865	(154,735)
Transfers out	(1,425,508)	(538,759)	-	538,759
Proceeds from sale of capital assets	20,000	20,000	5,300	(14,700)
Insurance proceeds	-	-	500	500
Planned change in fund balance	2,601,259	3,473,133	-	(3,473,133)
Total other financing sources (uses)	<u>1,437,299</u>	<u>3,267,974</u>	<u>164,665</u>	<u>(3,103,309)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,260,815)</u>	<u>\$ (1,260,815)</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Hotel and TDZ Taxes Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 14,300,000	\$ 14,300,000	\$ 11,886,638	\$ (2,413,362)
State revenue	10,000,000	14,761,684	13,306,246	(1,455,438)
Investment income	400,000	400,000	96,278	(303,722)
Total revenues	<u>24,700,000</u>	<u>29,461,684</u>	<u>25,289,162</u>	<u>(4,172,522)</u>
Expenditures:				
Debt service	4,055,862	-	-	-
Affiliated organizations	13,838,149	27,384,407	26,099,482	1,284,925
Total expenditures	<u>17,894,011</u>	<u>27,384,407</u>	<u>26,099,482</u>	<u>1,284,925</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,805,989</u>	<u>2,077,277</u>	<u>(810,320)</u>	<u>(2,887,597)</u>
Other financing sources (uses):				
Transfers out	(6,805,989)	(12,312,189)	(12,312,189)	-
Planned change in fund balance	-	10,234,912	-	(10,234,912)
Total other financing sources (uses)	<u>(6,805,989)</u>	<u>(2,077,277)</u>	<u>(12,312,189)</u>	<u>(10,234,912)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,122,509)</u>	<u>\$ (13,122,509)</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Sheriff Forfeitures Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 40,000	\$ 40,000	\$ 274	\$ (39,726)
Charges for services	200,000	200,000	140,345	(59,655)
Fines, fees and permits	110,000	110,000	22,124	(87,876)
Other revenue	2,720,000	2,720,000	3,543,151	823,151
Investment income	295,000	295,000	44,164	(250,836)
Total revenues	3,365,000	3,365,000	3,750,058	385,058
Expenditures:				
Other compensation	458,350	458,350	-	458,350
Supplies and materials	564,592	564,592	198,966	365,626
Services and other expenditures	327,500	327,500	188,784	138,716
Professional and contracted services	130,000	130,000	123,191	6,809
Rent, utilities and maintenance	384,040	444,066	238,228	205,838
Interfund services	552,160	552,160	214,647	337,513
Capital asset acquisitions	2,260,772	2,187,984	1,089,084	1,098,900
Total expenditures	4,677,414	4,664,652	2,052,900	2,611,752
Excess (deficiency) of revenues over (under) expenditures	(1,312,414)	(1,299,652)	1,697,158	2,996,810
Other financing sources (uses):				
Transfers in	-	-	22,591	22,591
Transfers out	(139,000)	(221,617)	(65,152)	156,465
Proceeds from sale of capital assets	75,000	75,000	-	(75,000)
Insurance proceeds	-	-	17,306	17,306
Planned change in fund balance	1,376,414	1,446,269	-	(1,446,269)
Total other financing sources (uses)	1,312,414	1,299,652	(25,255)	(1,324,907)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ 1,671,903	\$ 1,671,903

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Data Processing Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 578,000	\$ 578,000	\$ 509,190	\$ (68,810)
Investment income	11,840	11,840	3,829	(8,011)
Total revenues	<u>589,840</u>	<u>589,840</u>	<u>513,019</u>	<u>(76,821)</u>
Expenditures:				
Salaries	66,964	66,964	66,964	-
Fringe benefits	18,032	18,032	17,473	559
Supplies and materials	76,500	41,050	6,140	34,910
Services and other expenditures	-	143,570	109,178	34,392
Professional and contracted services	79,315	120,265	89,499	30,766
Rent, utilities and maintenance	109,193	115,593	112,886	2,707
Interfund services	(20,000)	-	-	-
Capital asset acquisitions	179,875	100,475	28,800	71,675
Total expenditures	<u>509,879</u>	<u>605,949</u>	<u>430,940</u>	<u>175,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>79,961</u>	<u>(16,109)</u>	<u>82,079</u>	<u>98,188</u>
Other financing sources (uses):				
Planned change in fund balance	(79,961)	16,109	-	(16,109)
Total other financing sources (uses)	<u>(79,961)</u>	<u>16,109</u>	<u>-</u>	<u>(16,109)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,079</u>	<u>\$ 82,079</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Car Rental Tax Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 2,000,000	\$ 2,000,000	\$ 1,663,783	\$ (336,217)
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,663,783</u>	<u>(336,217)</u>
Expenditures:				
Affiliated organizations	2,000,000	2,000,000	1,663,783	336,217
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,663,783</u>	<u>336,217</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, 2010**

Health Services Restricted Fees Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 750	\$ 750	\$ 562	\$ (188)
Fines, fees and permits	4,476,275	4,606,275	4,174,710	(431,565)
Other revenue	130,000	-	-	-
Investment income	50,000	50,000	10,936	(39,064)
Total revenues	<u>4,657,025</u>	<u>4,657,025</u>	<u>4,186,208</u>	<u>(470,817)</u>
Expenditures:				
Salaries	3,016,908	3,016,908	2,809,340	207,568
Other compensation	104,500	104,908	43,201	61,707
Fringe benefits	928,462	928,054	830,964	97,090
Salary restriction	(47,963)	(47,963)	-	(47,963)
Supplies and materials	179,330	149,230	138,542	10,688
Services and other expenditures	45,650	41,600	37,460	4,140
Professional and contracted services	50,000	37,650	30,845	6,805
Rent, utilities and maintenance	28,880	56,680	31,542	25,138
Interfund services	197,008	346,008	303,158	42,850
Capital asset acquisitions	20,128	107,768	107,036	732
Total expenditures	<u>4,522,903</u>	<u>4,740,843</u>	<u>4,332,088</u>	<u>408,755</u>
Excess (deficiency) of revenues over (under) expenditures	<u>134,122</u>	<u>(83,818)</u>	<u>(145,880)</u>	<u>(62,062)</u>
Other financing sources (uses):				
Transfers out	(240,000)	(347,075)	(78,171)	268,904
Planned change in fund balance	105,878	430,893	-	(430,893)
Total other financing sources (uses)	<u>(134,122)</u>	<u>83,818</u>	<u>(78,171)</u>	<u>(161,989)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (224,051)</u>	<u>\$ (224,051)</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Economic Development Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 13,513	\$ 13,513
Total revenues	<u>-</u>	<u>-</u>	<u>13,513</u>	<u>13,513</u>
Expenditures:				
Grants	1,325,000	1,325,000	1,200,000	125,000
Total expenditures	<u>1,325,000</u>	<u>1,325,000</u>	<u>1,200,000</u>	<u>125,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,325,000)</u>	<u>(1,325,000)</u>	<u>(1,186,487)</u>	<u>138,513</u>
Other financing sources (uses):				
Transfers in	1,100,000	1,100,000	1,100,000	-
Transfers out	-	-	(1,400,759)	(1,400,759)
Planned change in fund balance	225,000	225,000	-	(225,000)
Total other financing sources (uses)	<u>1,325,000</u>	<u>1,325,000</u>	<u>(300,759)</u>	<u>(1,625,759)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,487,246)</u>	<u>\$ (1,487,246)</u>

**Nonmajor Governmental Funds
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Storm Water Fees Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 400,000	\$ 400,000	\$ 620,600	\$ 220,600
Investment income	-	-	769	769
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>621,369</u>	<u>221,369</u>
Expenditures:				
Salaries	17,500	122,295	122,295	-
Fringe benefits	-	33,559	32,138	1,421
Salary restriction	138,354	-	-	-
Supplies and materials	-	6,500	478	6,022
Services and other expenditures	-	7,960	4,540	3,420
Professional and contracted services	244,146	227,058	3,850	223,208
Interfund services	-	2,628	2,628	-
Total expenditures	<u>400,000</u>	<u>400,000</u>	<u>165,929</u>	<u>234,071</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,440</u>	<u>\$ 455,440</u>

Internal Service Funds
Combining Statement of Net Assets
June 30, 2010

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Assets:					
Current assets					
Cash and cash equivalents	\$ -	\$ 17,432,442	\$ 5,717,108	\$ 11,722,127	\$ 34,871,677
Accounts receivable and accrued revenues	10,339	6,739	-	-	17,078
Due from other governmental entities	17,628	-	-	-	17,628
Inventories	38,055	-	-	-	38,055
Prepays	672,541	-	-	-	672,541
Deposits held by others	-	-	-	50,000	50,000
Total current assets	<u>738,563</u>	<u>17,439,181</u>	<u>5,717,108</u>	<u>11,772,127</u>	<u>35,666,979</u>
Noncurrent assets					
Net pension obligation	109,045	-	-	-	109,045
Depreciable capital assets, net	1,614,532	-	-	-	1,614,532
Total noncurrent assets	<u>1,723,577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,723,577</u>
Total assets	<u>\$ 2,462,140</u>	<u>\$ 17,439,181</u>	<u>\$ 5,717,108</u>	<u>\$ 11,772,127</u>	<u>\$ 37,390,556</u>
Liabilities and net assets:					
Current liabilities					
Accounts payable and accrued liabilities	\$ 534,439	\$ 217,331	\$ 2,607	\$ 43,296	\$ 797,673
Deferred revenue	-	3,883,021	-	-	3,883,021
Due to other funds	55,647	-	-	-	55,647
Sick and annual leave payable	69,389	-	-	-	69,389
Claims payable	-	3,982,334	488,922	2,990,600	7,461,856
Total current liabilities	<u>659,475</u>	<u>8,082,686</u>	<u>491,529</u>	<u>3,033,896</u>	<u>12,267,586</u>
Noncurrent liabilities					
Long term claims payable	-	-	2,585,026	3,602,416	6,187,442
Sick and annual leave payable	46,076	-	-	-	46,076
Net postemployment benefit obligations	41,484	-	-	-	41,484
Total noncurrent liabilities	<u>87,560</u>	<u>-</u>	<u>2,585,026</u>	<u>3,602,416</u>	<u>6,275,002</u>
Total liabilities	<u>747,035</u>	<u>8,082,686</u>	<u>3,076,555</u>	<u>6,636,312</u>	<u>18,542,588</u>
Net assets:					
Invested in capital assets, net of related debt	1,614,532	-	-	-	1,614,532
Unrestricted	100,573	9,356,495	2,640,553	5,135,815	17,233,436
Total net assets	<u>1,715,105</u>	<u>9,356,495</u>	<u>2,640,553</u>	<u>5,135,815</u>	<u>18,847,968</u>
Total liabilities and net assets	<u>\$ 2,462,140</u>	<u>\$ 17,439,181</u>	<u>\$ 5,717,108</u>	<u>\$ 11,772,127</u>	<u>\$ 37,390,556</u>

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

Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2010

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Operating revenues:					
Federal and local revenue	\$ -	\$ 71,934	\$ -	\$ -	\$ 71,934
Premium revenue	-	48,389,455	532,263	4,810,975	53,732,693
Charges for services	6,149,739	-	-	-	6,149,739
Other revenue	-	15,581	-	3,000	18,581
Total operating revenues	<u>6,149,739</u>	<u>48,476,970</u>	<u>532,263</u>	<u>4,813,975</u>	<u>59,972,947</u>
Operating expenses:					
Salaries	711,453	-	-	-	711,453
Other compensation	564	-	-	-	564
Fringe benefits	261,696	-	-	-	261,696
Supplies and materials	609,475	-	-	-	609,475
Services and other expenses	1,400,753	-	220	-	1,400,973
Professional and contracted services	-	2,628,916	-	336,765	2,965,681
Rent, utilities and maintenance	2,649,213	-	-	-	2,649,213
Interfund services	29,416	-	-	-	29,416
Depreciation	169,287	-	-	-	169,287
Claims incurred	-	42,923,500	275,784	3,466,451	46,665,735
Total operating expenses	<u>5,831,857</u>	<u>45,552,416</u>	<u>276,004</u>	<u>3,803,216</u>	<u>55,463,493</u>
Operating income (loss)	317,882	2,924,554	256,259	1,010,759	4,509,454
Nonoperating revenues (expenses):					
Interest income	-	120,750	-	-	120,750
Income (loss) before transfers	<u>317,882</u>	<u>3,045,304</u>	<u>256,259</u>	<u>1,010,759</u>	<u>4,630,204</u>
Transfers:					
Transfers in	-	-	1,000,000	-	1,000,000
Transfers out	-	(331,374)	-	(300,000)	(631,374)
Net transfers	<u>-</u>	<u>(331,374)</u>	<u>1,000,000</u>	<u>(300,000)</u>	<u>368,626</u>
Change in net assets	317,882	2,713,930	1,256,259	710,759	4,998,830
Net assets:					
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>
June 30, 2010	<u>\$ 1,715,105</u>	<u>\$ 9,356,495</u>	<u>\$ 2,640,553</u>	<u>\$ 5,135,815</u>	<u>\$ 18,847,968</u>

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

**Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2010**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
Cash flows from operations:					
Receipts from customers	\$ 339,401	\$ -	\$ -	\$ -	\$ 339,401
Receipts from interfund services provided	5,945,598	-	-	-	5,945,598
Premiums received	-	48,653,248	532,263	4,818,583	54,004,094
Refunds received from suppliers	1,630	35,971	-	11,051	48,652
Cash payments to suppliers	(5,122,433)	(2,416,007)	(220)	(458,817)	(7,997,477)
Cash payments to employees	(944,536)	-	-	-	(944,536)
Claims paid	-	(42,755,971)	(628,443)	(3,747,819)	(47,132,233)
Payments for interfund services used	(29,416)	-	-	-	(29,416)
Net cash provided by (used in) operating activities	<u>190,244</u>	<u>3,517,241</u>	<u>(96,400)</u>	<u>622,998</u>	<u>4,234,083</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	-	-	1,000,000	-	1,000,000
Transfers to other funds	-	(331,374)	-	(300,000)	(631,374)
Advances from other funds	55,647	-	-	-	55,647
Repayment of advance from other funds	(100,101)	-	-	-	(100,101)
Net cash provided by (used in) noncapital financing activities	<u>(44,454)</u>	<u>(331,374)</u>	<u>1,000,000</u>	<u>(300,000)</u>	<u>324,172</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(145,790)	-	-	-	(145,790)
Net cash provided by (used in) capital and related financing activities	<u>(145,790)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(145,790)</u>
Cash flows from investing activities:					
Interest and investment earnings	-	120,750	-	-	120,750
Net cash provided by (used in) investing activities	<u>-</u>	<u>120,750</u>	<u>-</u>	<u>-</u>	<u>120,750</u>
Net increase (decrease) in cash and cash equivalents	-	3,306,617	903,600	322,998	4,533,215
Cash and cash equivalents, June 30, 2009	-	14,125,825	4,813,508	11,399,129	30,338,462
Cash and cash equivalents, June 30, 2010	<u>\$ -</u>	<u>\$ 17,432,442</u>	<u>\$ 5,717,108</u>	<u>\$ 11,722,127</u>	<u>\$ 34,871,677</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 317,882	\$ 2,924,554	\$ 256,259	\$ 1,010,759	\$ 4,509,454
Adjustments:					
Depreciation	169,287	-	-	-	169,287
Changes in assets and liabilities:					
Accounts receivable and accrued revenues	2,291	(5)	-	7,608	9,894
Due from other governmental entities	97,403	-	-	-	97,403
Inventories	(5,966)	-	-	-	(5,966)
Prepays and deferred charges	(342,110)	-	-	-	(342,110)
Deposits held by others	-	99,000	-	-	99,000
Net pension obligation	(2,050)	-	-	-	(2,050)
Accounts payable and accrued liabilities	(77,719)	212,909	(3,564)	(114,001)	17,625
Deferred revenue	-	113,254	-	-	113,254
Sick and annual leave payable	3,123	-	-	-	3,123
Claims payable	-	167,529	(349,095)	(281,368)	(462,934)
Net postemployment benefit obligations	28,103	-	-	-	28,103
Total adjustments	<u>(127,638)</u>	<u>592,687</u>	<u>(352,659)</u>	<u>(387,761)</u>	<u>(275,371)</u>
Net cash provided by (used in) operating activities	<u>\$ 190,244</u>	<u>\$ 3,517,241</u>	<u>\$ (96,400)</u>	<u>\$ 622,998</u>	<u>\$ 4,234,083</u>
Noncash investing, capital, and financing activities:					
Capital assets accrued, not reflected in capital financing activities	\$ 9,862				\$ 9,862

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

Constitutional Officers - General and Agency Funds
Combined Schedule of Changes in Assets and Liabilities
For the Year Ended June 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
Chancery Court				
Assets:				
Cash and cash equivalents	\$ 9,786,189	\$ 21,833,027	\$ (25,910,060)	\$ 5,709,156
Investments	2,000,000	2,000,000	(2,000,000)	2,000,000
Total Assets	<u>\$ 11,786,189</u>	<u>\$ 23,833,027</u>	<u>\$ (27,910,060)</u>	<u>\$ 7,709,156</u>
Liabilities:				
Funds held for others	\$ 11,226,442	\$ 12,822,944	\$ (16,906,007)	\$ 7,143,379
Due to other funds and departments	559,747	10,656,553	(10,650,523)	565,777
Total Liabilities	<u>\$ 11,786,189</u>	<u>\$ 23,479,497</u>	<u>\$ (27,556,530)</u>	<u>\$ 7,709,156</u>
Circuit Court Clerk				
Assets:				
Cash and cash equivalents	\$ 14,375,730	\$ 14,853,671	\$ (14,758,225)	\$ 14,471,176
Investments	1,000,000	1,000,000	(1,000,000)	1,000,000
Total Assets	<u>\$ 15,375,730</u>	<u>\$ 15,853,671</u>	<u>\$ (15,758,225)</u>	<u>\$ 15,471,176</u>
Liabilities:				
Funds held for others	\$ 14,916,964	\$ 11,837,132	\$ (11,664,031)	\$ 15,090,065
Due to other governmental agencies	33,170	401,164	(400,054)	34,280
Due to other funds and departments	425,596	3,615,375	(3,694,140)	346,831
Total Liabilities	<u>\$ 15,375,730</u>	<u>\$ 15,853,671</u>	<u>\$ (15,758,225)</u>	<u>\$ 15,471,176</u>
Criminal Court Clerk				
Assets:				
Cash and cash equivalents	\$ 2,421,388	\$ 9,172,624	\$ (8,113,132)	\$ 3,480,880
Accounts receivable	817,315	952,107	(817,315)	952,107
Total Assets	<u>\$ 3,238,703</u>	<u>\$ 10,124,731</u>	<u>\$ (8,930,447)</u>	<u>\$ 4,432,987</u>
Liabilities:				
Funds held for others	\$ 2,033,234	\$ 336,890	\$ (191,500)	\$ 2,178,624
Due to other governmental agencies	49,183	2,452,255	(1,730,661)	770,777
Due to other funds and departments	1,156,286	6,702,686	(6,375,386)	1,483,586
Total Liabilities	<u>\$ 3,238,703</u>	<u>\$ 9,491,831</u>	<u>\$ (8,297,547)</u>	<u>\$ 4,432,987</u>
General Sessions Court Clerk				
Assets:				
Cash and cash equivalents	\$ 6,987,486	\$ 37,443,544	\$ (37,509,581)	\$ 6,921,449
Investments	1,400,000	1,850,000	(1,400,000)	1,850,000
Total Assets	<u>\$ 8,387,486</u>	<u>\$ 39,293,544</u>	<u>\$ (38,909,581)</u>	<u>\$ 8,771,449</u>
Liabilities:				
Funds held for others	\$ 6,776,816	\$ 17,209,389	\$ (16,910,514)	\$ 7,075,691
Due to other governmental agencies	269,618	3,955,448	(3,946,545)	278,521
Due to other funds and departments	1,341,052	18,128,707	(18,052,522)	1,417,237
Total Liabilities	<u>\$ 8,387,486</u>	<u>\$ 39,293,544</u>	<u>\$ (38,909,581)</u>	<u>\$ 8,771,449</u>

(continued)

Shelby County, Tennessee

Constitutional Officers - General and Agency Funds
Combined Schedule of Changes in Assets and Liabilities (continued)
For the Year Ended June 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
Probate Court Clerk				
Assets:				
Cash and cash equivalents	\$ 16,142,395	\$ 27,084,217	\$ (24,764,102)	\$ 18,462,510
Total Assets	<u>\$ 16,142,395</u>	<u>\$ 27,084,217</u>	<u>\$ (24,764,102)</u>	<u>\$ 18,462,510</u>
Liabilities:				
Funds held for others	\$ 16,080,309	\$ 26,468,751	\$ (24,162,701)	\$ 18,386,359
Due to other governmental agencies	2,136	27,967	(27,647)	2,456
Due to other funds and departments	33,824	587,499	(568,602)	52,721
Accounts payable and accrued expenses	26,126	-	(5,152)	20,974
Total Liabilities	<u>\$ 16,142,395</u>	<u>\$ 27,084,217</u>	<u>\$ (24,764,102)</u>	<u>\$ 18,462,510</u>
Juvenile Court Clerk				
Assets:				
Cash and cash equivalents	\$ 7,466,685	\$ 7,507,854	\$ (7,579,555)	\$ 7,394,984
Accounts receivable	166,103	212,164	(166,103)	212,164
Total Assets	<u>\$ 7,632,788</u>	<u>\$ 7,720,018</u>	<u>\$ (7,745,658)</u>	<u>\$ 7,607,148</u>
Liabilities:				
Funds held for others	\$ 7,414,085	\$ 6,581,744	\$ (6,719,904)	\$ 7,275,925
Due to other funds and departments	218,703	1,171,648	(1,059,128)	331,223
Total Liabilities	<u>\$ 7,632,788</u>	<u>\$ 7,753,392</u>	<u>\$ (7,779,032)</u>	<u>\$ 7,607,148</u>
County Clerk				
Assets:				
Cash and cash equivalents	\$ 11,372,267	\$ 116,016,469	\$ (121,327,594)	\$ 6,061,142
Investments	1,750,000	1,750,000	(1,750,000)	1,750,000
Accounts receivable	995,705	430,534	(297,402)	1,128,837
Total Assets	<u>\$ 14,117,972</u>	<u>\$ 118,197,003</u>	<u>\$ (123,374,996)</u>	<u>\$ 8,939,979</u>
Liabilities:				
Funds held for others	\$ 9,767	\$ 15,944	\$ (24,052)	\$ 1,659
Due to other governmental agencies	7,240,198	57,542,292	(61,827,171)	2,955,319
Due to other funds and departments	6,868,007	60,638,767	(61,523,773)	5,983,001
Total Liabilities	<u>\$ 14,117,972</u>	<u>\$ 118,197,003</u>	<u>\$ (123,374,996)</u>	<u>\$ 8,939,979</u>
Register				
Assets:				
Cash and cash equivalents	\$ 1,827,229	\$ 17,701,100	\$ (17,788,848)	\$ 1,739,481
Total Assets	<u>\$ 1,827,229</u>	<u>\$ 17,701,100</u>	<u>\$ (17,788,848)</u>	<u>\$ 1,739,481</u>
Liabilities:				
Due to other governmental agencies	\$ 1,457,852	\$ 14,244,186	\$ (14,260,815)	\$ 1,441,223
Due to other funds and departments	369,377	3,456,914	(3,528,033)	298,258
Total Liabilities	<u>\$ 1,827,229</u>	<u>\$ 17,701,100</u>	<u>\$ (17,788,848)</u>	<u>\$ 1,739,481</u>

(continued)

Shelby County, Tennessee

Constitutional Officers - General and Agency Funds
Combined Schedule of Changes in Assets and Liabilities (continued)
For the Year Ended June 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
Trustee				
Assets:				
Cash and cash equivalents	\$ 424,802,983	\$ 2,523,273,351	\$ (2,520,202,461)	\$ 427,873,873
Investments	31,950,000	20,050,000	(31,950,000)	20,050,000
Accounts receivable	282,843	156,308	(282,843)	156,308
Total Assets	\$ 457,035,826	\$ 2,543,479,659	\$ (2,552,435,304)	\$ 448,080,181
Liabilities:				
Funds held for others	\$ 9,150,535	\$ 14,558,918	\$ (13,468,674)	\$ 10,240,779
Due to other governmental agencies	9,277,232	607,774,136	(604,951,308)	12,100,060
Due to other funds and departments	326,881,647	1,481,136,666	(1,469,650,453)	338,367,860
Due to component units	111,726,412	440,009,939	(464,364,869)	87,371,482
Total Liabilities	\$ 457,035,826	\$ 2,543,479,659	\$ (2,552,435,304)	\$ 448,080,181
Elimination of Interdepartmental Activity				
Assets:				
Cash and cash equivalents	\$ (337,854,239)	\$ (1,586,094,815)	\$ 1,575,102,560	\$ (348,846,494)
Total Assets	\$ (337,854,239)	\$ (1,586,094,815)	\$ 1,575,102,560	\$ (348,846,494)
Liabilities:				
Due to other funds and departments	\$ (337,854,239)	\$ (1,586,094,815)	\$ 1,575,102,560	\$ (348,846,494)
Total Liabilities	\$ (337,854,239)	\$ (1,586,094,815)	\$ 1,575,102,560	\$ (348,846,494)
Total				
Assets:				
Cash and cash equivalents	\$ 157,328,113	\$ 1,188,791,042	\$ (1,202,850,998)	\$ 143,268,157
Investments	38,100,000	26,650,000	(38,100,000)	26,650,000
Accounts receivable	2,261,966	1,751,113	(1,563,663)	2,449,416
Total Assets	\$ 197,690,079	\$ 1,217,192,155	\$ (1,242,514,661)	\$ 172,367,573
Liabilities:				
Funds held for others	\$ 67,608,152	\$ 89,831,712	\$ (90,047,383)	\$ 67,392,481
Due to other governmental agencies	18,329,389	686,397,448	(687,144,201)	17,582,636
Due to other funds and departments	-	-	-	-
Due to component units	111,726,412	440,009,939	(464,364,869)	87,371,482
Accounts payable and accrued expenses	26,126	-	(5,152)	20,974
Total Liabilities	\$ 197,690,079	\$ 1,216,239,099	\$ (1,241,561,605)	\$ 172,367,573

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

**Schedule of General Obligation Bonds-Except for School Purposes
June 30, 2010**

	1996B General Obligation	1997B General Obligation	1999B General Obligation	2001A REF General Obligation	2001A General Obligation
Date of Issuance	11/01/1996 ^c 11/14/1996 ^s	11/01/1997	02/01/1999	12/01/2000	12/01/2001
Total Issue	\$ 43,640,742	\$ 34,019,243	\$ 34,913,216	\$ 16,284,078	\$ 100,033,534
Interest Rate %	5.00-6.00	4.50-5.75	3.55-5.25	(Variable)	4.50 - 5.00
Fiscal Year					
2011	\$ ---	\$ 1,846,307	\$ 5,271,600	\$ 7,320,365	\$ 3,963,293
2012	5,568,495	---	3,786,359	---	---
2013	5,548,176	938,662	1,924,780	---	---
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	---	---	---	---	---
2033	---	---	---	---	---
2034	---	---	---	---	---
TOTAL	<u>\$ 14,507,296</u>	<u>\$ 5,303,440</u>	<u>\$ 10,982,739</u>	<u>\$ 7,320,365</u>	<u>\$ 3,963,293</u>

(continued)

(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.

Schedule of General Obligation Bonds-Except for School Purposes (continued)
June 30,2010

	2006C General Obligation	2009A General Obligation	Non-School Total
Date of Issuance	11/30/2006	04/02/2009	
Total Issue	\$ 88,928,873	\$ 131,252,597	
Interest Rate %	(Variable)	2.75-5.0	
Fiscal Year			
2011	\$ 12,017,584	\$ 6,140,000	\$ 51,459,030
2012	3,312,932	18,140,000	47,530,773
2013	1,952,836	15,960,000	43,616,629
2014	1,663,747	24,225,000	52,867,284
2015	1,729,823	23,105,000	49,134,905
2016	1,795,899	8,856,938	27,221,007
2017	1,868,751	6,435,244	26,688,914
2018	3,459,116	5,766,048	27,142,529
2019	5,830,798	5,155,468	28,240,636
2020	6,112,984	5,363,135	29,893,044
2021	17,615,024	5,415,764	34,288,706
2022	10,875,000	5,250,000	28,509,303
2023	---	---	13,623,035
2024	---	---	7,730,048
2025	---	---	8,503,250
2026	---	---	---
2027	---	---	---
2028	---	---	---
2029	---	---	---
2030	---	---	---
2031	---	---	---
2032	---	---	---
2033	---	---	---
2034	---	---	---
TOTAL	<u>\$ 68,234,494</u>	<u>\$ 129,812,597</u>	<u>\$ 476,449,093</u>



**Schedule of General Obligation Bonds-School Purposes
June 30, 2010**

	1996B General Obligation	1997B General Obligation	1999B General Obligation	2001A REF General Obligation	2001A General Obligation
Date of Issuance	11/01/1996 11/14/1993	01-Nov-97	02/01/1999	12/01/2000	12/01/2001
Total Issue	\$ 51,045,323	\$ 74,415,173	\$ 25,851,784	\$ 5,515,922	\$ 57,716,466
Interest Rate %	5.00-6.00	4.50-5.75	3.55-5.25	(Variable)	4.50-5.00
Fiscal Year					
2011	\$ ---	\$ 4,038,693	\$ 3,903,400	\$ 2,479,635	\$ 2,286,706
2012	6,513,311	---	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	---	---	---	---	---
2033	---	---	---	---	---
2034	---	---	---	---	---
TOTAL	<u>\$ 16,968,768</u>	<u>\$ 11,600,976</u>	<u>\$ 8,132,261</u>	<u>\$ 2,479,635</u>	<u>\$ 2,286,706</u>

(continued)

2003A General Obligation	2003A RURAL General Obligation	2004A General Obligation	2004B General Obligation	2005A General Obligation
06/10/2003	11/12/2003	03/31/2004	04/15/2004	03/10/2005
\$ 89,355,000	\$ 32,110,000	\$ 28,858,830	\$ 176,950,269	\$ 241,373,000
4.00-5.00	2.50-5.00	3.00-5.00	(Variable)	3.00-5.00
\$ 2,260,000	\$ 950,000	\$ 3,424,492	\$ ---	\$ 12,674,000
---	980,000	3,763,013	---	12,984,000
---	1,020,000	4,140,825	---	10,327,000
---	1,060,000	4,554,907	---	18,954,000
---	1,105,000	---	5,011,305	22,920,000
---	1,150,000	---	5,513,040	27,816,000
3,275,000	1,200,000	---	6,063,135	19,990,000
3,600,000	1,250,000	---	6,667,635	25,325,000
3,960,000	1,310,000	---	7,338,630	20,457,000
4,355,000	1,365,000	---	8,070,075	18,978,000
4,795,000	1,430,000	---	8,877,083	6,195,000
5,270,000	1,495,000	---	9,765,698	6,090,000
5,800,000	1,570,000	---	10,741,965	5,205,000
6,380,000	1,645,000	---	11,814,953	5,170,000
7,015,000	1,725,000	---	12,996,750	4,700,000
7,720,000	1,810,000	---	13,775,000	---
8,490,000	1,905,000	---	15,150,000	---
9,340,000	2,000,000	---	16,665,000	---
---	1,910,000	---	18,335,000	---
---	---	---	20,165,000	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
<u>\$ 72,260,000</u>	<u>\$ 26,880,000</u>	<u>\$ 15,883,237</u>	<u>\$ 176,950,269</u>	<u>\$ 217,785,000</u>

Schedule of General Obligation Bonds-School Purposes (continued)

June 30, 2010

	2006A General Obligation	2006B General Obligation	2006C General Obligation	2009A General Obligation	2009B General Obligation
Date of Issuance	02/22/2006	02/22/2006	11/30/2006	04/02/2009	09/30/2009
Total Issue	\$ 42,161,627	\$ 159,590,000	\$ 197,846,127	\$ 83,442,403	\$ 60,000,000
Interest Rate %	5.00	(Variable)	(Variable)	2.75-5.0	2.25-5.0
Fiscal Year					
2011	\$ 6,981,627	\$ ---	\$ 10,807,416	\$ ---	\$ 3,390,000
2012	9,555,000	---	2,667,068	---	3,525,000
2013	7,070,000	---	2,772,164	---	3,665,000
2014	6,220,000	---	3,246,253	---	3,755,000
2015	3,360,000	---	3,375,177	---	3,905,000
2016	8,975,000	---	3,504,101	14,083,062	3,995,000
2017	---	7,425,000	3,646,249	10,174,756	4,095,000
2018	---	2,020,000	2,265,884	18,323,952	4,215,000
2019	---	---	3,364,202	20,464,532	4,425,000
2020	---	2,705,000	3,527,016	12,861,865	4,570,000
2021	---	8,505,000	6,464,976	7,534,236	4,755,000
2022	---	9,575,000	14,410,000	---	4,990,000
2023	---	7,130,000	26,290,000	---	5,240,000
2024	---	7,450,000	27,330,000	---	5,475,000
2025	---	23,900,000	6,530,000	---	---
2026	---	26,130,000	6,785,000	---	---
2027	---	20,110,000	7,050,000	---	---
2028	---	6,625,000	7,325,000	---	---
2029	---	12,680,000	7,610,000	---	---
2030	---	6,055,000	7,910,000	---	---
2031	---	19,280,000	8,220,000	---	---
2032	---	---	8,540,000	---	---
2033	---	---	---	---	---
2034	---	---	---	---	---
TOTAL	\$ 42,161,627	\$ 159,590,000	\$ 173,640,506	\$ 83,442,403	\$ 60,000,000

2009C General Obligation		2009 QSCB		School Total		G. O. Bonds Total	
09/30/2009		09/15/2009					
\$	60,000,000	\$	55,120,000				
	2.25-5.0		1.515				
\$	---	\$	3,152,785	\$	56,348,754	\$	107,807,784
	---		3,439,402		46,230,435		93,761,208
	---		3,439,402		42,402,422		86,019,051
	---		3,439,402		44,259,773		97,127,057
	---		3,439,402		45,972,292		95,107,197
	---		3,439,402		69,431,472		96,652,479
	---		3,439,402		61,940,985		88,629,899
	---		3,439,402		67,106,873		94,249,402
	---		3,439,402		64,758,766		92,999,402
	---		3,439,402		59,871,358		89,764,402
	---		3,439,402		51,995,697		86,284,403
	---		3,439,402		55,035,100		83,544,403
	---		3,439,402		65,416,367		79,039,402
	---		3,439,402		68,704,355		76,434,403
	4,995,000		3,439,402		65,301,152		73,804,402
	5,195,000		3,815,587		65,230,587		65,230,587
	5,400,000		---		58,105,000		58,105,000
	5,610,000		---		47,565,000		47,565,000
	5,830,000		---		46,365,000		46,365,000
	6,060,000		---		40,190,000		40,190,000
	6,315,000		---		33,815,000		33,815,000
	6,585,000		---		15,125,000		15,125,000
	6,860,000		---		6,860,000		6,860,000
	7,150,000		---		7,150,000		7,150,000
\$	60,000,000	\$	55,120,000	\$	1,185,181,388	\$	1,661,630,481

Schedule of Defeased Bonds
June 30, 2010

Defeased Bonds: **

<u>Bond Series</u>			<u>Maturity Dates</u>	<u>Escrow Maturity</u>	<u>Total Defeased Principal</u>
2001 Series A	Public Improvement/School	Current interest bonds	04/01/12-24	4/1/2011	\$ 111,475,000
2003 Series A	Public Improvement/School	Current interest bonds	03/01/12-16	3/1/2011	<u>26,530,000</u>
Total					<u><u>\$ 138,005,000</u></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-Summary by Type
For the Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 142,832,000	\$ 142,832,000	\$ 151,142,924	\$ 8,310,924
Other local taxes	20,092,000	20,092,000	38,573,503	18,481,503
Federal and local revenue	1,392,038	1,392,038	1,991,043	599,005
Charges for services	204,000	204,000	204,000	-
Other revenue	932,500	932,500	4,490,261	3,557,761
Investment income	1,602,000	1,602,000	467,058	(1,134,942)
Total revenues	<u>167,054,538</u>	<u>167,054,538</u>	<u>196,868,789</u>	<u>29,814,251</u>
Expenditures:				
Services and other expenditures	350,000	350,000	340,400	9,600
Professional and contracted services	34,500	34,500	25,096	9,404
Debt service	<u>174,990,082</u>	<u>174,990,082</u>	<u>171,703,157</u>	<u>3,286,925</u>
Total expenditures	<u>175,374,582</u>	<u>175,374,582</u>	<u>172,068,653</u>	<u>3,305,929</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,320,044)</u>	<u>(8,320,044)</u>	<u>24,800,136</u>	<u>33,120,180</u>
Other financing sources (uses):				
Transfers in	9,081,448	9,081,448	9,646,179	564,731
Transfers out	(7,464,000)	(7,464,000)	(6,564,000)	900,000
Planned change in fund balance	<u>6,702,596</u>	<u>6,702,596</u>	<u>-</u>	<u>(6,702,596)</u>
Total other financing sources (uses)	<u>8,320,044</u>	<u>8,320,044</u>	<u>3,082,179</u>	<u>(5,237,865)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,882,315</u>	<u>\$ 27,882,315</u>

General Fund
Budgetary Comparison Schedule-Summary by Type
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 210,461,345	\$ 210,461,345	\$ 224,297,858	\$ 13,836,513
Other local taxes	35,210,000	35,210,000	32,278,259	(2,931,741)
State revenue	20,366,222	21,084,180	21,144,826	60,646
Federal and local revenue	10,639,304	13,082,553	13,568,726	486,173
Charges for services	3,207,480	5,092,722	4,277,593	(815,129)
Fines, fees and permits	65,382,617	64,270,229	62,044,010	(2,226,219)
Other revenue	2,499,193	1,513,041	498,039	(1,015,002)
Investment income	4,913,813	4,913,813	528,662	(4,385,151)
Total revenues	<u>352,679,974</u>	<u>355,627,883</u>	<u>358,637,973</u>	<u>3,010,090</u>
Expenditures:				
Salaries	187,487,582	188,229,759	176,253,504	11,976,255
Other compensation	11,591,808	13,355,476	12,064,353	1,291,123
Fringe benefits	61,851,602	60,863,375	56,233,936	4,629,439
Salary restriction	(17,251,284)	(16,325,361)	-	(16,325,361)
Supplies and materials	9,959,010	10,293,288	8,986,487	1,306,801
Services and other expenditures	5,334,585	6,258,627	5,261,231	997,396
Professional and contracted services	32,713,639	32,106,109	29,103,419	3,002,690
Rent, utilities and maintenance	16,373,402	14,961,073	14,075,782	885,291
Interfund services	5,188,572	105,410	(627,315)	732,725
Capital asset acquisitions	2,579,593	3,350,483	3,035,387	315,096
Debt service	1,250,000	1,200,000	-	1,200,000
Affiliated organizations	29,868,348	41,734,357	41,699,414	34,943
Grants	306,000	306,000	306,000	-
Contingencies and restrictions	(2,229,709)	(3,026,578)	-	(3,026,578)
Total expenditures	<u>345,023,148</u>	<u>353,412,018</u>	<u>346,392,198</u>	<u>7,019,820</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,656,826</u>	<u>2,215,865</u>	<u>12,245,775</u>	<u>10,029,910</u>
Other financing sources (uses):				
Transfers in	9,276,520	3,519,572	3,989,297	469,725
Transfers out	(17,433,346)	(18,280,134)	(13,715,787)	4,564,347
Proceeds from sale of capital assets	500,000	485,814	406,021	(79,793)
Insurance proceeds	-	42,500	67,649	25,149
Planned change in fund balance	-	12,016,383	-	(12,016,383)
Total other financing sources (uses)	<u>(7,656,826)</u>	<u>(2,215,865)</u>	<u>(9,252,820)</u>	<u>(7,036,955)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,992,955</u>	<u>\$ 2,992,955</u>

General Fund
Budgetary Comparison Schedule-Summary by Department
For the Year Ended June 30, 2010

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Revenues:			
General Government			
Chief Administrative Officer	\$ -	\$ 5,360	\$ 5,360
County Attorney	111,000	117,529	6,529
Central Operations	261,458,845	272,306,537	10,847,692
Personnel	529,359	490,646	(38,713)
Purchasing	1,000	30	(970)
Information Technology	1,806,960	1,596,752	(210,208)
Finance	-	10	10
Election Commission	1,787,921	1,192,012	(595,909)
	<u>265,695,085</u>	<u>275,708,876</u>	<u>10,013,791</u>
Planning and Development			
Department of Housing	5,000	5,100	100
	<u>5,000</u>	<u>5,100</u>	<u>100</u>
Public Works			
County Engineer	172,500	170,426	(2,074)
Agricultural Extension Service	5,000	5,000	-
Conservation Board	733,432	620,907	(112,525)
Port Commission	1,042,182	1,533,900	491,718
Support Services	1,295,595	1,811,314	515,719
Land Bank	8,000	10,936	2,936
	<u>3,256,709</u>	<u>4,152,483</u>	<u>895,774</u>
Health Services			
Forensic Services	250,000	275,302	25,302
Administration and Finance - Health Services	5,118,299	5,159,260	40,961
Environmental Health Services	2,322,723	1,891,990	(430,733)
Personal Health Services	3,299,199	2,075,066	(1,224,133)
Assessment and Assurance	950,000	952,034	2,034
	<u>11,940,221</u>	<u>10,353,652</u>	<u>(1,586,569)</u>
Community Services			
Special Funded Projects	63,000	57,603	(5,397)
Crime Victims Center	120,000	137,093	17,093
Pretrial Services	300,000	245,253	(54,747)
	<u>483,000</u>	<u>439,949</u>	<u>(43,051)</u>
Law Enforcement			
Sheriff's Office	5,754,356	4,318,723	(1,435,633)
	<u>5,754,356</u>	<u>4,318,723</u>	<u>(1,435,633)</u>

(continued)

General Fund
Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	Final Budget	Actual Amounts	Variance
Judicial			
Chancery Court	\$ 2,950,000	\$ 3,306,368	\$ 356,368
Circuit Court	2,950,000	3,228,495	278,495
Criminal Court	5,131,000	4,556,699	(574,301)
General Sessions Court	10,252,253	10,557,426	305,173
Probate Court	625,000	530,389	(94,611)
Juvenile Court	1,619,600	1,231,204	(388,396)
Public Defender	3,120,700	3,065,865	(54,835)
Divorce Referee	325,000	280,957	(44,043)
Attorney General	75,041	109,449	34,408
	<u>27,048,594</u>	<u>26,866,852</u>	<u>(181,742)</u>
Other Elected Officials			
Legislative Operations	2,000	990	(1,010)
Assessor	2,687,358	2,720,420	33,062
County Clerk	10,650,830	9,373,538	(1,277,292)
Register	5,104,730	3,187,727	(1,917,003)
Trustee	23,000,000	21,509,663	(1,490,337)
	<u>41,444,918</u>	<u>36,792,338</u>	<u>(4,652,580)</u>
Total Revenues	<u>355,627,883</u>	<u>358,637,973</u>	<u>3,010,090</u>
Expenditures:			
General Government			
Mayor's Office	629,465	590,037	39,428
Public Affairs	337,607	286,538	51,069
Chief Administrative Officer	2,497,046	2,426,237	70,809
County Attorney	3,772,948	3,738,188	34,760
Director of Administration and Finance	583,694	579,197	4,497
Central Operations	38,864,942	36,694,377	2,170,565
County Grants	1,198,500	1,188,781	9,719
Personnel	4,049,738	3,913,530	136,208
Purchasing	701,138	658,651	42,487
Information Technology	9,223,249	8,781,982	441,267
Finance	2,040,050	2,006,599	33,451
Board of Equalization	662,402	560,287	102,115
Election Commission	4,004,497	3,686,497	318,000
	<u>68,565,276</u>	<u>65,110,901</u>	<u>3,454,375</u>
Planning and Development			
Department of Housing	483,087	453,617	29,470
	<u>483,087</u>	<u>453,617</u>	<u>29,470</u>

(continued)

General Fund

Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	Final Budget	Actual Amounts	Variance
Public Works			
Director and Staff of Public Works	\$ 415,640	\$ 345,739	\$ 69,901
County Engineer	294,094	278,569	15,525
Soil Conservation	65,790	61,493	4,297
Shelby Farms	575,848	575,848	-
Agricultural Extension Service	280,231	268,512	11,719
Conservation Board	951,116	862,009	89,107
Port Commission	845,750	843,807	1,943
Support Services	13,923,714	13,908,627	15,087
Land Bank	1,240,324	1,154,567	85,757
	<u>18,592,507</u>	<u>18,299,171</u>	<u>293,336</u>
Health Services			
Director of Health Services	120,286	119,733	553
Forensic Services	3,251,073	3,250,641	432
Administration and Finance - Health Services	12,070,168	12,359,639	(289,471)
Environmental Health Services	3,019,426	3,017,758	1,668
Personal Health Services	9,398,262	9,284,980	113,282
Assessment and Assurance	1,582,338	1,572,240	10,098
	<u>29,441,553</u>	<u>29,604,991</u>	<u>(163,438)</u>
Community Services			
Director of Community Services	1,864,081	1,435,306	428,775
Special Funded Projects	1,815,594	1,280,903	534,691
Crime Victims Center	566,378	541,009	25,369
Office on Aging	85,946	81,389	4,557
Pretrial Services	3,583,709	3,537,739	45,970
	<u>7,915,708</u>	<u>6,876,346</u>	<u>1,039,362</u>
Law Enforcement			
Sheriff's Office	142,667,351	141,653,017	1,014,334
	<u>142,667,351</u>	<u>141,653,017</u>	<u>1,014,334</u>
Judicial			
Chancery Court	1,462,539	1,454,622	7,917
Circuit Court	2,744,198	2,697,025	47,173
Criminal Court	4,592,018	4,535,616	56,402
General Sessions Court	12,536,812	12,219,718	317,094
Probate Court	1,097,692	1,081,256	16,436
Juvenile Court	19,615,351	19,375,437	239,914
Public Defender	8,236,021	8,168,263	67,758
Divorce Referee	530,542	509,492	21,050
Jury Commission	845,914	775,970	69,944
Attorney General	8,553,317	8,518,756	34,561
	<u>60,214,404</u>	<u>59,336,155</u>	<u>878,249</u>

(continued)

General Fund
Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	Final Budget	Actual Amounts	Variance
Other Elected Officials			
Commissioner's Contingency	\$ 97,397	\$ -	\$ 97,397
Legislative Operations	1,801,557	1,720,466	81,091
Equal Opportunity Compliance	799,626	727,791	71,835
Assessor	9,565,619	9,441,132	124,487
County Clerk	4,509,618	4,465,109	44,509
Register	1,759,906	1,728,661	31,245
Trustee	6,998,409	6,974,841	23,568
	<u>25,532,132</u>	<u>25,058,000</u>	<u>474,132</u>
 Total Expenditures	 <u>353,412,018</u>	 <u>346,392,198</u>	 <u>7,019,820</u>
 Excess (deficiency) of revenues over expenditures	 <u>2,215,865</u>	 <u>12,245,775</u>	 <u>10,029,910</u>
Other Financing Sources and Uses:			
Transfers in			
Central Operations	-	1,400,759	1,400,759
Personnel	300,000	300,000	-
Department of Housing	29,382	29,179	(203)
Director and Staff of Public Works	35,170	35,170	-
Administration and Finance - Health Services	1,661,774	1,399,118	(262,656)
Environmental Health Services	200,000	-	(200,000)
Personal Health Services	1,110,702	686,263	(424,439)
Director of Community Services	65,000	62,342	(2,658)
Sheriff's Office	8,524	5,480	(3,044)
Juvenile Court	109,020	70,986	(38,034)
Total transfers in	<u>3,519,572</u>	<u>3,989,297</u>	<u>469,725</u>
Transfers out			
Central Operations	(14,014,308)	(9,959,837)	4,054,471
Department of Housing	(64,361)	(53,413)	10,948
Director and Staff of Public Works	(327,771)	(195,087)	132,684
Port Commission	(542,182)	(542,182)	-
Administration and Finance - Health Services	(150,755)	(123,827)	26,928
Environmental Health	(1,445,981)	(1,323,496)	122,485
Personal Health Services	(1,152,832)	(1,066,630)	86,202
Director of Community Services	(195,732)	(194,971)	761
Special Funded Projects	(30,740)	(29,607)	1,133
Crime Victims Center	(19,770)	(19,770)	-
Sheriff's Office	-	(22,591)	(22,591)
Juvenile Court	(313,193)	(169,689)	143,504
Attorney General	(22,509)	(14,687)	7,822
Total transfers out	<u>(18,280,134)</u>	<u>(13,715,787)</u>	<u>4,564,347</u>

(continued)

General Fund

Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Other financing sources (uses)			
Chief Administrative Officer	\$ -	\$ 500	\$ 500
Central Operations	12,016,383	18,949	(11,997,434)
Support Services	-	90,673	90,673
Land Bank	485,814	315,348	(170,466)
Sheriff's Office	42,500	44,321	1,821
Public Defender	-	3,879	3,879
Total other financing sources (uses)	<u>12,544,697</u>	<u>473,670</u>	<u>(12,071,027)</u>
Total other financing sources and uses	<u>(2,215,865)</u>	<u>(9,252,820)</u>	<u>(7,036,955)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,992,955</u>	<u>\$ 2,992,955</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Mayor's Office

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Salaries	\$ 469,979	\$ 461,486	\$ 376,727	\$ 84,759
Other compensation	-	272	272	-
Fringe benefits	134,495	132,496	98,969	33,527
Salary restriction	-	(100,000)	-	(100,000)
Supplies and materials	32,500	41,536	17,515	24,021
Services and other expenditures	23,500	24,500	11,823	12,677
Rent, utilities and maintenance	21,639	21,639	4,360	17,279
Interfund services	97,536	97,536	80,371	17,165
Contingencies and restrictions	-	(50,000)	-	(50,000)
Total expenditures	<u>779,649</u>	<u>629,465</u>	<u>590,037</u>	<u>39,428</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (779,649)</u>	<u>\$ (629,465)</u>	<u>\$ (590,037)</u>	<u>\$ 39,428</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Public Affairs

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 226,080	\$ 234,573	\$ 213,913	\$ 20,660
Other compensation	-	133	133	-
Fringe benefits	73,449	75,043	67,434	7,609
Supplies and materials	6,000	7,600	2,921	4,679
Services and other expenditures	12,025	10,425	1,660	8,765
Professional and contracted services	1,000	1,000	-	1,000
Interfund services	8,833	8,833	477	8,356
Total expenditures	<u>327,387</u>	<u>337,607</u>	<u>286,538</u>	<u>51,069</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (327,387)</u>	<u>\$ (337,607)</u>	<u>\$ (286,538)</u>	<u>\$ 51,069</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Chief Administrative Officer

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ -	\$ -	\$ 5,000	\$ 5,000
Charges for services	-	-	360	360
Total revenues	-	-	5,360	5,360
Expenditures:				
Salaries	1,457,250	1,471,886	1,402,740	69,146
Other compensation	-	21,000	18,972	2,028
Fringe benefits	403,558	393,675	361,833	31,842
Salary restriction	-	(95,000)	-	(95,000)
Supplies and materials	69,045	39,142	18,133	21,009
Services and other expenditures	35,674	62,563	37,548	25,015
Professional and contracted services	666,046	362,772	221,303	141,469
Rent, utilities and maintenance	2,500	14,379	14,379	-
Interfund services	68,136	73,036	47,738	25,298
Affiliated organizations	-	303,593	303,591	2
Contingencies and restrictions	-	(150,000)	-	(150,000)
Total expenditures	2,702,209	2,497,046	2,426,237	70,809
Excess (deficiency) of revenues over (under) expenditures	(2,702,209)	(2,497,046)	(2,420,877)	76,169
Other financing sources (uses):				
Insurance proceeds	-	-	500	500
Total other financing sources (uses)	-	-	500	500
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,702,209)	\$ (2,497,046)	\$ (2,420,377)	\$ 76,669

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

County Attorney

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 111,000	\$ 111,000	\$ 116,074	\$ 5,074
Charges for services	-	-	488	488
Other revenue	-	-	967	967
Total revenues	111,000	111,000	117,529	6,529
Expenditures:				
Salaries	2,529,685	2,552,726	2,467,966	84,760
Other compensation	50,000	50,000	45,680	4,320
Fringe benefits	752,219	756,909	719,983	36,926
Salary restriction	-	(120,000)	-	(120,000)
Supplies and materials	22,050	17,703	15,944	1,759
Services and other expenditures	128,500	191,852	145,450	46,402
Professional and contracted services	334,904	328,899	309,778	19,121
Rent, utilities and maintenance	5,485	2,485	660	1,825
Interfund services	42,374	42,374	32,727	9,647
Contingencies and restrictions	-	(50,000)	-	(50,000)
Total expenditures	3,865,217	3,772,948	3,738,188	34,760
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,754,217)	\$ (3,661,948)	\$ (3,620,659)	\$ 41,289

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Director of Administration and Finance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 337,083	\$ 337,083	\$ 336,834	\$ 249
Other compensation	-	269	269	-
Fringe benefits	90,991	90,722	87,386	3,336
Salary restriction	(593,082)	-	-	-
Supplies and materials	3,250	10,060	7,205	2,855
Services and other expenditures	7,250	11,555	4,467	7,088
Professional and contracted services	496,000	264,360	118,501	145,859
Rent, utilities and maintenance	-	10,875	10,812	63
Interfund services	16,076	28,770	13,723	15,047
Contingencies and restrictions	-	(170,000)	-	(170,000)
Total expenditures	357,568	583,694	579,197	4,497
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (357,568)	\$ (583,694)	\$ (579,197)	\$ 4,497

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Central Operations

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 210,461,345	\$ 210,461,345	\$ 224,297,858	\$ 13,836,513
Other local taxes	34,700,000	34,700,000	31,780,268	(2,919,732)
State revenue	12,915,000	12,915,000	14,348,748	1,433,748
Charges for services	1,199,000	1,199,000	1,057,652	(141,348)
Fines, fees and permits	83,500	83,500	488,668	405,168
Other revenue	100,000	100,000	141,450	41,450
Investment income	2,000,000	2,000,000	191,893	(1,808,107)
Total revenues	<u>261,458,845</u>	<u>261,458,845</u>	<u>272,306,537</u>	<u>10,847,692</u>
Expenditures:				
Salaries	(3,068,404)	-	-	-
Fringe benefits	-	519,970	99,970	420,000
Salary restriction	(4,389,803)	-	-	-
Services and other expenditures	632,124	632,124	557,858	74,266
Professional and contracted services	900,000	898,327	791,102	107,225
Interfund services	404,161	(3,502,145)	(3,847,940)	345,795
Debt service	1,250,000	1,200,000	-	1,200,000
Affiliated organizations	27,900,000	39,116,666	39,093,387	23,279
Contingencies and restrictions	(1,900,000)	-	-	-
Total expenditures	<u>21,728,078</u>	<u>38,864,942</u>	<u>36,694,377</u>	<u>2,170,565</u>
Excess (deficiency) of revenues over (under) expenditures	<u>239,730,767</u>	<u>222,593,903</u>	<u>235,612,160</u>	<u>13,018,257</u>
Other financing sources (uses):				
Transfers in	3,906,306	-	1,400,759	1,400,759
Transfers out	(14,014,308)	(14,014,308)	(9,959,837)	4,054,471
Insurance proceeds	-	-	18,949	18,949
Planned change in fund balance	-	12,016,383	-	(12,016,383)
Total other financing sources (uses)	<u>(10,108,002)</u>	<u>(1,997,925)</u>	<u>(8,540,129)</u>	<u>(6,542,204)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 229,622,765</u>	<u>\$ 220,595,978</u>	<u>\$ 227,072,031</u>	<u>\$ 6,476,053</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

County Grants

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Affiliated organizations	\$ 892,500	\$ 892,500	\$ 882,781	\$ 9,719
Grants	<u>306,000</u>	<u>306,000</u>	<u>306,000</u>	<u>-</u>
Total expenditures	<u>1,198,500</u>	<u>1,198,500</u>	<u>1,188,781</u>	<u>9,719</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,198,500)</u>	<u>\$ (1,198,500)</u>	<u>\$ (1,188,781)</u>	<u>\$ 9,719</u>

General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Personnel

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 529,359	\$ 529,359	\$ 490,269	\$ (39,090)
Charges for services	-	-	329	329
Other revenue	-	-	48	48
Total revenues	<u>529,359</u>	<u>529,359</u>	<u>490,646</u>	<u>(38,713)</u>
Expenditures:				
Salaries	2,027,118	2,919,723	2,862,028	57,695
Other compensation	-	2,000	1,436	564
Fringe benefits	641,085	914,801	845,844	68,957
Salary restriction	-	(125,000)	-	(125,000)
Supplies and materials	58,139	58,482	22,795	35,687
Services and other expenditures	37,780	41,540	18,148	23,392
Professional and contracted services	35,210	56,117	32,350	23,767
Rent, utilities and maintenance	13,585	54,113	36,371	17,742
Interfund services	78,243	102,157	76,551	25,606
Capital asset acquisitions	15,910	25,805	18,007	7,798
Total expenditures	<u>2,907,070</u>	<u>4,049,738</u>	<u>3,913,530</u>	<u>136,208</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,377,711)</u>	<u>(3,520,379)</u>	<u>(3,422,884)</u>	<u>97,495</u>
Other financing sources (uses):				
Transfers in	300,000	300,000	300,000	-
Total other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,077,711)</u>	<u>\$ (3,220,379)</u>	<u>\$ (3,122,884)</u>	<u>\$ 97,495</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Purchasing

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 1,000	\$ 1,000	\$ 30	\$ (970)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>30</u>	<u>(970)</u>
Expenditures:				
Salaries	465,331	465,331	456,675	8,656
Other compensation	-	136	136	-
Fringe benefits	157,064	156,928	142,287	14,641
Supplies and materials	34,600	34,600	7,731	26,869
Services and other expenditures	27,757	33,757	20,707	13,050
Professional and contracted services	16,666	10,666	-	10,666
Rent, utilities and maintenance	15,359	15,359	6,769	8,590
Interfund services	39,361	39,361	24,346	15,015
Contingencies and restrictions	-	(55,000)	-	(55,000)
Total expenditures	<u>756,138</u>	<u>701,138</u>	<u>658,651</u>	<u>42,487</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ (755,138)</u>	<u>\$ (700,138)</u>	<u>\$ (658,621)</u>	<u>\$ 41,517</u>

Information Technology

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,200	\$ 1,200	\$ 600	\$ (600)
Charges for services	5,760	5,760	-	(5,760)
Fines, fees and permits	1,800,000	1,800,000	1,596,152	(203,848)
Total revenues	<u>1,806,960</u>	<u>1,806,960</u>	<u>1,596,752</u>	<u>(210,208)</u>
Expenditures:				
Salaries	5,295,599	5,287,086	4,865,804	421,282
Other compensation	117,237	117,237	54,442	62,795
Fringe benefits	1,564,604	1,562,869	1,361,641	201,228
Salary restriction	-	(673,082)	-	(673,082)
Supplies and materials	714,387	657,219	507,083	150,136
Services and other expenditures	89,973	531,412	478,386	53,026
Professional and contracted services	1,080,246	1,054,105	262,347	791,758
Rent, utilities and maintenance	1,495,751	1,104,749	1,063,312	41,437
Interfund services	109,530	118,420	107,380	11,040
Capital asset acquisitions	183,042	163,234	81,587	81,647
Contingencies and restrictions	-	(700,000)	-	(700,000)
Total expenditures	<u>10,650,369</u>	<u>9,223,249</u>	<u>8,781,982</u>	<u>441,267</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ (8,843,409)</u>	<u>\$ (7,416,289)</u>	<u>\$ (7,185,230)</u>	<u>\$ 231,059</u>

**Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Finance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ -	\$ -	\$ 10	\$ 10
Total revenues	-	-	10	10
Expenditures:				
Salaries	2,516,263	1,630,342	1,470,133	160,209
Other compensation	10,000	10,000	6,666	3,334
Fringe benefits	746,865	472,510	414,457	58,053
Salary restriction	-	(200,000)	-	(200,000)
Supplies and materials	46,951	18,251	10,910	7,341
Services and other expenditures	24,885	42,681	39,388	3,293
Professional and contracted services	32,500	700	690	10
Rent, utilities and maintenance	1,400	700	101	599
Interfund services	100,945	64,866	64,254	612
Total expenditures	3,479,809	2,040,050	2,006,599	33,451
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,479,809)	\$ (2,040,050)	\$ (2,006,589)	\$ 33,461

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Board of Equalization

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 257,456	\$ 262,456	\$ 262,455	\$ 1
Other compensation	-	600	207	393
Fringe benefits	102,136	96,536	90,187	6,349
Supplies and materials	4,000	8,100	4,637	3,463
Services and other expenditures	4,000	5,900	4,865	1,035
Professional and contracted services	285,053	252,053	166,833	85,220
Rent, utilities and maintenance	-	7,000	4,924	2,076
Interfund services	9,757	29,757	26,179	3,578
Total expenditures	<u>662,402</u>	<u>662,402</u>	<u>560,287</u>	<u>102,115</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (662,402)</u>	<u>\$ (662,402)</u>	<u>\$ (560,287)</u>	<u>\$ 102,115</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Election Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 18,000	\$ 621,558	\$ 443,966	\$ (177,592)
Federal and local revenue	156,763	1,156,763	739,875	(416,888)
Charges for services	5,200	5,200	8,161	2,961
Other revenue	4,400	4,400	10	(4,390)
Total revenues	184,363	1,787,921	1,192,012	(595,909)
Expenditures:				
Salaries	1,632,353	2,462,353	2,001,839	460,514
Other compensation	141,438	189,018	127,186	61,832
Fringe benefits	362,321	429,957	349,231	80,726
Salary restriction	(50,000)	(585,000)	-	(585,000)
Supplies and materials	289,853	378,853	160,255	218,598
Services and other expenditures	331,115	551,506	250,038	301,468
Professional and contracted services	119,005	181,848	88,196	93,652
Rent, utilities and maintenance	253,545	385,352	267,864	117,488
Interfund services	417,889	572,190	441,888	130,302
Capital asset acquisitions	13,420	13,420	-	13,420
Contingencies and restrictions	-	(575,000)	-	(575,000)
Total expenditures	3,510,939	4,004,497	3,686,497	318,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	\$ (3,326,576)	\$ (2,216,576)	\$ (2,494,485)	\$ (277,909)

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Department of Housing

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 5,000	\$ 5,000	\$ 5,100	\$ 100
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>5,100</u>	<u>100</u>
Expenditures:				
Salaries	334,554	334,554	319,179	15,375
Other compensation	-	272	272	-
Fringe benefits	102,119	101,847	97,869	3,978
Supplies and materials	8,926	8,926	5,054	3,872
Services and other expenditures	10,131	5,224	4,987	237
Professional and contracted services	3,500	3,500	-	3,500
Rent, utilities and maintenance	5,001	4,001	2,556	1,445
Interfund services	18,856	24,763	23,700	1,063
Total expenditures	<u>483,087</u>	<u>483,087</u>	<u>453,617</u>	<u>29,470</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(478,087)</u>	<u>(478,087)</u>	<u>(448,517)</u>	<u>29,570</u>
Other financing sources (uses):				
Transfers in	-	29,382	29,179	(203)
Transfers out	(64,361)	(64,361)	(53,413)	10,948
Total other financing sources (uses)	<u>(64,361)</u>	<u>(34,979)</u>	<u>(24,234)</u>	<u>10,745</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (542,448)</u>	<u>\$ (513,066)</u>	<u>\$ (472,751)</u>	<u>\$ 40,315</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Director and Staff of Public Works

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 184,559	\$ 125,666	\$ 125,666	\$ -
Fringe benefits	50,957	34,567	33,556	1,011
Salary restriction	(321,346)	-	-	-
Supplies and materials	1,413	1,665	1,318	347
Services and other expenditures	1,350	1,350	1,039	311
Professional and contracted services	268,307	52,363	22,696	29,667
Rent, utilities and maintenance	-	142	142	-
Interfund services	157,802	199,887	161,322	38,565
Total expenditures	<u>343,042</u>	<u>415,640</u>	<u>345,739</u>	<u>69,901</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(343,042)</u>	<u>(415,640)</u>	<u>(345,739)</u>	<u>69,901</u>
Other financing sources (uses):				
Transfers in	35,170	35,170	35,170	-
Transfers out	(241,548)	(327,771)	(195,087)	132,684
Total other financing sources (uses)	<u>(206,378)</u>	<u>(292,601)</u>	<u>(159,917)</u>	<u>132,684</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (549,420)</u>	<u>\$ (708,241)</u>	<u>\$ (505,656)</u>	<u>\$ 202,585</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

County Engineer

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 2,500	\$ 2,500	\$ 6,300	\$ 3,800
Fines, fees and permits	170,000	170,000	166,275	(3,725)
Other revenue	-	-	(2,149)	(2,149)
Total revenues	<u>172,500</u>	<u>172,500</u>	<u>170,426</u>	<u>(2,074)</u>
Expenditures:				
Salaries	681,292	576,938	576,496	442
Other compensation	-	23,225	23,223	2
Fringe benefits	186,994	154,769	154,095	674
Salary restriction	(138,354)	-	-	-
Supplies and materials	20,830	9,669	8,200	1,469
Services and other expenditures	31,349	27,899	25,544	2,355
Professional and contracted services	200,200	139,921	136,275	3,646
Rent, utilities and maintenance	90,426	176,505	170,445	6,060
Interfund services	73,528	(814,832)	(815,709)	877
Contingencies and restrictions	(244,146)	-	-	-
Total expenditures	<u>902,119</u>	<u>294,094</u>	<u>278,569</u>	<u>15,525</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(729,619)</u>	<u>(121,594)</u>	<u>(108,143)</u>	<u>13,451</u>
Other financing sources (uses):				
Transfers in	1,600,000	-	-	-
Total other financing sources (uses)	<u>1,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 870,381</u>	<u>\$ (121,594)</u>	<u>\$ (108,143)</u>	<u>\$ 13,451</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Soil Conservation

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 40,178	\$ 40,178	\$ 40,178	\$ -
Other compensation	-	136	136	-
Fringe benefits	17,162	17,026	16,427	599
Supplies and materials	1,000	1,000	717	283
Services and other expenditures	750	750	447	303
Professional and contracted services	1,500	1,500	1,500	-
Rent, utilities and maintenance	2,500	2,500	-	2,500
Interfund services	2,700	2,700	2,088	612
Total expenditures	65,790	65,790	61,493	4,297
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (65,790)	\$ (65,790)	\$ (61,493)	\$ 4,297

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Shelby Farms

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Affiliated organizations	\$ 575,848	\$ 575,848	\$ 575,848	\$ -
Total expenditures	<u>575,848</u>	<u>575,848</u>	<u>575,848</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	 <u>\$ (575,848)</u>	 <u>\$ (575,848)</u>	 <u>\$ (575,848)</u>	 <u>\$ -</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Agricultural Extension Service

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Expenditures:				
Salaries	174,189	174,189	164,840	9,349
Other compensation	-	272	272	-
Fringe benefits	33,946	33,674	25,517	8,157
Salary restriction	-	(10,000)	-	(10,000)
Rent, utilities and maintenance	73,859	73,859	73,476	383
Interfund services	<u>8,237</u>	<u>8,237</u>	<u>4,407</u>	<u>3,830</u>
Total expenditures	<u>290,231</u>	<u>280,231</u>	<u>268,512</u>	<u>11,719</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (285,231)</u>	<u>\$ (275,231)</u>	<u>\$ (263,512)</u>	<u>\$ 11,719</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Conservation Board

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 43,432	\$ 578,432	\$ 486,576	\$ (91,856)
Fines, fees and permits	583,000	48,000	33,673	(14,327)
Other revenue	107,000	107,000	100,229	(6,771)
Investment income	-	-	429	429
Total revenues	733,432	733,432	620,907	(112,525)
Expenditures:				
Salaries	309,720	309,720	262,200	47,520
Other compensation	-	133	133	-
Fringe benefits	44,989	44,856	34,883	9,973
Salary restriction	-	(50,000)	-	(50,000)
Supplies and materials	89,800	69,319	29,145	40,174
Services and other expenditures	15,800	51,480	43,161	8,319
Professional and contracted services	-	3,046	3,046	-
Rent, utilities and maintenance	393,807	400,443	384,507	15,936
Interfund services	88,279	68,929	56,213	12,716
Capital asset acquisitions	47,509	53,190	48,721	4,469
Total expenditures	989,904	951,116	862,009	89,107
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (256,472)	\$ (217,684)	\$ (241,102)	\$ (23,418)

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Port Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 1,042,182	\$ 1,042,182	\$ 1,533,900	\$ 491,718
Total revenues	1,042,182	1,042,182	1,533,900	491,718
Expenditures:				
Affiliated organizations	500,000	845,750	843,807	1,943
Total expenditures	500,000	845,750	843,807	1,943
Excess (deficiency) of revenues over (under) expenditures	542,182	196,432	690,093	493,661
Other financing sources (uses):				
Transfers out	(542,182)	(542,182)	(542,182)	-
Total other financing sources (uses)	(542,182)	(542,182)	(542,182)	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (345,750)	\$ 147,911	\$ 493,661

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Support Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 1,200,000	\$ 1,200,000	\$ 1,502,397	\$ 302,397
Charges for services	-	62,995	308,171	245,176
Other revenue	32,600	32,600	746	(31,854)
Total revenues	<u>1,232,600</u>	<u>1,295,595</u>	<u>1,811,314</u>	<u>515,719</u>
Expenditures:				
Salaries	5,039,178	5,104,880	4,969,589	135,291
Other compensation	38,521	43,521	41,490	2,031
Fringe benefits	1,610,138	1,598,925	1,518,611	80,314
Salary restriction	-	(211,346)	-	(211,346)
Supplies and materials	311,902	750,702	750,394	308
Services and other expenditures	18,865	27,317	26,722	595
Professional and contracted services	872,530	69,376	69,233	143
Rent, utilities and maintenance	6,242,295	5,201,639	5,201,609	30
Interfund services	180,825	1,268,296	1,260,575	7,721
Capital asset acquisitions	26,072	70,404	70,404	-
Total expenditures	<u>14,340,326</u>	<u>13,923,714</u>	<u>13,908,627</u>	<u>15,087</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,107,726)</u>	<u>(12,628,119)</u>	<u>(12,097,313)</u>	<u>530,806</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	90,673	90,673
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>90,673</u>	<u>90,673</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (13,107,726)</u>	<u>\$ (12,628,119)</u>	<u>\$ (12,006,640)</u>	<u>\$ 621,479</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Land Bank

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 8,000	\$ 8,000	\$ 10,936	\$ 2,936
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>10,936</u>	<u>2,936</u>
Expenditures:				
Salaries	477,967	571,178	523,223	47,955
Other compensation	-	7,182	6,432	750
Fringe benefits	151,020	165,341	150,547	14,794
Salary restriction	-	(50,000)	-	(50,000)
Supplies and materials	17,736	81,772	72,457	9,315
Services and other expenditures	55,075	36,889	26,651	10,238
Professional and contracted services	146,100	223,768	200,690	23,078
Rent, utilities and maintenance	66,000	35,144	18,836	16,308
Interfund services	19,088	55,790	55,331	459
Capital asset acquisitions	39,860	113,260	100,400	12,860
Total expenditures	<u>972,846</u>	<u>1,240,324</u>	<u>1,154,567</u>	<u>85,757</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(964,846)</u>	<u>(1,232,324)</u>	<u>(1,143,631)</u>	<u>88,693</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	<u>500,000</u>	<u>485,814</u>	<u>315,348</u>	<u>(170,466)</u>
Total other financing sources (uses)	<u>500,000</u>	<u>485,814</u>	<u>315,348</u>	<u>(170,466)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (464,846)</u>	<u>\$ (746,510)</u>	<u>\$ (828,283)</u>	<u>\$ (81,773)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Director of Health Services

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Salaries	\$ 312,318	\$ 112,318	\$ 96,486	\$ 15,832
Other compensation	-	133	133	-
Fringe benefits	81,368	21,235	20,744	491
Salary restriction	(619,172)	(16,000)	-	(16,000)
Supplies and materials	-	2,000	1,842	158
Professional and contracted services	-	600	528	72
Total expenditures	<u>(225,486)</u>	<u>120,286</u>	<u>119,733</u>	<u>553</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 225,486</u>	<u>\$ (120,286)</u>	<u>\$ (119,733)</u>	<u>\$ 553</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Forensic Services

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, fees and permits	\$ 250,000	\$ 250,000	\$ 275,302	\$ 25,302
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>275,302</u>	<u>25,302</u>
Expenditures:				
Supplies and materials	16,244	16,844	16,838	6
Services and other expenditures	5,896	896	606	290
Professional and contracted services	2,896,192	2,997,442	2,997,379	63
Rent, utilities and maintenance	104,000	113,800	113,776	24
Interfund services	2,000	2,000	2,000	-
Capital asset acquisitions	25,517	120,091	120,042	49
Total expenditures	<u>3,049,849</u>	<u>3,251,073</u>	<u>3,250,641</u>	<u>432</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,799,849)</u>	<u>\$ (3,001,073)</u>	<u>\$ (2,975,339)</u>	<u>\$ 25,734</u>

General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Administration and Finance - Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -
Charges for services	113,216	113,216	154,017	40,801
Fines, fees and permits	-	-	95	95
Other revenue	5,083	5,083	5,148	65
Total revenues	<u>5,118,299</u>	<u>5,118,299</u>	<u>5,159,260</u>	<u>40,961</u>
Expenditures:				
Salaries	5,026,350	1,928,644	1,843,577	85,067
Other compensation	59,493	118,050	55,370	62,680
Fringe benefits	668,947	663,353	613,607	49,746
Salary restriction	(173,787)	(195,000)	-	(195,000)
Supplies and materials	110,218	137,001	114,719	22,282
Services and other expenditures	104,543	82,161	75,600	6,561
Professional and contracted services	9,848,519	9,955,583	9,944,572	11,011
Rent, utilities and maintenance	433,668	508,252	507,472	780
Interfund services	130,214	(1,127,876)	(795,278)	(332,598)
Capital asset acquisitions	12,500	-	-	-
Contingencies and restrictions	(174,969)	-	-	-
Total expenditures	<u>16,045,696</u>	<u>12,070,168</u>	<u>12,359,639</u>	<u>(289,471)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,927,397)</u>	<u>(6,951,869)</u>	<u>(7,200,379)</u>	<u>(248,510)</u>
Other financing sources (uses):				
Transfers in	1,931,463	1,661,774	1,399,118	(262,656)
Transfers out	-	(150,755)	(123,827)	26,928
Total other financing sources (uses)	<u>1,931,463</u>	<u>1,511,019</u>	<u>1,275,291</u>	<u>(235,728)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (8,995,934)</u>	<u>\$ (5,440,850)</u>	<u>\$ (5,925,088)</u>	<u>\$ (484,238)</u>

General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Environmental Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,368,923	\$ 1,368,923	\$ 1,008,749	\$ (360,174)
Federal and local revenue	-	165,000	169,679	4,679
Charges for services	50,500	50,500	39,196	(11,304)
Fines, fees and permits	738,300	738,300	674,366	(63,934)
Other revenue	165,000	-	-	-
Total revenues	<u>2,322,723</u>	<u>2,322,723</u>	<u>1,891,990</u>	<u>(430,733)</u>
Expenditures:				
Salaries	2,356,965	2,357,589	2,157,376	200,213
Other compensation	27,247	27,918	27,123	795
Fringe benefits	789,250	764,679	679,679	85,000
Salary restriction	(340,174)	(285,674)	-	(285,674)
Supplies and materials	55,576	43,256	43,198	58
Services and other expenditures	81,688	79,508	79,414	94
Professional and contracted services	109,485	17,000	16,120	880
Rent, utilities and maintenance	29,822	29,327	29,244	83
Interfund services	103,298	(14,177)	(14,396)	219
Capital asset acquisitions	35,800	-	-	-
Contingencies and restrictions	(170,088)	-	-	-
Total expenditures	<u>3,078,869</u>	<u>3,019,426</u>	<u>3,017,758</u>	<u>1,668</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(756,146)</u>	<u>(696,703)</u>	<u>(1,125,768)</u>	<u>(429,065)</u>
Other financing sources (uses):				
Transfers in	160,000	200,000	-	(200,000)
Transfers out	(1,540,981)	(1,445,981)	(1,323,496)	122,485
Total other financing sources (uses)	<u>(1,380,981)</u>	<u>(1,245,981)</u>	<u>(1,323,496)</u>	<u>(77,515)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,137,127)</u>	<u>\$ (1,942,684)</u>	<u>\$ (2,449,264)</u>	<u>\$ (506,580)</u>

General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Personal Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ -	\$ -	\$ 347,760	\$ 347,760
Federal and local revenue	-	120,000	77,795	(42,205)
Charges for services	1,348,272	2,111,812	1,513,013	(598,799)
Fines, fees and permits	819,817	276,429	121,498	(154,931)
Other revenue	471,110	790,958	15,000	(775,958)
Total revenues	<u>2,639,199</u>	<u>3,299,199</u>	<u>2,075,066</u>	<u>(1,224,133)</u>
Expenditures:				
Salaries	3,662,851	4,176,597	3,852,703	323,894
Other compensation	26,462	109,847	96,871	12,976
Fringe benefits	1,121,425	1,157,103	1,093,382	63,721
Salary restriction	-	(322,000)	-	(322,000)
Supplies and materials	1,007,290	570,939	569,084	1,855
Services and other expenditures	330,419	130,636	129,638	998
Professional and contracted services	2,331,935	2,537,391	2,536,903	488
Rent, utilities and maintenance	721,181	681,302	680,821	481
Interfund services	233,681	197,947	167,456	30,491
Capital asset acquisitions	(500)	158,500	158,122	378
Contingencies and restrictions	(648,013)	-	-	-
Total expenditures	<u>8,786,731</u>	<u>9,398,262</u>	<u>9,284,980</u>	<u>113,282</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,147,532)</u>	<u>(6,099,063)</u>	<u>(7,209,914)</u>	<u>(1,110,851)</u>
Other financing sources (uses):				
Transfers in	1,119,691	1,110,702	686,263	(424,439)
Transfers out	(567,854)	(1,152,832)	(1,066,630)	86,202
Total other financing sources (uses)	<u>551,837</u>	<u>(42,130)</u>	<u>(380,367)</u>	<u>(338,237)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (5,595,695)</u>	<u>\$ (6,141,193)</u>	<u>\$ (7,590,281)</u>	<u>\$ (1,449,088)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Assessment and Assurance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ -	\$ -	\$ 11,880	\$ 11,880
Fines, fees and permits	950,000	950,000	940,154	(9,846)
Total revenues	<u>950,000</u>	<u>950,000</u>	<u>952,034</u>	<u>2,034</u>
Expenditures:				
Salaries	1,015,840	998,468	954,424	44,044
Other compensation	17,817	17,817	4,243	13,574
Fringe benefits	357,372	353,834	310,889	42,945
Salary restriction	-	(99,959)	-	(99,959)
Supplies and materials	62,955	38,555	36,192	2,363
Services and other expenditures	31,840	19,155	18,722	433
Professional and contracted services	183,876	159,476	156,490	2,986
Rent, utilities and maintenance	77,057	39,777	36,732	3,045
Interfund services	54,600	55,215	54,548	667
Total expenditures	<u>1,801,357</u>	<u>1,582,338</u>	<u>1,572,240</u>	<u>10,098</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (851,357)</u>	<u>\$ (632,338)</u>	<u>\$ (620,206)</u>	<u>\$ 12,132</u>

Director of Community Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 717,944	\$ 652,472	\$ 638,133	\$ 14,339
Other compensation	-	1,000	544	456
Fringe benefits	206,544	187,235	174,142	13,093
Salary restriction	(213,917)	(12,000)	-	(12,000)
Supplies and materials	39,670	61,170	41,348	19,822
Services and other expenditures	47,409	48,572	38,658	9,914
Professional and contracted services	882,071	818,491	438,544	379,947
Rent, utilities and maintenance	500	1,550	1,451	99
Interfund services	31,591	17,591	14,486	3,105
Capital asset acquisitions	-	88,000	88,000	-
Total expenditures	1,711,812	1,864,081	1,435,306	428,775
Excess (deficiency) of revenues over (under) expenditures	(1,711,812)	(1,864,081)	(1,435,306)	428,775
Other financing sources (uses):				
Transfers in	65,000	65,000	62,342	(2,658)
Transfers out	(182,277)	(195,732)	(194,971)	761
Total other financing sources (uses)	(117,277)	(130,732)	(132,629)	(1,897)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,829,089)	\$ (1,994,813)	\$ (1,567,935)	\$ 426,878

Special Funded Projects

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 63,000	\$ 63,000	\$ 57,603	\$ (5,397)
Total revenues	63,000	63,000	57,603	(5,397)
Expenditures:				
Professional and contracted services	613,000	1,815,594	1,280,903	534,691
Total expenditures	613,000	1,815,594	1,280,903	534,691
Excess (deficiency) of revenues over (under) expenditures	(550,000)	(1,752,594)	(1,223,300)	529,294
Other financing sources (uses):				
Transfers out	-	(30,740)	(29,607)	1,133
Total other financing sources (uses)	-	(30,740)	(29,607)	1,133
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (550,000)	\$ (1,783,334)	\$ (1,252,907)	\$ 530,427

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Crime Victims Center

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 120,000	\$ 120,000	\$ 137,009	\$ 17,009
Other revenue	-	-	84	84
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>137,093</u>	<u>17,093</u>
Expenditures:				
Salaries	393,395	398,075	372,207	25,868
Other compensation	-	6,271	6,043	228
Fringe benefits	118,424	119,973	118,264	1,709
Salary restriction	-	(12,000)	-	(12,000)
Supplies and materials	9,562	10,677	7,806	2,871
Services and other expenditures	14,860	13,110	12,651	459
Rent, utilities and maintenance	-	700	617	83
Interfund services	49,342	29,572	23,421	6,151
Total expenditures	<u>585,583</u>	<u>566,378</u>	<u>541,009</u>	<u>25,369</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(465,583)</u>	<u>(446,378)</u>	<u>(403,916)</u>	<u>42,462</u>
Other financing sources (uses):				
Transfers out	-	(19,770)	(19,770)	-
Total other financing sources (uses)	<u>-</u>	<u>(19,770)</u>	<u>(19,770)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (465,583)</u>	<u>\$ (466,148)</u>	<u>\$ (423,686)</u>	<u>\$ 42,462</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Office on Aging

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Salaries	\$ 24,048	\$ 24,048	\$ 24,048	\$ -
Fringe benefits	9,297	9,297	8,904	393
Interfund services	<u>50,254</u>	<u>52,601</u>	<u>48,437</u>	<u>4,164</u>
Total expenditures	<u>83,599</u>	<u>85,946</u>	<u>81,389</u>	<u>4,557</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (83,599)</u>	<u>\$ (85,946)</u>	<u>\$ (81,389)</u>	<u>\$ 4,557</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Pretrial Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 300,000	\$ 300,000	\$ 245,118	\$ (54,882)
Other revenue	-	-	135	135
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>245,253</u>	<u>(54,747)</u>
Expenditures:				
Salaries	2,180,675	2,664,275	2,415,455	248,820
Other compensation	7,800	7,800	5,855	1,945
Fringe benefits	745,574	914,842	797,960	116,882
Salary restriction	675,233	(342,636)	-	(342,636)
Supplies and materials	27,178	124,228	104,911	19,317
Services and other expenditures	6,641	39,971	38,342	1,629
Professional and contracted services	207,000	100,000	100,000	-
Rent, utilities and maintenance	23,000	7,150	7,143	7
Interfund services	75,609	68,079	68,073	6
Total expenditures	<u>3,948,710</u>	<u>3,583,709</u>	<u>3,537,739</u>	<u>45,970</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ (3,648,710)</u>	<u>\$ (3,283,709)</u>	<u>\$ (3,292,486)</u>	<u>\$ (8,777)</u>

General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Sheriff's Office

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,000,000	\$ 1,970,000	\$ 1,276,738	\$ (693,262)
Federal and local revenue	90,000	1,159,649	1,094,389	(65,260)
Charges for services	85,000	608,707	417,158	(191,549)
Fines, fees and permits	1,650,000	1,616,000	1,320,682	(295,318)
Other revenue	1,308,000	400,000	209,756	(190,244)
Total revenues	<u>5,133,000</u>	<u>5,754,356</u>	<u>4,318,723</u>	<u>(1,435,633)</u>
Expenditures:				
Salaries	89,897,659	89,458,474	82,466,051	6,992,423
Other compensation	10,520,110	12,116,601	11,273,031	843,570
Fringe benefits	31,468,475	30,095,622	28,342,038	1,753,584
Salary restriction	(8,499,940)	(9,009,536)	-	(9,009,536)
Supplies and materials	5,073,896	5,427,077	5,207,050	220,027
Services and other expenditures	1,263,986	1,280,859	1,165,281	115,578
Professional and contracted services	7,440,735	7,277,453	7,266,135	11,318
Rent, utilities and maintenance	4,293,207	4,216,338	3,814,255	402,083
Interfund services	577,027	421,164	288,859	132,305
Capital asset acquisitions	1,691,000	1,858,299	1,830,317	27,982
Contingencies and restrictions	-	(475,000)	-	(475,000)
Total expenditures	<u>143,726,155</u>	<u>142,667,351</u>	<u>141,653,017</u>	<u>1,014,334</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(138,593,155)</u>	<u>(136,912,995)</u>	<u>(137,334,294)</u>	<u>(421,299)</u>
Other financing sources (uses):				
Transfers in	-	8,524	5,480	(3,044)
Transfers out	-	-	(22,591)	(22,591)
Insurance proceeds	-	42,500	44,321	1,821
Total other financing sources (uses)	<u>-</u>	<u>51,024</u>	<u>27,210</u>	<u>(23,814)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (138,593,155)</u>	<u>\$ (136,861,971)</u>	<u>\$ (137,307,084)</u>	<u>\$ (445,113)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Chancery Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 2,800,000	\$ 2,800,000	\$ 3,257,884	\$ 457,884
Investment income	150,000	150,000	48,484	(101,516)
Total revenues	<u>2,950,000</u>	<u>2,950,000</u>	<u>3,306,368</u>	<u>356,368</u>
Expenditures:				
Salaries	1,016,212	1,016,212	976,946	39,266
Fringe benefits	321,262	321,262	305,629	15,633
Salary restriction	(26,720)	(52,720)	-	(52,720)
Supplies and materials	26,955	23,841	19,861	3,980
Services and other expenditures	13,541	18,476	17,240	1,236
Professional and contracted services	1,500	6,500	6,048	452
Rent, utilities and maintenance	78,960	75,576	75,575	1
Interfund services	39,500	45,410	45,341	69
Capital asset acquisitions	17,329	7,982	7,982	-
Total expenditures	<u>1,488,539</u>	<u>1,462,539</u>	<u>1,454,622</u>	<u>7,917</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 1,461,461</u>	<u>\$ 1,487,461</u>	<u>\$ 1,851,746</u>	<u>\$ 364,285</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Circuit Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 2,800,000	\$ 2,800,000	\$ 3,189,673	\$ 389,673
Investment income	150,000	150,000	38,822	(111,178)
Total revenues	<u>2,950,000</u>	<u>2,950,000</u>	<u>3,228,495</u>	<u>278,495</u>
Expenditures:				
Salaries	2,022,386	2,022,386	1,916,945	105,441
Other compensation	5,771	5,771	-	5,771
Fringe benefits	599,453	599,453	534,947	64,506
Salary restriction	(24,516)	(162,516)	-	(162,516)
Supplies and materials	63,450	37,542	26,695	10,847
Services and other expenditures	16,900	29,249	23,466	5,783
Professional and contracted services	1,400	22,575	11,503	11,072
Rent, utilities and maintenance	90,454	80,379	75,037	5,342
Interfund services	101,100	88,600	87,674	926
Capital asset acquisitions	5,800	20,759	20,758	1
Total expenditures	<u>2,882,198</u>	<u>2,744,198</u>	<u>2,697,025</u>	<u>47,173</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 67,802</u>	<u>\$ 205,802</u>	<u>\$ 531,470</u>	<u>\$ 325,668</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Criminal Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 5,050,000	\$ 5,050,000	\$ 4,552,073	\$ (497,927)
Investment income	81,000	81,000	4,626	(76,374)
Total revenues	<u>5,131,000</u>	<u>5,131,000</u>	<u>4,556,699</u>	<u>(574,301)</u>
Expenditures:				
Salaries	3,404,125	3,404,125	3,260,902	143,223
Other compensation	12,000	12,000	6,936	5,064
Fringe benefits	1,081,684	1,081,684	993,087	88,597
Salary restriction	(31,639)	(223,639)	-	(223,639)
Supplies and materials	96,774	111,774	96,385	15,389
Services and other expenditures	33,185	33,185	21,038	12,147
Professional and contracted services	1,800	1,800	408	1,392
Rent, utilities and maintenance	40,970	41,170	30,908	10,262
Interfund services	132,850	129,850	125,952	3,898
Capital asset acquisitions	12,269	69	-	69
Total expenditures	<u>4,784,018</u>	<u>4,592,018</u>	<u>4,535,616</u>	<u>56,402</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 346,982</u>	<u>\$ 538,982</u>	<u>\$ 21,083</u>	<u>\$ (517,899)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

General Sessions Court

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local taxes	\$ 510,000	\$ 510,000	\$ 497,991	\$ (12,009)
Fines, fees and permits	9,390,000	9,390,000	10,006,866	616,866
Other revenue	25,000	25,000	-	(25,000)
Investment income	327,253	327,253	52,569	(274,684)
Total revenues	<u>10,252,253</u>	<u>10,252,253</u>	<u>10,557,426</u>	<u>305,173</u>
Expenditures:				
Salaries	8,826,327	8,984,283	8,646,627	337,656
Other compensation	118,454	118,171	33,974	84,197
Fringe benefits	2,745,887	2,770,175	2,517,713	252,462
Salary restriction	(378,274)	(672,274)	-	(672,274)
Supplies and materials	153,999	158,501	141,349	17,152
Services and other expenditures	143,417	194,636	189,688	4,948
Professional and contracted services	702,256	610,805	307,349	303,456
Rent, utilities and maintenance	86,159	47,744	40,797	6,947
Interfund services	263,952	371,152	342,221	28,931
Capital asset acquisitions	23,643	3,619	-	3,619
Contingencies and restrictions	-	(50,000)	-	(50,000)
Total expenditures	<u>12,685,820</u>	<u>12,536,812</u>	<u>12,219,718</u>	<u>317,094</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ (2,433,567)</u>	<u>\$ (2,284,559)</u>	<u>\$ (1,662,292)</u>	<u>\$ 622,267</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Probate Court

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, fees and permits	\$ 625,000	\$ 625,000	\$ 530,389	\$ (94,611)
Total revenues	<u>625,000</u>	<u>625,000</u>	<u>530,389</u>	<u>(94,611)</u>
Expenditures:				
Salaries	780,758	792,155	788,083	4,072
Other compensation	-	1,000	629	371
Fringe benefits	246,171	247,492	236,806	10,686
Salary restriction	(19,321)	-	-	-
Supplies and materials	8,945	7,714	6,540	1,174
Services and other expenditures	6,500	7,601	7,505	96
Professional and contracted services	1,900	-	-	-
Rent, utilities and maintenance	7,900	5,466	5,465	1
Interfund services	<u>31,800</u>	<u>36,264</u>	<u>36,228</u>	<u>36</u>
Total expenditures	<u>1,064,653</u>	<u>1,097,692</u>	<u>1,081,256</u>	<u>16,436</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (439,653)</u>	<u>\$ (472,692)</u>	<u>\$ (550,867)</u>	<u>\$ (78,175)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Juvenile Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 725,000	\$ 869,400	\$ 456,333	\$ (413,067)
Federal and local revenue	-	88,600	125,514	36,914
Charges for services	18,600	18,600	11,281	(7,319)
Fines, fees and permits	600,000	600,000	616,471	16,471
Other revenue	276,000	43,000	21,605	(21,395)
Total revenues	1,619,600	1,619,600	1,231,204	(388,396)
Expenditures:				
Salaries	13,941,080	13,319,225	12,865,485	453,740
Other compensation	107,042	131,502	104,136	27,366
Fringe benefits	4,669,423	4,449,276	4,228,743	220,533
Salary restriction	(1,268,536)	(667,363)	-	(667,363)
Supplies and materials	755,129	739,084	480,007	259,077
Services and other expenditures	213,896	270,236	195,191	75,045
Professional and contracted services	948,429	882,750	732,253	150,497
Rent, utilities and maintenance	902,690	839,405	692,661	146,744
Interfund services	213,890	74,460	25,185	49,275
Capital asset acquisitions	22,547	51,776	51,776	-
Contingencies and restrictions	-	(475,000)	-	(475,000)
Total expenditures	20,505,590	19,615,351	19,375,437	239,914
Excess (deficiency) of revenues over (under) expenditures	(18,885,990)	(17,995,751)	(18,144,233)	(148,482)
Other financing sources (uses):				
Transfers in	158,890	109,020	70,986	(38,034)
Transfers out	(279,835)	(313,193)	(169,689)	143,504
Total other financing sources (uses)	(120,945)	(204,173)	(98,703)	105,470
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (19,006,935)	\$ (18,199,924)	\$ (18,242,936)	\$ (43,012)

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Public Defender

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 3,020,700	\$ 3,020,700	\$ 3,020,700	\$ -
Fines, fees and permits	100,000	100,000	45,165	(54,835)
Total revenues	<u>3,120,700</u>	<u>3,120,700</u>	<u>3,065,865</u>	<u>(54,835)</u>
Expenditures:				
Salaries	6,797,766	6,776,651	6,235,540	541,111
Other compensation	-	1,320	1,315	5
Fringe benefits	1,904,225	1,894,206	1,709,693	184,513
Salary restriction	(442,275)	(692,461)	-	(692,461)
Supplies and materials	60,500	55,904	50,615	5,289
Services and other expenditures	34,850	50,450	46,685	3,765
Professional and contracted services	37,000	14,900	126	14,774
Rent, utilities and maintenance	19,500	30,600	30,202	398
Interfund services	70,641	95,941	94,087	1,854
Capital asset acquisitions	33,814	8,510	-	8,510
Total expenditures	<u>8,516,021</u>	<u>8,236,021</u>	<u>8,168,263</u>	<u>67,758</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,395,321)</u>	<u>(5,115,321)</u>	<u>(5,102,398)</u>	<u>12,923</u>
Other financing sources (uses):				
Insurance proceeds	-	-	3,879	3,879
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,879</u>	<u>3,879</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (5,395,321)</u>	<u>\$ (5,115,321)</u>	<u>\$ (5,098,519)</u>	<u>\$ 16,802</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Divorce Referee

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, fees and permits	\$ 325,000	\$ 325,000	\$ 280,957	\$ (44,043)
Total revenues	<u>325,000</u>	<u>325,000</u>	<u>280,957</u>	<u>(44,043)</u>
Expenditures:				
Salaries	393,212	394,816	381,170	13,646
Fringe benefits	139,821	140,147	124,689	15,458
Salary restriction	(46,423)	(10,000)	-	(10,000)
Supplies and materials	700	700	-	700
Services and other expenditures	2,000	2,000	1,420	580
Interfund services	<u>2,879</u>	<u>2,879</u>	<u>2,213</u>	<u>666</u>
Total expenditures	<u>492,189</u>	<u>530,542</u>	<u>509,492</u>	<u>21,050</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (167,189)</u>	<u>\$ (205,542)</u>	<u>\$ (228,535)</u>	<u>\$ (22,993)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Jury Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 211,037	\$ 211,037	\$ 211,037	\$ -
Fringe benefits	74,311	74,311	70,331	3,980
Supplies and materials	2,724	2,724	1,724	1,000
Services and other expenditures	494,250	491,110	430,009	61,101
Professional and contracted services	10,050	13,190	13,190	-
Interfund services	53,542	53,542	49,679	3,863
Total expenditures	845,914	845,914	775,970	69,944
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (845,914)	\$ (845,914)	\$ (775,970)	\$ 69,944

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Attorney General

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 35,041	\$ 35,041	\$ 34,050	\$ (991)
Federal and local revenue	10,000	10,000	54,377	44,377
Charges for services	30,000	30,000	21,022	(8,978)
Total revenues	<u>75,041</u>	<u>75,041</u>	<u>109,449</u>	<u>34,408</u>
Expenditures:				
Salaries	6,806,010	6,783,501	6,491,614	291,887
Other compensation	5,545	5,545	5,100	445
Fringe benefits	1,921,587	1,921,587	1,762,349	159,238
Salary restriction	-	(423,000)	-	(423,000)
Supplies and materials	3,000	13,530	13,527	3
Services and other expenditures	18,000	19,672	18,952	720
Professional and contracted services	-	18,768	18,768	-
Rent, utilities and maintenance	6,920	25,825	25,722	103
Interfund services	237,764	187,889	182,724	5,165
Total expenditures	<u>8,998,826</u>	<u>8,553,317</u>	<u>8,518,756</u>	<u>34,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,923,785)</u>	<u>(8,478,276)</u>	<u>(8,409,307)</u>	<u>68,969</u>
Other financing sources (uses):				
Transfers out	-	(22,509)	(14,687)	7,822
Total other financing sources (uses)	<u>-</u>	<u>(22,509)</u>	<u>(14,687)</u>	<u>7,822</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (8,923,785)</u>	<u>\$ (8,500,785)</u>	<u>\$ (8,423,994)</u>	<u>\$ 76,791</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Commissioner's Contingency

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Contingencies and restrictions	\$ 907,507	\$ 97,397	\$ -	\$ 97,397
Total expenditures	<u>907,507</u>	<u>97,397</u>	<u>-</u>	<u>97,397</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (907,507)</u>	<u>\$ (97,397)</u>	<u>\$ -</u>	<u>\$ 97,397</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Legislative Operations

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, fees and permits	\$ 2,000	\$ 2,000	\$ 990	\$ (1,010)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>990</u>	<u>(1,010)</u>
Expenditures:				
Salaries	884,501	1,029,896	966,211	63,685
Other compensation	163,800	18,405	15,326	3,079
Fringe benefits	291,558	291,558	286,907	4,651
Salary restriction	-	(60,000)	-	(60,000)
Supplies and materials	147,949	55,949	28,983	26,966
Services and other expenditures	37,600	125,600	112,786	12,814
Professional and contracted services	55,173	15,173	5,311	9,862
Rent, utilities and maintenance	68,500	29,500	26,224	3,276
Interfund services	77,894	92,394	65,195	27,199
Capital asset acquisitions	12,013	227,057	213,523	13,534
Contingencies and restrictions	-	(23,975)	-	(23,975)
Total expenditures	<u>1,738,988</u>	<u>1,801,557</u>	<u>1,720,466</u>	<u>81,091</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,736,988)</u>	<u>\$ (1,799,557)</u>	<u>\$ (1,719,476)</u>	<u>\$ 80,081</u>

Equal Opportunity Compliance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 517,506	\$ 517,506	\$ 517,506	\$ -
Other compensation	1,560	1,560	-	1,560
Fringe benefits	158,545	158,545	149,953	8,592
Salary restriction	(52,250)	-	-	-
Supplies and materials	16,500	6,500	3,752	2,748
Services and other expenditures	33,925	47,425	37,822	9,603
Professional and contracted services	42,723	39,223	374	38,849
Rent, utilities and maintenance	4,300	4,300	894	3,406
Interfund services	22,567	22,567	17,490	5,077
Capital asset acquisitions	2,000	2,000	-	2,000
Total expenditures	747,376	799,626	727,791	71,835
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (747,376)	\$ (799,626)	\$ (727,791)	\$ 71,835

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Assessor

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 282,358	\$ 282,358	\$ 195,302	\$ (87,056)
Federal and local revenue	2,400,000	2,400,000	2,516,397	116,397
Charges for services	5,000	5,000	8,721	3,721
Total revenues	2,687,358	2,687,358	2,720,420	33,062
Expenditures:				
Salaries	6,489,551	6,489,644	6,371,480	118,164
Other compensation	83,612	83,612	24,933	58,679
Fringe benefits	2,138,061	2,138,080	1,984,179	153,901
Salary restriction	-	(310,000)	-	(310,000)
Supplies and materials	155,900	155,900	67,654	88,246
Services and other expenditures	290,695	267,695	191,623	76,072
Professional and contracted services	495,000	470,030	424,324	45,706
Rent, utilities and maintenance	246,592	259,658	231,400	28,258
Interfund services	113,000	156,000	145,539	10,461
Capital asset acquisitions	105,000	105,000	-	105,000
Contingencies and restrictions	-	(250,000)	-	(250,000)
Total expenditures	10,117,411	9,565,619	9,441,132	124,487
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (7,430,053)	\$ (6,878,261)	\$ (6,720,712)	\$ 157,549

General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

County Clerk

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 9,950,000	\$ 9,950,000	\$ 9,253,950	\$ (696,050)
Investment income	700,830	700,830	119,588	(581,242)
Total revenues	10,650,830	10,650,830	9,373,538	(1,277,292)
Expenditures:				
Salaries	3,188,677	3,188,770	2,932,262	256,508
Other compensation	37,772	37,772	17,206	20,566
Fringe benefits	1,152,561	1,152,580	998,194	154,386
Salary restriction	(52,136)	(422,136)	-	(422,136)
Supplies and materials	25,301	36,601	21,361	15,240
Services and other expenditures	20,185	20,185	14,742	5,443
Professional and contracted services	-	500	338	162
Rent, utilities and maintenance	144,375	134,075	118,158	15,917
Interfund services	442,451	417,451	344,053	73,398
Capital asset acquisitions	20,320	43,820	18,795	25,025
Contingencies and restrictions	-	(100,000)	-	(100,000)
Total expenditures	4,979,506	4,509,618	4,465,109	44,509
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 5,671,324	\$ 6,141,212	\$ 4,908,429	\$ (1,232,783)

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Register

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 5,000,000	\$ 5,000,000	\$ 3,183,505	\$ (1,816,495)
Investment income	104,730	104,730	4,222	(100,508)
Total revenues	<u>5,104,730</u>	<u>5,104,730</u>	<u>3,187,727</u>	<u>(1,917,003)</u>
Expenditures:				
Salaries	1,281,295	1,254,580	1,228,357	26,223
Other compensation	-	27,848	26,562	1,286
Fringe benefits	409,314	377,474	362,297	15,177
Salary restriction	(79,353)	(42,686)	-	(42,686)
Supplies and materials	43,220	36,880	21,918	14,962
Services and other expenditures	8,420	6,460	6,210	250
Professional and contracted services	10,300	5,300	75	5,225
Rent, utilities and maintenance	19,208	26,008	18,363	7,645
Interfund services	52,112	55,112	52,800	2,312
Capital asset acquisitions	9,430	12,930	12,079	851
Total expenditures	<u>1,753,946</u>	<u>1,759,906</u>	<u>1,728,661</u>	<u>31,245</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 3,350,784</u>	<u>\$ 3,344,824</u>	<u>\$ 1,459,066</u>	<u>\$ (1,885,758)</u>

**General Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Trustee

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 100,000	\$ 100,000	\$ 143,060	\$ 43,060
Fines, fees and permits	21,500,000	21,500,000	21,298,574	(201,426)
Investment income	1,400,000	1,400,000	68,029	(1,331,971)
Total revenues	23,000,000	23,000,000	21,509,663	(1,490,337)
Expenditures:				
Salaries	3,951,664	3,951,664	3,944,394	7,270
Other compensation	40,127	40,127	31,666	8,461
Fringe benefits	1,204,951	1,204,951	1,138,083	66,868
Salary restriction	(165,499)	(72,333)	-	(72,333)
Supplies and materials	262,993	223,798	220,714	3,084
Services and other expenditures	592,036	689,055	689,053	2
Professional and contracted services	434,528	421,244	421,238	6
Rent, utilities and maintenance	291,287	252,287	251,742	545
Interfund services	82,858	84,858	83,077	1,781
Capital asset acquisitions	225,298	202,758	194,874	7,884
Total expenditures	6,920,243	6,998,409	6,974,841	23,568
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 16,079,757	\$ 16,001,591	\$ 14,534,822	\$ (1,466,769)

Grants Fund
Budgetary Comparison Schedule-Summary by Type
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 60,768,911	\$ 106,492,547	\$ 58,564,709	\$ (47,927,838)
Federal and local revenue	45,273,437	68,632,337	43,767,654	(24,864,683)
Charges for services	1,433,362	1,764,862	1,743,336	(21,526)
Fines, fees and permits	304,689	305,469	223,459	(82,010)
Other revenue	8,256,986	12,320,375	7,505,122	(4,815,253)
Investment income	-	2,826	73,063	70,237
Total revenues	<u>116,037,385</u>	<u>189,518,416</u>	<u>111,877,343</u>	<u>(77,641,073)</u>
Expenditures:				
Salaries	37,749,815	45,530,184	36,900,992	8,629,192
Other compensation	355,210	1,271,870	791,516	480,354
Fringe benefits	12,573,526	14,159,298	11,399,927	2,759,371
Salary restriction	(799,977)	(1,302,152)	-	(1,302,152)
Supplies and materials	8,358,379	13,231,672	6,540,490	6,691,182
Services and other expenditures	17,149,820	41,710,894	20,849,523	20,861,371
Professional and contracted services	36,934,390	58,900,386	29,849,844	29,050,542
Rent, utilities and maintenance	2,364,433	3,036,988	2,211,492	825,496
Interfund services	1,126,695	3,550,882	2,265,293	1,285,589
Capital asset acquisitions	1,065,119	12,684,433	7,853,202	4,831,231
Affiliated organizations	-	64,266	48,199	16,067
Contingencies and restrictions	-	10,309	-	10,309
Total expenditures	<u>116,877,410</u>	<u>192,849,030</u>	<u>118,710,478</u>	<u>74,138,552</u>
Excess (deficiency) of revenues over (under) expenditures				
	<u>(840,025)</u>	<u>(3,330,614)</u>	<u>(6,833,135)</u>	<u>(3,502,521)</u>
Other financing sources (uses):				
Transfers in	4,370,399	7,044,935	4,158,755	2,886,180
Transfers out	(3,911,083)	(4,095,030)	(2,730,543)	(1,364,487)
Proceeds from sale of capital assets	380,709	380,709	1,850	378,859
Insurance proceeds	-	-	12,602	(12,602)
Total other financing sources (uses)	<u>840,025</u>	<u>3,330,614</u>	<u>1,442,664</u>	<u>1,887,950</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,390,471)</u>	<u>\$ (5,390,471)</u>

Grants Fund
Budgetary Comparison Schedule-Summary by Department
For the Year Ended June 30, 2010

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Revenues:			
General Government			
Chief Administrative Officer	\$ 16,427,859	\$ 5,541,308	\$ (10,886,551)
	<u>16,427,859</u>	<u>5,541,308</u>	<u>(10,886,551)</u>
Planning and Development			
Economic and Resource Management	1,820,783	2,124,758	303,975
Department of Housing	11,129,724	3,887,954	(7,241,770)
Regional Services	2,538,504	1,337,875	(1,200,629)
	<u>15,489,011</u>	<u>7,350,587</u>	<u>(8,138,424)</u>
Public Works			
County Engineer	12,480,115	6,265,458	(6,214,657)
Environmental Improvement Commission	169,000	174,656	5,656
Chickasaw Basin Authority	92,542	51,019	(41,523)
Fire Services	256,557	41,192	(215,365)
Roads and Bridges	242,052	278,584	36,532
Support Services	637,617	552,195	(85,422)
	<u>13,877,883</u>	<u>7,363,104</u>	<u>(6,514,779)</u>
Corrections			
Corrections	1,885,471	1,018,018	(867,453)
	<u>1,885,471</u>	<u>1,018,018</u>	<u>(867,453)</u>
Health Services			
Administration and Finance - Health Services	917,800	565,948	(351,852)
Environmental Health Services	11,246,176	3,917,318	(7,328,858)
Personal Health Services	25,731,746	19,756,514	(5,975,232)
Assessment and Assurance	503,309	148,861	(354,448)
	<u>38,399,031</u>	<u>24,388,641</u>	<u>(14,010,390)</u>
Community Services			
Director of Community Services	595,376	502,548	(92,828)
Community Services Administration	35,003,420	18,841,490	(16,161,930)
Head Start	32,239,183	24,845,177	(7,394,006)
Special Funded Projects	6,855,403	5,079,787	(1,775,616)
Ryan White	8,997,181	2,933,257	(6,063,924)
Crime Victims Center	518,506	314,334	(204,172)
Pretrial Services	202,538	62,390	(140,148)
Delta Agency on Aging	9,464,400	7,066,686	(2,397,714)
	<u>93,876,007</u>	<u>59,645,669</u>	<u>(34,230,338)</u>
Law Enforcement			
Sheriff's Office	3,011,815	2,199,364	(812,451)
	<u>3,011,815</u>	<u>2,199,364</u>	<u>(812,451)</u>
Judicial			
General Sessions Court	2,027,824	1,041,093	(986,731)
Juvenile Court	3,102,284	2,293,552	(808,732)
Attorney General	1,421,231	1,036,007	(385,224)
	<u>6,551,339</u>	<u>4,370,652</u>	<u>(2,180,687)</u>
Total Revenues	<u>189,518,416</u>	<u>111,877,343</u>	<u>(77,641,073)</u>

(continued)

Grants Fund

Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Expenditures:			
General Government			
Chief Administrative Officer	16,302,836	5,619,920	10,682,916
	<u>16,302,836</u>	<u>5,619,920</u>	<u>10,682,916</u>
Planning and Development			
Economic and Resource Management	1,820,783	872,060	948,723
Department of Housing	11,545,412	4,316,944	7,228,468
Regional Services	2,937,325	1,351,405	1,585,920
	<u>16,303,520</u>	<u>6,540,409</u>	<u>9,763,111</u>
Public Works			
County Engineer	13,719,042	6,828,665	6,890,377
Environmental Improvement Commission	219,000	174,656	44,344
Chickasaw Basin Authority	57,372	15,849	41,523
Fire Services	327,250	57,416	269,834
Roads and Bridges	242,052	220,645	21,407
Support Services	637,617	518,219	119,398
	<u>15,202,333</u>	<u>7,815,450</u>	<u>7,386,883</u>
Corrections			
Corrections	1,869,527	1,384,904	484,623
	<u>1,869,527</u>	<u>1,384,904</u>	<u>484,623</u>
Health Services			
Environmental Health Services	12,541,969	5,624,173	6,917,796
Personal Health Services	26,126,951	19,993,676	6,133,275
Assessment and Assurance	503,309	157,719	345,590
	<u>39,172,229</u>	<u>25,775,568</u>	<u>13,396,661</u>
Community Services			
Director of Community Services	530,376	496,003	34,373
Community Services Administration	35,024,643	20,078,764	14,945,879
Head Start	32,239,183	26,134,375	6,104,808
Special Funded Projects	6,855,403	5,421,545	1,433,858
Ryan White	8,905,841	4,807,620	4,098,221
Crime Victims Center	620,842	434,323	186,519
Pretrial Services	202,538	198,025	4,513
Delta Agency on Aging	9,608,306	7,422,185	2,186,121
	<u>93,987,132</u>	<u>64,992,840</u>	<u>28,994,292</u>
Law Enforcement			
Sheriff's Office	3,233,432	1,620,105	1,613,327
	<u>3,233,432</u>	<u>1,620,105</u>	<u>1,613,327</u>

(continued)

Grants Fund

Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	Final Budget	Actual Amounts	Variance
Judicial			
General Sessions Court	\$ 2,027,824	\$ 1,136,407	\$ 891,417
Juvenile Court	3,306,457	2,616,172	690,285
Attorney General	1,443,740	1,208,703	235,037
	<u>6,778,021</u>	<u>4,961,282</u>	<u>1,816,739</u>
Total Expenditures	<u>192,849,030</u>	<u>118,710,478</u>	<u>74,138,552</u>
Excess (deficiency) of revenues over expenditures	<u>(3,330,614)</u>	<u>(6,833,135)</u>	<u>(3,502,521)</u>
Other Financing Sources and Uses:			
Transfers in			
Economic and Resource Management	402,408	292,019	(110,389)
Department of Housing	164,361	53,413	(110,948)
Regional Services	398,821	214,966	(183,855)
County Engineer	1,238,927	69,421	(1,169,506)
Environmental Improvement Commission	50,000	-	(50,000)
Fire Services	70,693	16,224	(54,469)
Corrections	147,278	125,462	(21,816)
Environmental Health Services	1,639,056	1,297,596	(341,460)
Personal Health Services	1,612,161	1,506,552	(105,609)
Community Services Administration	21,223	-	(21,223)
Crime Victims Center	102,336	100,442	(1,894)
Delta Agency on Aging	640,352	233,132	(407,220)
Sheriff's Office	221,617	65,152	(156,465)
Juvenile Court	313,193	169,689	(143,504)
Attorney General	22,509	14,687	(7,822)
Total transfers in	<u>7,044,935</u>	<u>4,158,755</u>	<u>(2,886,180)</u>
Transfers out			
Chief Administrative Officer	(125,023)	(27,511)	97,512
Economic and Resource Management	(402,408)	(292,019)	110,389
Department of Housing	(129,382)	(29,179)	100,203
Chickasaw Basin Authority	(35,170)	(35,170)	-
Corrections	(163,222)	(158,081)	5,141
Administration and Finance - Health Services	(917,800)	(780,100)	137,700
Environmental Health	(343,263)	(49,929)	293,334
Personal Health Services	(1,216,956)	(1,044,662)	172,294
Director of Community Services	(65,000)	(62,342)	2,658
Ryan White	(91,340)	(91,340)	-
Delta Agency on Aging	(496,446)	(89,224)	407,222
Juvenile Court	(109,020)	(70,986)	38,034
Total transfers out	<u>(4,095,030)</u>	<u>(2,730,543)</u>	<u>1,364,487</u>

(continued)

Grants Fund
Budgetary Comparison Schedule-Summary by Department (continued)
For the Year Ended June 30, 2010

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Other financing sources (uses)			
Department of Housing	\$ 380,709	\$ -	\$ (380,709)
Community Services Administration	-	1,100	1,100
Head Start	-	13,352	13,352
Total other financing sources and uses	<u>380,709</u>	<u>14,452</u>	<u>(366,257)</u>
 Total other financing sources and uses	 <u>3,330,614</u>	 <u>1,442,664</u>	 <u>(1,887,950)</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	 <u>\$ -</u>	 <u>\$ (5,390,471)</u>	 <u>\$ (5,390,471)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Chief Administrative Officer

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 11,521,509	\$ 16,355,928	\$ 5,541,308	\$ (10,814,620)
Federal and local revenue	-	71,931	-	(71,931)
Total revenues	<u>11,521,509</u>	<u>16,427,859</u>	<u>5,541,308</u>	<u>(10,886,551)</u>
Expenditures:				
Salaries	276,356	439,557	345,014	94,543
Other compensation	-	-	6,183	(6,183)
Fringe benefits	86,113	127,580	102,806	24,774
Supplies and materials	2,619,644	4,884,201	2,339,951	2,544,250
Services and other expenditures	83,788	390,116	295,746	94,370
Professional and contracted services	8,420,608	9,633,310	1,802,396	7,830,914
Rent, utilities and maintenance	-	240,603	192,348	48,255
Interfund services	35,000	50,784	14,859	35,925
Capital asset acquisitions	-	472,419	472,418	1
Affiliated organizations	-	64,266	48,199	16,067
Total expenditures	<u>11,521,509</u>	<u>16,302,836</u>	<u>5,619,920</u>	<u>10,682,916</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>125,023</u>	<u>(78,612)</u>	<u>(203,635)</u>
Other financing sources (uses):				
Transfers out	-	(125,023)	(27,511)	97,512
Total other financing sources (uses)	<u>-</u>	<u>(125,023)</u>	<u>(27,511)</u>	<u>97,512</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (106,123)</u>	<u>\$ (106,123)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Economic and Resource Management

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 402,408	\$ 407,414	\$ 292,019	\$ (115,395)
Other revenue	1,411,000	1,413,369	1,832,739	419,370
Total revenues	<u>1,813,408</u>	<u>1,820,783</u>	<u>2,124,758</u>	<u>303,975</u>
Expenditures:				
Salaries	500,481	500,481	372,191	128,290
Fringe benefits	136,014	136,014	103,872	32,142
Supplies and materials	12,700	12,546	4,501	8,045
Services and other expenditures	23,000	62,000	44,485	17,515
Professional and contracted services	1,112,213	1,080,762	328,795	751,967
Rent, utilities and maintenance	24,000	22,980	17,674	5,306
Interfund services	5,000	6,000	542	5,458
Total expenditures	<u>1,813,408</u>	<u>1,820,783</u>	<u>872,060</u>	<u>948,723</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,252,698</u>	<u>1,252,698</u>
Other financing sources (uses):				
Transfers in	402,408	402,408	292,019	(110,389)
Transfers out	(402,408)	(402,408)	(292,019)	110,389
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>\$ 1,252,698</u>	<u>\$ 1,252,698</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Department of Housing

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,420,000	\$ 2,420,000	\$ 664,906	\$ (1,755,094)
Federal and local revenue	6,145,518	7,902,314	2,850,945	(5,051,369)
Fines, fees and permits	189,162	189,942	117,331	(72,611)
Other revenue	625,000	617,468	182,841	(434,627)
Investment income	-	-	71,931	71,931
Total revenues	<u>9,379,680</u>	<u>11,129,724</u>	<u>3,887,954</u>	<u>(7,241,770)</u>
Expenditures:				
Salaries	444,512	582,805	517,670	65,135
Other compensation	11,183	11,183	-	11,183
Fringe benefits	155,863	212,303	159,116	53,187
Salary restriction	(11,848)	-	-	-
Supplies and materials	55,123	164,212	81,788	82,424
Services and other expenditures	5,832,857	6,882,722	2,568,530	4,314,192
Professional and contracted services	3,317,452	3,647,943	983,402	2,664,541
Rent, utilities and maintenance	9,000	15,561	5,480	10,081
Interfund services	10,608	12,608	958	11,650
Capital asset acquisitions	-	16,075	-	16,075
Total expenditures	<u>9,824,750</u>	<u>11,545,412</u>	<u>4,316,944</u>	<u>7,228,468</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(445,070)</u>	<u>(415,688)</u>	<u>(428,990)</u>	<u>(13,302)</u>
Other financing sources (uses):				
Transfers in	64,361	164,361	53,413	(110,948)
Transfers out	-	(129,382)	(29,179)	100,203
Proceeds from sale of capital assets	380,709	380,709	-	(380,709)
Total other financing sources (uses)	<u>445,070</u>	<u>415,688</u>	<u>24,234</u>	<u>(391,454)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (404,756)</u>	<u>\$ (404,756)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Regional Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,360,535	\$ 2,538,504	\$ 1,337,875	\$ (1,200,629)
Total revenues	<u>2,360,535</u>	<u>2,538,504</u>	<u>1,337,875</u>	<u>(1,200,629)</u>
Expenditures:				
Salaries	608,279	650,446	527,978	122,468
Other compensation	-	-	(6,179)	6,179
Fringe benefits	167,826	181,479	148,711	32,768
Supplies and materials	34,400	42,700	15,734	26,966
Services and other expenditures	124,246	161,362	68,939	92,423
Professional and contracted services	1,565,771	1,642,204	467,989	1,174,215
Rent, utilities and maintenance	18,000	14,500	5,086	9,414
Interfund services	34,000	224,634	123,147	101,487
Capital asset acquisitions	20,000	20,000	-	20,000
Total expenditures	<u>2,572,522</u>	<u>2,937,325</u>	<u>1,351,405</u>	<u>1,585,920</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(211,987)</u>	<u>(398,821)</u>	<u>(13,530)</u>	<u>385,291</u>
Other financing sources (uses):				
Transfers in	398,821	398,821	214,966	(183,855)
Transfers out	(186,834)	-	-	-
Total other financing sources (uses)	<u>211,987</u>	<u>398,821</u>	<u>214,966</u>	<u>(183,855)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,436</u>	<u>\$ 201,436</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

County Engineer

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State revenue	\$ 3,756,183	\$ 7,203,835	\$ 1,336,526	\$ (5,867,309)
Federal and local revenue	483,127	501,280	153,932	(347,348)
Other revenue	-	4,775,000	4,775,000	-
Total revenues	<u>4,239,310</u>	<u>12,480,115</u>	<u>6,265,458</u>	<u>(6,214,657)</u>
Expenditures:				
Supplies and materials	-	21,814	-	21,814
Services and other expenditures	-	519,350	168,880	350,470
Professional and contracted services	4,239,310	3,634,094	385,748	3,248,346
Capital asset acquisitions	-	9,543,784	6,274,037	3,269,747
Total expenditures	<u>4,239,310</u>	<u>13,719,042</u>	<u>6,828,665</u>	<u>6,890,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,238,927)</u>	<u>(563,207)</u>	<u>675,720</u>
Other financing sources (uses):				
Transfers in	-	1,238,927	69,421	(1,169,506)
Total other financing sources (uses)	<u>-</u>	<u>1,238,927</u>	<u>69,421</u>	<u>(1,169,506)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (493,786)</u>	<u>\$ (493,786)</u>

Environmental Improvement Commission

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ -	\$ -	\$ 2,408	\$ 2,408
Federal and local revenue	156,000	156,000	169,752	13,752
Other revenue	13,000	13,000	2,496	(10,504)
Total revenues	<u>169,000</u>	<u>169,000</u>	<u>174,656</u>	<u>5,656</u>
Expenditures:				
Salaries	59,423	50,441	50,422	19
Fringe benefits	2,382	10,487	9,179	1,308
Supplies and materials	-	1,377	251	1,126
Services and other expenditures	-	270	270	-
Professional and contracted services	96,795	146,025	112,459	33,566
Rent, utilities and maintenance	10,400	9,550	1,567	7,983
Interfund services	-	850	508	342
Total expenditures	<u>169,000</u>	<u>219,000</u>	<u>174,656</u>	<u>44,344</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>
Other financing sources (uses):				
Transfers in	-	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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Chickasaw Basin Authority

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 50,443	\$ 50,443
Other revenue	92,542	92,542	576	(91,966)
Total revenues	<u>92,542</u>	<u>92,542</u>	<u>51,019</u>	<u>(41,523)</u>
Expenditures:				
Supplies and materials	6,219	6,219	2,739	3,480
Services and other expenditures	5,900	5,900	1,861	4,039
Professional and contracted services	32,483	17,483	2,372	15,111
Rent, utilities and maintenance	12,770	12,770	-	12,770
Interfund services	-	15,000	8,877	6,123
Total expenditures	<u>57,372</u>	<u>57,372</u>	<u>15,849</u>	<u>41,523</u>
Excess (deficiency) of revenues over (under) 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>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Fire Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 117,149	\$ 255,365	\$ 40,000	\$ (215,365)
Other revenue	-	1,192	1,192	-
Total revenues	<u>117,149</u>	<u>256,557</u>	<u>41,192</u>	<u>(215,365)</u>
Expenditures:				
Supplies and materials	-	123,876	1,192	122,684
Capital asset acquisitions	147,149	203,374	56,224	147,150
Total expenditures	<u>147,149</u>	<u>327,250</u>	<u>57,416</u>	<u>269,834</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,000)</u>	<u>(70,693)</u>	<u>(16,224)</u>	<u>54,469</u>
Other financing sources (uses):				
Transfers in	30,000	70,693	16,224	(54,469)
Total other financing sources (uses)	<u>30,000</u>	<u>70,693</u>	<u>16,224</u>	<u>(54,469)</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, 2010**

Roads and Bridges

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 242,052	\$ 242,052	\$ 278,584	\$ 36,532
Total revenues	<u>242,052</u>	<u>242,052</u>	<u>278,584</u>	<u>36,532</u>
Expenditures:				
Salaries	130,163	140,305	128,501	11,804
Other compensation	-	140	136	4
Fringe benefits	60,270	50,865	48,201	2,664
Supplies and materials	50,119	49,242	43,786	5,456
Services and other expenditures	500	500	21	479
Interfund services	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>242,052</u>	<u>242,052</u>	<u>220,645</u>	<u>21,407</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,939</u>	<u>\$ 57,939</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Support Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 522,090	\$ 522,090	\$ 446,067	\$ (76,023)
Fines, fees and permits	115,527	115,527	106,128	(9,399)
Total revenues	<u>637,617</u>	<u>637,617</u>	<u>552,195</u>	<u>(85,422)</u>
Expenditures:				
Salaries	33,278	33,278	32,305	973
Fringe benefits	11,175	11,175	10,550	625
Supplies and materials	1,563	663	600	63
Services and other expenditures	-	4,222	3,322	900
Professional and contracted services	590,901	587,079	470,854	116,225
Interfund services	700	1,200	588	612
Total expenditures	<u>637,617</u>	<u>637,617</u>	<u>518,219</u>	<u>119,398</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,976</u>	<u>\$ 33,976</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Corrections

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ -	\$ 144,660	\$ 24,286	\$ (120,374)
Federal and local revenue	1,036,464	1,738,411	993,732	(744,679)
Other revenue	2,400	2,400	-	(2,400)
Total revenues	<u>1,038,864</u>	<u>1,885,471</u>	<u>1,018,018</u>	<u>(867,453)</u>
Expenditures:				
Salaries	515,563	781,050	751,257	29,793
Other compensation	14,860	192,864	24,694	168,170
Fringe benefits	206,529	297,937	262,358	35,579
Supplies and materials	196,241	238,717	163,457	75,260
Services and other expenditures	91,782	136,732	105,633	31,099
Professional and contracted services	-	105,515	74,760	30,755
Rent, utilities and maintenance	141,134	14,000	1,397	12,603
Interfund services	4,800	10,712	1,348	9,364
Capital asset acquisitions	-	92,000	-	92,000
Total expenditures	<u>1,170,909</u>	<u>1,869,527</u>	<u>1,384,904</u>	<u>484,623</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(132,045)</u>	<u>15,944</u>	<u>(366,886)</u>	<u>(382,830)</u>
Other financing sources (uses):				
Transfers in	132,045	147,278	125,462	(21,816)
Transfers out	-	(163,222)	(158,081)	5,141
Total other financing sources (uses)	<u>132,045</u>	<u>(15,944)</u>	<u>(32,619)</u>	<u>(16,675)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (399,505)</u>	<u>\$ (399,505)</u>

Administration and Finance - Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 917,800	\$ 917,800	\$ 565,948	\$ (351,852)
Total revenues	<u>917,800</u>	<u>917,800</u>	<u>565,948</u>	<u>(351,852)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>917,800</u>	<u>917,800</u>	<u>565,948</u>	<u>(351,852)</u>
Other financing sources (uses):				
Transfers out	<u>(917,800)</u>	<u>(917,800)</u>	<u>(780,100)</u>	<u>137,700</u>
Total other financing sources (uses)	<u>(917,800)</u>	<u>(917,800)</u>	<u>(780,100)</u>	<u>137,700</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (214,152)</u>	<u>\$ (214,152)</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Environmental Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 3,471,815	\$ 9,597,070	\$ 3,169,772	\$ (6,427,298)
Federal and local revenue	924,719	1,649,106	747,546	(901,560)
Total revenues	<u>4,396,534</u>	<u>11,246,176</u>	<u>3,917,318</u>	<u>(7,328,858)</u>
Expenditures:				
Salaries	2,238,629	5,238,043	3,140,235	2,097,808
Other compensation	-	91,000	72,074	18,926
Fringe benefits	661,961	951,411	705,920	245,491
Salary restriction	(54,354)	(609,683)	-	(609,683)
Supplies and materials	242,722	454,906	293,011	161,895
Services and other expenditures	1,505,925	1,862,834	453,779	1,409,055
Professional and contracted services	619,512	3,166,037	297,832	2,868,205
Rent, utilities and maintenance	90,648	227,692	88,245	139,447
Interfund services	171,167	1,065,790	573,077	492,713
Capital asset acquisitions	9,678	93,939	-	93,939
Total expenditures	<u>5,485,888</u>	<u>12,541,969</u>	<u>5,624,173</u>	<u>6,917,796</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,089,354)</u>	<u>(1,295,793)</u>	<u>(1,706,855)</u>	<u>(411,062)</u>
Other financing sources (uses):				
Transfers in	1,620,981	1,639,056	1,297,596	(341,460)
Transfers out	(531,627)	(343,263)	(49,929)	293,334
Total other financing sources (uses)	<u>1,089,354</u>	<u>1,295,793</u>	<u>1,247,667</u>	<u>(48,126)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (459,188)</u>	<u>\$ (459,188)</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Personal Health Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 12,210,938	\$ 15,317,667	\$ 14,053,015	\$ (1,264,652)
Federal and local revenue	6,087,439	4,303,543	3,531,152	(772,391)
Charges for services	1,430,244	1,761,744	1,689,743	(72,001)
Other revenue	5,125,437	4,348,792	482,604	(3,866,188)
Total revenues	24,854,058	25,731,746	19,756,514	(5,975,232)
Expenditures:				
Salaries	16,367,142	17,136,422	13,251,422	3,885,000
Other compensation	-	288,634	265,765	22,869
Fringe benefits	5,222,116	5,370,243	4,068,441	1,301,802
Salary restriction	(791,016)	(706,596)	-	(706,596)
Supplies and materials	1,815,939	1,588,330	702,684	885,646
Services and other expenditures	467,592	537,024	279,321	257,703
Professional and contracted services	692,292	525,177	405,661	119,516
Rent, utilities and maintenance	338,715	381,412	229,427	151,985
Interfund services	251,095	979,896	783,755	196,141
Capital asset acquisitions	-	16,100	7,200	8,900
Contingencies and restrictions	-	10,309	-	10,309
Total expenditures	24,363,875	26,126,951	19,993,676	6,133,275
Excess (deficiency) of revenues over (under) expenditures	490,183	(395,205)	(237,162)	158,043
Other financing sources (uses):				
Transfers in	567,854	1,612,161	1,506,552	(105,609)
Transfers out	(1,058,037)	(1,216,956)	(1,044,662)	172,294
Total other financing sources (uses)	(490,183)	395,205	461,890	66,685
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ 224,728	\$ 224,728

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Assessment and Assurance

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 503,309	\$ 503,309	\$ 148,861	\$ (354,448)
Total revenues	503,309	503,309	148,861	(354,448)
Expenditures:				
Salaries	312,028	303,728	102,303	201,425
Other compensation	-	10,700	-	10,700
Fringe benefits	96,483	94,083	34,410	59,673
Salary restriction	(10,276)	(10,276)	-	(10,276)
Supplies and materials	22,622	35,222	13,687	21,535
Services and other expenditures	10,765	10,765	1,028	9,737
Professional and contracted services	43,444	27,144	-	27,144
Rent, utilities and maintenance	10,284	10,284	-	10,284
Interfund services	15,459	21,659	6,291	15,368
Total expenditures	500,809	503,309	157,719	345,590
Excess (deficiency) of revenues over (under) expenditures	2,500	-	(8,858)	(8,858)
Other financing sources (uses):				
Transfers out	(2,500)	-	-	-
Total other financing sources (uses)	(2,500)	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (8,858)	\$ (8,858)

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Director of Community Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 65,000	\$ 375,055	\$ 338,025	\$ (37,030)
Federal and local revenue	-	210,321	154,523	(55,798)
Other revenue	-	10,000	10,000	-
Total revenues	<u>65,000</u>	<u>595,376</u>	<u>502,548</u>	<u>(92,828)</u>
Expenditures:				
Salaries	-	89,544	85,469	4,075
Fringe benefits	-	31,706	25,288	6,418
Supplies and materials	-	76,187	63,988	12,199
Services and other expenditures	-	38,203	35,885	2,318
Professional and contracted services	-	265,621	262,807	2,814
Rent, utilities and maintenance	-	18,231	14,181	4,050
Interfund services	-	10,884	8,385	2,499
Total expenditures	<u>-</u>	<u>530,376</u>	<u>496,003</u>	<u>34,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>65,000</u>	<u>65,000</u>	<u>6,545</u>	<u>(58,455)</u>
Other financing sources (uses):				
Transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u>(62,342)</u>	<u>2,658</u>
Total other financing sources (uses)	<u>(65,000)</u>	<u>(65,000)</u>	<u>(62,342)</u>	<u>2,658</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (55,797)</u>	<u>\$ (55,797)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Community Services Administration

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 10,658,120	\$ 34,105,252	\$ 18,274,566	\$ (15,830,686)
Federal and local revenue	737,492	823,168	566,874	(256,294)
Other revenue	75,000	75,000	50	(74,950)
Total revenues	<u>11,470,612</u>	<u>35,003,420</u>	<u>18,841,490</u>	<u>(16,161,930)</u>
Expenditures:				
Salaries	2,227,845	2,061,822	1,947,456	114,366
Other compensation	11,604	62,219	38,868	23,351
Fringe benefits	721,239	712,006	624,308	87,698
Salary restriction	73,497	30,383	-	30,383
Supplies and materials	68,597	476,714	64,360	412,354
Services and other expenditures	7,894,385	29,773,531	15,960,745	13,812,786
Professional and contracted services	9,000	1,127,620	1,047,717	79,903
Rent, utilities and maintenance	317,285	422,198	281,749	140,449
Interfund services	147,160	298,009	113,561	184,448
Capital asset acquisitions	-	60,141	-	60,141
Total expenditures	<u>11,470,612</u>	<u>35,024,643</u>	<u>20,078,764</u>	<u>14,945,879</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(21,223)</u>	<u>(1,237,274)</u>	<u>(1,216,051)</u>
Other financing sources (uses):				
Transfers in	56,371	21,223	-	(21,223)
Transfers out	(56,371)	-	-	-
Proceeds from sale of capital assets	-	-	1,100	1,100
Total other financing sources (uses)	<u>-</u>	<u>21,223</u>	<u>1,100</u>	<u>(20,123)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,236,174)</u>	<u>\$ (1,236,174)</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Head Start

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,641,900	\$ 1,641,900	\$ 1,410,292	\$ (231,608)
Federal and local revenue	26,492,298	30,582,283	23,434,647	(7,147,636)
Charges for services	-	-	4	4
Other revenue	-	15,000	234	(14,766)
Total revenues	<u>28,134,198</u>	<u>32,239,183</u>	<u>24,845,177</u>	<u>(7,394,006)</u>
Expenditures:				
Salaries	10,715,752	11,377,334	10,740,755	636,579
Other compensation	-	2,964	5,381	(2,417)
Fringe benefits	3,955,742	4,110,576	3,689,817	420,759
Supplies and materials	2,981,711	4,137,632	2,179,040	1,958,592
Services and other expenditures	863,306	840,967	605,039	235,928
Professional and contracted services	8,016,087	9,538,617	7,165,458	2,373,159
Rent, utilities and maintenance	1,186,717	1,305,513	1,122,706	182,807
Interfund services	376,200	480,766	417,052	63,714
Capital asset acquisitions	38,683	444,814	209,127	235,687
Total expenditures	<u>28,134,198</u>	<u>32,239,183</u>	<u>26,134,375</u>	<u>6,104,808</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(1,289,198)</u>	<u>(1,289,198)</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	750	750
Insurance proceeds	-	-	12,602	12,602
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>13,352</u>	<u>13,352</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,275,846)</u>	<u>\$ (1,275,846)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Special Funded Projects

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ -	\$ 600,000	\$ -	\$ (600,000)
Federal and local revenue	-	6,255,403	5,079,787	(1,175,616)
Total revenues	-	6,855,403	5,079,787	(1,775,616)
Expenditures:				
Services and other expenditures	-	20,167	10,362	9,805
Professional and contracted services	-	6,835,236	5,411,183	1,424,053
Total expenditures	-	6,855,403	5,421,545	1,433,858
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (341,758)	\$ (341,758)

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Ryan White

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ -	\$ 8,997,181	\$ 2,933,257	\$ (6,063,924)
Total revenues	-	8,997,181	2,933,257	(6,063,924)
Expenditures:				
Salaries	-	449,558	309,379	140,179
Other compensation	-	500	238	262
Fringe benefits	-	133,680	90,703	42,977
Supplies and materials	-	171,706	68,641	103,065
Services and other expenditures	-	68,817	(12,221)	81,038
Professional and contracted services	-	8,053,707	4,342,674	3,711,033
Rent, utilities and maintenance	-	9,080	2,229	6,851
Interfund services	-	18,793	5,977	12,816
Total expenditures	-	8,905,841	4,807,620	4,098,221
Excess (deficiency) of revenues over (under) expenditures	-	91,340	(1,874,363)	(1,965,703)
Other financing sources (uses):				
Transfers out	-	(91,340)	(91,340)	-
Total other financing sources (uses)	-	(91,340)	(91,340)	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (1,965,703)	\$ (1,965,703)

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Crime Victims Center

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 163,564	\$ 385,408	\$ 310,526	\$ (74,882)
Federal and local revenue	-	133,098	3,808	(129,290)
Total revenues	<u>163,564</u>	<u>518,506</u>	<u>314,334</u>	<u>(204,172)</u>
Expenditures:				
Salaries	133,320	298,417	265,026	33,391
Other compensation	-	140	136	4
Fringe benefits	45,106	108,618	75,049	33,569
Supplies and materials	2,900	5,218	3,134	2,084
Services and other expenditures	14,303	76,653	70,886	5,767
Professional and contracted services	-	39,074	19,025	20,049
Rent, utilities and maintenance	-	29,250	-	29,250
Interfund services	6,306	41,689	1,067	40,622
Capital asset acquisitions	-	21,783	-	21,783
Total expenditures	<u>201,935</u>	<u>620,842</u>	<u>434,323</u>	<u>186,519</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(38,371)</u>	<u>(102,336)</u>	<u>(119,989)</u>	<u>(17,653)</u>
Other financing sources (uses):				
Transfers in	38,371	102,336	100,442	(1,894)
Total other financing sources (uses)	<u>38,371</u>	<u>102,336</u>	<u>100,442</u>	<u>(1,894)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,547)</u>	<u>\$ (19,547)</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Pretrial Services

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 77,141	\$ 202,538	\$ 62,390	\$ (140,148)
Total revenues	77,141	202,538	62,390	(140,148)
Expenditures:				
Salaries	47,339	104,702	104,357	345
Fringe benefits	23,020	38,571	36,853	1,718
Salary restriction	(5,980)	(5,980)	-	(5,980)
Supplies and materials	9,354	12,503	9,673	2,830
Services and other expenditures	3,408	5,570	-	5,570
Professional and contracted services	-	47,172	47,142	30
Total expenditures	77,141	202,538	198,025	4,513
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (135,635)	\$ (135,635)

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Delta Agency on Aging

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 8,480,469	\$ 8,269,835	\$ 6,593,598	\$ (1,676,237)
Federal and local revenue	265,496	476,130	456,584	(19,546)
Charges for services	3,118	3,118	3,146	28
Other revenue	715,317	715,317	13,358	(701,959)
Total revenues	<u>9,464,400</u>	<u>9,464,400</u>	<u>7,066,686</u>	<u>(2,397,714)</u>
Expenditures:				
Salaries	1,940,898	1,937,774	1,509,747	428,027
Other compensation	-	1,900	1,829	71
Fringe benefits	657,384	664,608	495,938	168,670
Supplies and materials	119,440	178,831	137,504	41,327
Services and other expenditures	101,719	108,919	78,502	30,417
Professional and contracted services	6,536,965	6,424,865	4,977,905	1,446,960
Rent, utilities and maintenance	184,700	209,700	186,493	23,207
Interfund services	67,200	73,609	26,262	47,347
Capital asset acquisitions	-	8,100	8,005	95
Total expenditures	<u>9,608,306</u>	<u>9,608,306</u>	<u>7,422,185</u>	<u>2,186,121</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(143,906)</u>	<u>(143,906)</u>	<u>(355,499)</u>	<u>(211,593)</u>
Other financing sources (uses):				
Transfers in	640,352	640,352	233,132	(407,220)
Transfers out	(496,446)	(496,446)	(89,224)	407,222
Total other financing sources (uses)	<u>143,906</u>	<u>143,906</u>	<u>143,908</u>	<u>2</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (211,591)</u>	<u>\$ (211,591)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Sheriff's Office

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 624,799	\$ 1,268,261	\$ 926,952	\$ (341,309)
Federal and local revenue	840,827	1,743,554	1,272,412	(471,142)
Total revenues	<u>1,465,626</u>	<u>3,011,815</u>	<u>2,199,364</u>	<u>(812,451)</u>
Expenditures:				
Salaries	173,614	805,954	475,768	330,186
Other compensation	309,435	538,306	385,478	152,828
Fringe benefits	24,694	119,574	70,897	48,677
Supplies and materials	89,483	240,041	195,565	44,476
Services and other expenditures	45,746	83,952	38,236	45,716
Professional and contracted services	146,765	147,154	14,624	132,530
Rent, utilities and maintenance	14,780	554	554	-
Interfund services	500	12,250	11,785	465
Capital asset acquisitions	799,609	1,285,647	427,198	858,449
Total expenditures	<u>1,604,626</u>	<u>3,233,432</u>	<u>1,620,105</u>	<u>1,613,327</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(139,000)</u>	<u>(221,617)</u>	<u>579,259</u>	<u>800,876</u>
Other financing sources (uses):				
Transfers in	139,000	221,617	65,152	(156,465)
Total other financing sources (uses)	<u>139,000</u>	<u>221,617</u>	<u>65,152</u>	<u>(156,465)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644,411</u>	<u>\$ 644,411</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

General Sessions Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 575,000	\$ 894,045	\$ 559,117	\$ (334,928)
Federal and local revenue	836,420	1,106,710	454,907	(651,803)
Other revenue	27,069	27,069	27,069	-
Total revenues	<u>1,438,489</u>	<u>2,027,824</u>	<u>1,041,093</u>	<u>(986,731)</u>
Expenditures:				
Salaries	108,464	126,574	109,706	16,868
Fringe benefits	30,881	36,404	29,597	6,807
Supplies and materials	14,852	19,332	7,753	11,579
Services and other expenditures	6,000	31,188	29,057	2,131
Professional and contracted services	1,225,792	1,761,326	909,255	852,071
Rent, utilities and maintenance	2,000	1,580	1,554	26
Interfund services	500	2,420	485	1,935
Capital asset acquisitions	50,000	49,000	49,000	-
Total expenditures	<u>1,438,489</u>	<u>2,027,824</u>	<u>1,136,407</u>	<u>891,417</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95,314)</u>	<u>\$ (95,314)</u>

**Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010**

Juvenile Court

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 603,819	\$ 2,834,509	\$ 2,299,262	\$ (535,247)
Federal and local revenue	-	267,775	(5,710)	(273,485)
Total revenues	<u>603,819</u>	<u>3,102,284</u>	<u>2,293,552</u>	<u>(808,732)</u>
Expenditures:				
Salaries	445,262	1,685,590	1,491,171	194,419
Other compensation	7,000	70,192	(3,087)	73,279
Fringe benefits	173,677	539,931	441,379	98,552
Supplies and materials	14,750	210,191	96,571	113,620
Services and other expenditures	71,075	74,009	40,002	34,007
Professional and contracted services	9,000	141,184	53,743	87,441
Rent, utilities and maintenance	4,000	67,839	41,148	26,691
Interfund services	-	222,329	166,769	55,560
Capital asset acquisitions	-	295,192	288,476	6,716
Total expenditures	<u>724,764</u>	<u>3,306,457</u>	<u>2,616,172</u>	<u>690,285</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(120,945)</u>	<u>(204,173)</u>	<u>(322,620)</u>	<u>(118,447)</u>
Other financing sources (uses):				
Transfers in	279,835	313,193	169,689	(143,504)
Transfers out	(158,890)	(109,020)	(70,986)	38,034
Total other financing sources (uses)	<u>120,945</u>	<u>204,173</u>	<u>98,703</u>	<u>(105,470)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (223,917)</u>	<u>\$ (223,917)</u>

Grants Fund
Budgetary Comparison Schedules
For the Year Ended June 30, 2010

Attorney General

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 30,009	\$ 355,367	\$ 282,815	\$ (72,552)
Federal and local revenue	670,939	848,812	575,097	(273,715)
Other revenue	170,221	214,226	176,963	(37,263)
Investment income	-	2,826	1,132	(1,694)
Total revenues	871,169	1,421,231	1,036,007	(385,224)
Expenditures:				
Salaries	471,467	736,359	642,860	93,499
Other compensation	1,128	1,128	-	1,128
Fringe benefits	135,051	220,047	166,534	53,513
Supplies and materials	-	79,292	50,880	28,412
Services and other expenditures	3,523	15,121	1,215	13,906
Professional and contracted services	260,000	306,037	266,043	39,994
Rent, utilities and maintenance	-	23,691	19,654	4,037
Capital asset acquisitions	-	62,065	61,517	548
Total expenditures	871,169	1,443,740	1,208,703	235,037
Excess (deficiency) of revenues over (under) expenditures	-	(22,509)	(172,696)	(150,187)
Other financing sources (uses):				
Transfers in	-	22,509	14,687	(7,822)
Total other financing sources (uses)	-	22,509	14,687	(7,822)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (158,009)	\$ (158,009)

Shelby County, Tennessee

Statistical Section Index For the Year Ended June 30, 2010

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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Revenue Capacity Information These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.....	222
Debt Capacity Information These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt.....	226
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.....	228
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.....	230
Schedule of Salaries and Fidelity Bonds This schedule provides information on the salaries and fidelity bonds of selected County officials.....	236

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, Tennessee

Financial Trends Information
Net Assets by Component
Last Nine 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>	<u>2010</u>
Governmental activities									
Invested in capital assets, net of related debt	\$ 176,161,144	\$ 179,516,173	\$ 160,714,397	\$ 175,194,990	\$ 156,764,887	\$ 157,206,332	\$ 180,537,007	\$ 204,190,463	\$ 240,569,297
Restricted	42,849,339	33,428,619	25,939,996	46,561,030	80,104,201	91,417,704	106,942,854	87,310,795	207,993,719
Unrestricted	(1,082,043,535)	(1,181,961,431)	(1,214,254,660)	(1,281,070,298)	(1,259,839,639)	(1,247,320,422)	(1,270,705,173)	(1,253,600,239)	(1,287,263,343)
Total governmental activities net assets	<u>\$ (863,033,052)</u>	<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>\$ (962,098,981)</u>	<u>\$ (838,700,327)</u>
Business-type activities									
Invested in capital assets, net of related debt	\$ 30,631,245	\$ 33,372,974	\$ 29,047,386	\$ 28,180,902	\$ 27,213,452	\$ 26,737,011	\$ 26,328,481	\$ 25,324,668	\$ 24,388,818
Unrestricted	9,560,888	5,101,901	5,352,161	3,447,095	5,422,857	7,996,464	8,667,114	13,288,503	11,410,749
Total business-type activities net assets	<u>\$ 40,192,133</u>	<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>\$ 38,613,171</u>	<u>\$ 35,799,567</u>
Total Shelby County Government									
Invested in capital assets, net of related debt	\$ 206,792,389	\$ 212,889,147	\$ 189,761,783	\$ 203,375,892	\$ 183,978,339	\$ 183,943,343	\$ 206,865,488	\$ 229,515,131	\$ 264,958,115
Restricted	42,849,339	33,428,619	25,939,996	46,561,030	80,104,201	91,417,704	106,942,854	87,310,795	207,993,719
Unrestricted	(1,072,482,647)	(1,176,859,530)	(1,208,902,499)	(1,277,623,203)	(1,254,416,782)	(1,239,323,958)	(1,262,038,059)	(1,240,311,736)	(1,275,852,594)
Total Shelby County Government net assets	<u>\$ (822,840,919)</u>	<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>\$ (923,485,810)</u>	<u>\$ (802,900,760)</u>

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

Shelby County, Tennessee

Financial Trends Information
Changes in Net Assets
Last Nine 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>	<u>2010</u>	
Expenses										
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	\$ 63,105,682	
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	38,816,666	
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	5,151,177	
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	47,801,753	
Corrections	948,137	937,223	825,555	371,598	505,384	928,659	1,461,598	1,318,182	1,481,007	
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	59,823,299	
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	72,340,940	
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	149,248,036	
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	66,108,459	
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	25,700,703	
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	363,281,302	
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	70,146,945	
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>	<u>963,005,969</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	10,472,229	
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	18,938,445	
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	53,963,382	
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>	<u>83,374,056</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>	<u>\$ 1,046,380,025</u>	
Program Revenues										
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	\$ 5,252,005	
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	18,863,908	
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	27,621,412	
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	34,806,901	
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	21,915,665	
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	114,344,216	
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	710,000	
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>	<u>223,514,107</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	8,749,266
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	19,109,260
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	44,894,303
Operating grants and contributions	78,620	47,175	60,960	56,960	43,050	49,050	75,000	81,000	75,600
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>	<u>72,828,429</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>	<u>\$ 296,342,536</u>
Net (Expense)/Revenue									
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)	\$ (739,491,862)
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)	(10,545,627)
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>	<u>\$ (750,037,489)</u>
General Revenues and Other Changes in Net Assets									
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	\$ 773,832,412
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	22,028,916
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	11,428,545
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	13,550,421
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	29,429,162
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	17,198,939
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	2,950,625
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)	(7,683,295)
Other sources/(uses)	---	---	---	---	---	---	1,359,555	281,072	154,791
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>	<u>862,890,516</u>
Business-type activities:									
Investment earnings	(916,965)	388,156	486,261	283,040	374,704	525,358	285,964	207,994	48,728
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	7,683,295
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>	<u>7,732,023</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>	<u>\$ 870,622,539</u>
Change in Net Assets									
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	\$ 123,398,654
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	(2,813,604)
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>	<u>\$ 120,585,050</u>

Several organizational changes have occurred over the past nine 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, Tennessee

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (b)
General Fund										
Assigned	\$ 5,088,956	\$ 7,472,886	\$ 5,736,619	\$ 4,085,059	\$ 4,158,337	\$ 4,150,637	\$ 4,119,786	\$ 2,940,960	\$ 772,147	\$ ---
Unrestricted (a)	28,867,929	34,782,084	18,770,288	30,663,278	37,539,543	41,147,243	47,178,094	62,563,181	74,392,811	---
Restricted	---	---	---	---	---	---	---	---	---	567,558
Committed	---	---	---	---	---	---	---	---	---	799,402
Assigned	---	---	---	---	---	---	---	---	---	1,096,493
Unassigned	---	---	---	---	---	---	---	---	---	75,694,460
Total general fund	\$ 33,956,885	\$ 42,254,970	\$ 24,506,907	\$ 34,748,337	\$ 41,697,880	\$ 45,297,880	\$ 51,297,880	\$ 65,504,141	\$ 75,164,958	\$ 78,157,913
All Other Governmental Funds										
Reserved	\$ 76,958,992	\$ 592,512	\$ 1,213,424	\$ 1,028,370	\$ 2,102,322	\$ 662,791	\$ 716,305	\$ 2,051,448	\$ 1,190,788	\$ ---
Unreserved, reported in:										
Debt service fund	4,902,416	19,777,038	10,702,422	9,457,475	29,241,588	55,924,980	63,401,912	73,709,130	74,646,920	---
Capital projects fund	(311,500,944)	(233,964,662)	(211,212,848)	(24,919,442)	(136,651,444)	28,418,919	97,730,872	(23,173,636)	(84,323,603)	---
Grants fund	75,380	1,440,581	1,421,000	1,517,638	1,659,168	3,250,037	3,472,963	2,482,916	(10,138,135)	---
Special revenue fund	12,463,672	12,425,508	13,921,329	13,936,513	13,613,278	20,266,393	23,826,524	28,699,360	30,243,434	---
Restricted, reported in:										
Debt service fund	---	---	---	---	---	---	---	---	---	7,486,042
Capital projects fund	---	---	---	---	---	---	---	---	---	56,613,022
Education fund	---	---	---	---	---	---	---	---	---	9,136,859
Grants fund	---	---	---	---	---	---	---	---	---	14,313,849
Nonmajor governmental funds	---	---	---	---	---	---	---	---	---	17,549,023
Committed, reported in:										
Debt service fund	---	---	---	---	---	---	---	---	---	95,043,193
Capital projects fund	---	---	---	---	---	---	---	---	---	8,234,947
Assigned, reported in:										
Capital projects fund	---	---	---	---	---	---	---	---	---	36,491,640
Unassigned, reported in:										
Grants fund	---	---	---	---	---	---	---	---	---	(29,842,455)
Total all other governmental funds	\$ (217,100,484)	\$ (199,729,023)	\$ (183,954,673)	\$ 1,020,554	\$ (90,035,088)	\$ 108,523,120	\$ 189,148,576	\$ 83,769,218	\$ 11,619,404	\$ 215,026,120

(a) Fiscal years 2001 - 2004 have been adjusted for restatements in subsequent years

(b) For fiscal year 2010, Shelby County elected to implement GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions.

Restating prior year fund balances is not required.

Shelby County, Tennessee

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Property taxes	\$ 430,536,579	\$ 531,178,420	\$ 540,155,748	\$ 582,458,589	\$ 586,518,187	\$ 655,822,442	\$ 680,495,848	\$ 693,655,202	\$ 696,817,677	\$ 736,681,436
Other local taxes	60,718,840	79,555,333	86,886,317	85,231,292	88,021,603	94,491,764	98,287,134	98,253,306	96,908,922	93,671,585
State revenue	64,079,912	70,720,272	73,045,216	76,796,383	82,843,474	103,592,317	104,114,911	106,575,752	100,728,176	104,668,855
Federal & local revenue	33,256,757	43,354,440	45,128,566	47,573,564	54,629,843	51,596,881	51,548,235	60,872,661	56,759,545	61,664,406
Charges for services	5,619,275	4,857,066	5,072,186	5,787,113	5,706,520	5,665,021	5,654,583	5,548,653	5,657,780	8,906,272
Fines, fees & permits	61,537,038	55,554,559	54,323,719	60,171,699	59,430,802	68,177,969	69,456,673	70,303,476	67,243,639	67,642,736
Other revenue	15,003,305	15,982,698	15,521,333	11,111,951	10,981,843	8,650,084	9,271,704	21,847,041	6,542,242	16,036,573
Investment income	14,118,567	8,677,495	3,447,887	2,764,766	5,479,137	12,870,684	21,505,123	13,323,539	5,868,121	1,855,056
Total revenues	684,870,273	809,880,283	823,580,972	871,895,357	893,611,409	1,000,867,162	1,040,334,211	1,070,379,630	1,036,526,102	1,091,126,919
Expenditures (d)										
General government	42,176,011	41,772,594	47,206,235	46,422,578	43,479,898	52,222,660	52,053,563	53,129,333	51,808,577	60,877,420
Hospital (b)	27,566,667	22,566,667	22,566,667	22,566,667	20,566,667	20,566,667	25,066,667	27,600,000	27,491,667	38,816,666
Planning and development	5,208,106	3,583,784	5,046,331	4,914,861	6,110,142	6,562,951	6,228,606	5,526,687	6,019,995	6,994,026
Public works	25,997,188	28,133,817	26,732,578	29,386,113	27,740,542	29,529,405	31,538,343	34,444,531	30,574,348	39,973,257
Corrections	1,211,235	948,137	937,223	790,715	371,598	432,171	824,652	1,312,609	1,261,813	1,384,904
Health services	43,137,942	46,778,955	50,403,756	49,965,324	50,395,188	53,591,503	58,263,865	66,733,036	61,198,402	59,712,647
Community services (c)	38,569,234	38,975,855	39,484,001	40,078,192	41,229,338	44,060,485	44,360,555	46,772,688	60,217,711	72,209,586
Law enforcement	99,515,132	125,391,302	139,714,965	127,948,541	127,315,702	130,234,277	137,012,750	141,560,285	145,718,901	145,326,022
Judicial	54,376,229	60,349,160	62,263,405	63,937,661	65,070,182	69,633,785	74,624,323	81,484,654	74,985,231	64,415,801
Other elected officials	21,337,910	22,153,989	23,001,551	23,154,077	23,721,774	25,146,009	26,173,457	26,465,295	26,077,724	25,370,576
Education (a)	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	361,288,000
Debt service:										
Interest	64,209,850	52,606,584	61,404,778	66,493,148	69,852,019	78,956,185	83,211,018	73,145,937	84,749,327	70,146,945
Principal	41,581,241	44,760,484	50,148,192	54,173,503	67,734,747	68,555,308	79,663,851	94,335,932	95,310,990	102,104,384
Capital outlay; capital projects	106,613,346	154,104,764	130,256,656	135,066,176	116,166,362	105,741,913	107,970,051	142,770,872	68,988,598	7,848,475
Total expenditures	845,769,581	943,748,718	979,697,008	986,850,635	985,613,814	1,045,252,923	1,087,011,305	1,156,569,859	1,095,691,284	1,056,468,709
Excess (deficiency) of revenues over (under) expenditures	(160,899,308)	(133,868,435)	(156,116,036)	(114,955,278)	(92,002,405)	(44,385,761)	(46,677,094)	(86,190,229)	(59,165,182)	34,658,210

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	---	120,000,000	
Proceeds of refunding bonds	37,683,025	21,065,848	---	---	443,740,125	---	146,416,113	231,935,000	214,695,000	---
Payment to refunding bond escrow agent	(37,868,108)	(20,817,729)	---	---	(433,055,801)	---	(146,067,482)	(231,271,726)	(231,005,000)	---
Long term debt proceeds other than bonds	---	---	---	---	---	---	---	---	---	55,120,000
Other sources (uses)	1,418,833	570,177	932,363	1,768,868	1,130,030	1,310,937	344,336	1,072,782	690,849	511,228
Loan proceeds	---	---	---	---	---	---	---	816,473	19,821,655	---
Premium on bonds issued	---	---	---	---	---	---	---	---	---	4,162,154
Transfers in	26,007,729	37,917,304	42,026,892	22,362,765	36,262,244	43,788,657	40,798,067	42,175,234	31,276,257	31,145,888
Transfers out	(29,417,488)	(46,563,922)	(44,798,620)	(36,252,522)	(42,179,231)	(49,583,407)	(48,547,371)	(49,710,631)	(38,802,576)	(39,197,809)
Total other financing sources (uses)	147,823,991	152,879,479	151,468,750	310,905,393	5,897,367	246,543,969	133,302,550	(4,982,868)	(3,323,815)	171,741,461
Net change in fund balances	\$ (13,075,317)	\$ 19,011,044	\$ (4,647,286)	\$ 195,950,115	\$ (86,105,038)	\$ 202,158,208	\$ 86,625,456	\$ (91,173,097)	\$ (62,488,997)	\$ 206,399,671

Debt service as a percentage of
non capital expenditures

12.93%	10.62%	11.69%	12.49%	14.42%	14.44%	15.22%	14.71%	16.67%	16.62%
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(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) In 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 that year has 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>
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%
2009	2008	10,259,997,845	5,530,133,410	1,402,492,320	896,680,554	18,089,304,129	4.04	61,383,315,080	29.47%
2010	2009	10,954,449,590	6,285,548,950	1,468,617,700	948,762,385	19,657,378,625	4.02	66,374,654,928	29.62%

- (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 2002, 2006, and 2010.

Shelby County, Tennessee

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
County Direct Rates										
General Fund	\$ 1.31	\$ 1.25	\$ 1.25	\$ 1.43	\$ 1.43	\$ 1.31	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.23
Education (a)	1.69	2.03	2.03	2.03	2.03	2.03	2.02	2.02	2.02	1.98
Debt Service	0.54	0.51	0.51	0.58	0.58	0.70	0.80	0.80	0.80	0.81
Total Direct Rate	3.54	3.79	3.79	4.04	4.04	4.04	4.04	4.04	4.04	4.02
Rural School Bonds (b)				0.05	0.05	0.05	0.05	0.05	0.05	0.04
City & Town Rates (d)										
Memphis (c)	3.37	3.23	3.23	3.23	3.23	3.43	3.43	3.43	3.25	3.20
Arlington	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Bartlett	1.29	1.23	1.23	1.38	1.38	1.31	1.31	1.54	1.54	1.49
Collierville	1.47	1.45	1.45	1.45	1.45	1.28	1.28	1.28	1.28	1.18
Germantown	1.47	1.30	1.30	1.70	1.70	1.54	1.54	1.54	1.54	1.43
Millington	0.92	1.23	1.23	1.23	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 calendar year 2003 an additional tax rate was established to fund 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, 2010**

Name of Taxpayer	Fiscal 2010 Assessments			Fiscal 2001 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	\$ 261,207,400	1	1.33%	\$ 359,080,003	1	2.40%
Galleria at Wolfchase LLC	150,017,400	2	0.76%	44,689,150	6	0.30%
Saint Francis Hospital System	136,820,700	3	0.70%			
Cargill Inc.	94,076,200	4	0.48%			
Wal-Mart Real Estate Trust	91,354,800	5	0.46%			
Kroger Limited Partnership I	83,904,900	6	0.43%			
Smith & Nephew, Inc.	82,316,300	7	0.42%			
Carriage Avenue LLC	74,365,600	8	0.38%			
Highwoods Realty LP	70,074,100	9	0.36%			
Shopping Center Associates (PSO)	60,802,300	10	0.31%			
Bellsouth Telecommunications				182,390,890	2	1.22%
Belz Enterprises				126,018,550	3	0.84%
Baptist Memorial Hospital				63,068,742	4	0.42%
Industrial Development, Inc				56,812,764	5	0.37%
Union Planters National Bank				40,876,210	7	0.27%
Nike, Inc.				32,134,500	8	0.21%
Mid-America Apartments				30,768,180	9	0.21%
United Dominion Realty				28,735,810	10	0.19%
Total Assessed Valuation of Top Ten Taxpayers	\$ 1,104,939,700		5.63%	\$ 964,574,799		6.44%
Balance of Assessed Valuation	18,552,438,925		94.37%	11,864,729,513		93.46%
Total Assessed Valuation	\$ 19,657,378,625		100.00%	\$ 12,829,304,312		100.00%

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
2001	2000	\$ 454,157,373	\$ 427,388,176	94.11%	\$ 20,050,528	\$ 447,906,552	\$ 447,438,704	99.90%	98.52%
2002	2001	573,034,946	523,851,896	91.42%	23,468,711	548,562,273	547,320,607	99.77%	95.51%
2003	2002	577,095,200	526,168,220	91.18%	2,658,431	554,264,593	552,926,651	99.76%	95.81%
2004	2003	610,604,269	570,445,227	93.42%	22,889,407	595,021,394	593,334,634	99.72%	97.17%
2005	2004	613,508,586	577,008,988	94.05%	26,114,536	605,586,608	603,123,524	99.59%	98.31%
2006	2005	698,709,093	645,263,773	92.35%	29,146,011	679,422,079	674,409,784	99.26%	96.52%
2007	2006	707,170,608	666,613,568	94.26%	30,837,602	701,593,613	697,451,170	99.41%	98.63%
2008	2007	718,626,612	676,692,968	94.16%	29,408,777	714,970,719	706,101,745	98.76%	98.26%
2009	2008	748,339,766	684,698,542	91.50%	24,425,665	729,412,600	709,124,207	97.22%	94.76%
2010	2009	776,683,007	719,276,815	92.61%	N/A	768,641,959	719,276,815	93.58%	92.61%

Source: Shelby County Assessor and Trustee Offices.

Note: Property reappraisals were implemented in FY 2002, 2006, and 2010.

Shelby County, Tennessee

**Debt Capacity Information
Schedule of Direct and Overlapping Debt
June 30, 2010**

	Net Debt Outstanding	Estimated Percentage Applicable (e)	Estimated Share of Overlapping Debt
Direct Debt (a)			
Special General Obligation School debt (b)	\$ 26,880	100.00%	\$ 26,880
Total bonded debt (c)	1,707,260,182	100.00%	1,707,260,182
		Total direct debt	<u>1,707,287,062</u>
Overlapping Debt (d)			
City of Memphis	1,217,894,230	100.00%	1,217,894,230
City of Germantown	24,000,000	100.00%	24,000,000
City of Bartlett	22,615,000	100.00%	22,615,000
City of Collierville	36,484,102	100.00%	36,484,102
Town of Arlington	10,929,000	100.00%	10,929,000
Town of Millington	5,000,000	100.00%	5,000,000
		Total overlapping debt	<u>1,316,922,332</u>
		Total direct and overlapping debt	<u>\$ 3,024,209,394</u>

- (a) The County has the power and is obligated to levy ad 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.
- (e) The percentage of overlapping debt applicable is estimated using assessed property value. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by each unit's total taxable assessed value.

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)	G.O. Bonded Debt Percent Of Actual Value	G.O. Bonded Debt Per Capita(b)	Total Government Debt (a) Per Capita	Total Government Debt (a) Percent of Personal Income(b)
	General Obligation Bonds	Capital Leases					
2001	\$ 1,133,081,290	\$ -	\$ 1,133,081,290	2.67%	1,260	1,260	3.80%
2002	1,251,790,508	608,328	1,252,398,836	2.51%	1,387	1,388	4.08%
2003	1,354,259,107	510,915	1,354,770,022	2.69%	1,494	1,495	4.30%
2004	1,619,508,672	863,307	1,620,371,979	3.21%	1,782	1,783	4.90%
2005	1,569,111,426	794,188	1,569,905,614	3.09%	1,720	1,721	4.60%
2006	1,753,166,331	721,717	1,753,888,048	3.04%	1,907	1,908	4.86%
2007	1,820,107,968	1,170,996	1,821,278,965	3.09%	1,978	1,980	4.83%
2008	1,735,025,160	1,039,885	1,736,065,045	2.90%	1,888	1,889	4.54%
2009	1,627,860,459	906,177	1,628,766,636	2.65%	(c)	(c)	(c)
2010	1,707,260,182	766,064	1,708,026,246	2.62%	(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 xxx for Actual and Assessed Property Values and page xxx for Population Amounts and Personal Income Values.

(c) Not available for FY2009 and FY2010.

Shelby County, Tennessee

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

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2000	898,279	\$ 27,941,148	31,105	3.9%
2001	899,543	29,817,637	33,148	4.5%
2002	902,605	30,658,767	33,967	5.4%
2003	906,280	31,476,518	34,732	6.0%
2004	908,922	33,062,107	36,375	6.1%
2005	912,418	34,093,971	37,367	6.2%
2006	919,179	36,053,839	39,224	5.7%
2007	919,964	37,672,097	40,950	5.3%
2008	919,137	38,234,149	41,598	7.0%
2009	N/A	N/A	N/A	10.1%

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. Unemployment rates are calendar year average rates for the civilian workforce. BEA releases the population and personal income data shown here in April of the second calendar following the end of the year reported. Some amounts presented here have been revised by the data providers and consequently differ from amounts presented in the FY09 CAFR.

Shelby County, Tennessee

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

Employer	2010			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
FedEx Corp	31,000	1	3.78%	40,000	1	5.24%
Memphis City Schools	15,991	2	1.95%	14,402	3	1.89%
United States Government	15,500	3	1.89%	14,860	2	1.95%
State of Tennessee	9,000	4	1.10%	5,247	8	0.69%
Methodist Healthcare	8,025	5	0.98%	11,000	4	1.44%
City of Memphis	7,231	6	0.88%	6,680	6	0.88%
Baptist Memorial Health Care Corp.	6,845	7	0.84%	5,100	9	0.67%
Shelby County Government	6,336	8	0.77%	6,700	5	0.88%
Wal-Mart Stores, Inc.	6,000	9	0.73%	6,500	7	0.85%
Shelby County Schools	5,200	10	0.63%	5,014	10	0.66%
Total	111,128		13.55%	115,503		15.15%

Sources: Largest employer data for 2010 from Memphis Business Journal (MBJ) issue of March 5-11, 2010. Largest employer data for 2000 from the MBJ Book of Lists as reported by the Memphis Chamber of Commerce. The largest employer numbers are for the Memphis area as defined by the Memphis Business Journal and are as of the survey period, January and February of the year reported, Total employment (not shown, but computations) from U. S. Department of Commerce Bureau of Economic Analysis. The total employment numbers are for the Memphis Metropolitan Statistical Area. Total employment for 2008 was used as a surrogate for the 2010 figure, which is not expected to be available until spring, 2012. *

* Total Employment: 2008 763,383
 2000 819,373

Shelby County, Tennessee

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

Function/Program:	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government	553	574	532	294	297	317	297	319	294	284
Planning & Development	200	196	202	211	219	215	215	209	180	165
Public Works	364	362	383	473	496	474	480	476	453	441
Corrections	804	785	750	629	650	630	629	622	610	671
Health Services	777	764	647	674	677	674	653	643	619	624
Community Services (b)	177	178	204	560	590	572	545	562	544	569
Health Care Centers (c)	452	292	263	---	---	---	---	---	---	---
Law Enforcement	2,010	2,227	2,096	1,928	1,968	1,930	1,942	1,945	1,883	1,919
Judicial	748	809	809	1,049	1,049	1,067	1,045	1,102	1,057	891
Other Elected Officials	447	469	476	380	371	398	394	387	376	365
Total Full-time Equivalent Employees	6,532	6,656	6,362	6,198	6,317	6,277	6,200	6,265	6,016	5,929

- (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.

Shelby County, Tennessee

**Operating Information
Capital Assets Statistics - By Function
Last Ten Fiscal Years**

Function/Program: (a)	Fiscal Year (a)									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government: Election Commission Polling Locations				283	279	279	279	274	275	236
Assessor Offices	2	2	2	2	2	2	2	2	2	2
Public Works Bridges (b)	275	257	235	217	201	199	184	184	189	192
Health Services Public Health Clinics				8	8	8	8	8	8	9
Law Enforcement Jail Capacity Male	2,825	2,825	2,825	2,825	3,025	3,025	2,825	2,825	2,825	2,825
Female	384	384	384	384	384	384	382	382	382	382
Judicial Courts	41	41	41	41	41	41	41	41	41	41
Enterprise Funds: Fire Stations (c)	8	8	8	8	8	7	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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government:										
Pretrial Services										
Misdemeanor Interviews	33,363	30,089	29,398	29,421	28,538	26,973	28,691	25,646	27,470	25,170
Misdemeanor Arraignments	62,123	57,427	55,143	49,554	59,566	56,222	59,068	43,275	66,595	68,813
Felony Interviews	9,927	9,735	9,529	10,141	10,827	10,913	10,820	9,886	10,679	10,171
Felony Arraignments	10,268	10,048	9,477	10,456	11,012	11,061	11,332	10,667	11,549	11,316
Election Commission										
Number of Elections	3	1	2	4	5	4	6	6	3	4
Community Services										
Head Start										
Students		3,349	3,311	3,414	3,872	3,586	3,590	3,628	4,192	4,292
Housing										
Loans Outstanding				85	93	106	121	200	333	612
Law Enforcement										
Inmate Days per Year	882,933	759,663	721,143	806,562	881,162	948,892	1,024,920	968,785	1,009,222	1,003,886
Judicial (b)										
Chancery Court										
Filings	2,792	2,385	2,631	2,669	2,575	2,717	2,524	2,493	2,638	2,498
Dispositions	2,623	2,235	2,402	1,854	2,502	3,268	2,717	2,620	2,581	2,849
Circuit Court										
Filings	8,809	8,065	7,890	8,129	7,735	6,770	6,671	6,159	6,087	6,220
Dispositions	10,270	7,892	7,086	7,917	7,710	7,361	6,730	7,461	7,035	6,968
Criminal Court (e)										
Filings	22,293			25,735	24,869	29,928	26,977	27,030	23,626	28,092
Dispositions	23,747			27,872	24,742	26,621	29,923	30,396	26,277	28,221
General Sessions Criminal Court										
Filings	146,639	148,559	145,589	152,346	153,087	159,157	171,091	163,254	203,143	215,020
Dispositions	156,832	145,882	147,093	145,162	150,547	157,091	160,761	163,866	187,607	205,944
General Sessions Civil Court										
Filings	65,774	66,351	58,741	72,562	63,154	64,459	75,214	72,778	73,154	75,637
Dispositions (h)			47,197	61,848	53,636	55,080	59,095	64,357	62,277	115,415
Juvenile Court (c)										
Disposed/Adjusted	22,125	24,934	20,729	20,490	22,817	21,211	19,195	16,877	18,436	17,522
Children Affected	16,164	15,684	14,573	14,760	15,987	15,561	14,205	12,897	13,721	13,206
Probate Court										
Filings	2,274	2,003	2,480	3,330	3,624	3,493	3,506	3,484	3,539	3,482
Dispositions	2,887	2,437	2,863	3,621	4,455	3,493	3,557	3,202	3,654	3,539

Other Elected Officials										
Register										
New Documents Filed	197,747	221,443	253,403	233,594	210,030	214,467	206,918	174,608	154,137	160,788
Assessor										
Parcels Assessed										
Real Property	320,901	325,493	328,565	331,881	335,896	340,264	349,963	353,006	351,727	351,605
Personal Property	37,101	38,235	38,105	37,989	38,168	38,846	39,773	39,495	38,311	36,654
Attorney General (c)										
Criminal Court Indictments			9,620	8,586	8,667	9,271	9,765	9,247	9,388	8,196
New Juvenile Delinquency Cases			2,828	2,753	2,947	3,090	3,168	3,185	6,500	4,610
Enterprise Funds:										
Fire (g)										
Fire Responses	8,600	9,326	6,488	6,051	6,433	7,087	8,926	9,621	7,889	7,911
Ambulance Calls	8,822	9,406	9,759	9,498	9,808	10,376	11,084	11,516	11,538	11,014
Codes Enforcement										
Building Inspections				58,790	63,665	61,482	59,332	44,673	39,443	34,362
Building Permits (d)	3,250	3,157	9,189	12,917	11,789	10,860	9,889	7,010	5,686	6,875
Board of Education (Component Unit)										
Enrollment (f)										
Board of Education- County Shelby County	53,653	53,453	54,310	56,039	53,435	54,943	55,745	56,799	56,503	56,905
Board of Education- City of Memphis	136,754	137,013	135,236	135,183	138,043	137,932	135,268	129,872	127,073	124,691

- (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.
- (f) The Board of Education is weighted full-time equivalency of average daily attendance.
- (g) Data for 2010 is reported on a fiscal year basis. Prior years' data is reported on a calendar year basis as of December 31 within each fiscal year.
- (h) Beginning with FY 2010, data includes orders needing a Judge's signature being placed on the court's dockets.

Shelby County, Tennessee

Schedule of Salaries and Fidelity Bonds

June 30, 2010

<u>Official</u>	<u>Designation</u>	<u>Salary Amounts</u>	<u>Bond Expiration Date</u>	<u>Bond Amount</u>
Mayor and Staff				
Joseph S. Ford, Sr.	Interim 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	125,664	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
Court Clerks				
Dewun R. Settle	Chancery Court Clerk and Master	106,906	10/01/12	1,060,000
James L. Moore	Circuit Court Clerk	106,906	09/01/10	60,000
William R. Key	Criminal Court Clerk	106,906	09/01/10	65,000
Otis Jackson, Jr.	General Sessions Court Clerk	106,906	09/01/12	60,000
Chris R. Thomas	Probate Court Clerk	106,906	09/01/10	60,000
Steve Stamson	Juvenile Court Clerk	106,906	09/01/10	60,000
Others				
Mark H. Luttrell, Jr.	Sheriff	117,597	09/01/10	50,000
Debra J. Stamson	County Clerk	106,906	09/01/10	95,000
Thomas F. Leatherwood	Register	106,906	09/01/10	25,000
Regina Morrison Newman	Interim Trustee	106,906	09/01/10	52,653,390
Cheyenne Johnson	Assessor	106,906	09/01/12	10,000
Scott B. Peatross	Public Administrator	106,906	06/06/13	500,000
All Employees	Employee Theft Coverage	(a)	09/01/10	900,000 per loss

(a) Compensated from assigned cases.

Single Audit

**SHELBY COUNTY, TENNESSEE
FEDERAL I.D. #62-6000841**

SINGLE AUDIT REPORT
For the Year Ended June 30, 2010

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



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

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

We have audited the 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, (the "County") as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 8, 2010. Our report was modified to include a reference to 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. Other auditors audited the financial statements of the Shelby County Health Care Corporation, Agricenter International, Inc., and Shelby County Retirement System, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

We noted certain other matters that we reported to management of the County in a separate letter dated December 8, 2010.

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

Memphis, Tennessee
December 8, 2010

Watkins Universal, PLLC
Banks, Jolley, White & Co



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



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

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

Compliance

We have audited the compliance of Shelby County, Tennessee (the "County") with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2010. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Shelby County Board of Education, which received \$34,723,658 in federal awards that is not included in the schedule during the year ended June 30, 2010. Our audit, described below, did not include the operations of the Shelby County Board of Education because the component unit issues separate financial statements performed in accordance with OMB Circular A-133.

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

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

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

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

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

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

Memphis Tennessee
December 8, 2010

Watkins Universal, PLLC
Banks, Jolley, White & Co

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year Ended June 30, 2010

CFDA	Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
10.557	GG-09-26648-00	WIC PROGRAM	TN DEPT OF HUMAN SERVICES	\$ 2,604,184
10.557	GG-08-22746-00	WIC PROGRAM	TN DEPT OF HUMAN SERVICES	1,122,681
			Total special supplemental nutrition program for WIC	<u>3,726,865</u>
10.565	34353-02710 / HL00008160 / 71301000	CSFP	TN DEPT OF HUMAN SERVICES	315,840
10.565	GG-09-26647-00	CSFP	TN DEPT OF HUMAN SERVICES	114,939
			Total commodity supplemental food program	<u>430,779</u>
10.568	DG-10-29782-00	COMMODITIES DISTRIBUTION	DEPT OF AGRICULTURE	96,788
10.568	DG-10-29782-00	ARRA - COMMODITIES DISTRIBUTION	DEPT OF AGRICULTURE	1,651
10.568	Z-09-213332-00	COMMODITIES DISTRIBUTION	DEPT OF AGRICULTURE	34,421
			Total emergency food assistance program	<u>132,860</u>
14.218	B-04-UC-47-002	CDBG	DEPT OF HOUSING AND URBAN DEVELOPMENT	530,337
14.218	B-U6-UC-47-0002	COMMUNITY DEVELOPMENT BLOCK	DEPT OF HOUSING AND URBAN DEVELOPMENT	172,000
14.218	B-03-UC-47-002	COMMUNITY DEVELOPMENT BLOCK	DEPT OF HOUSING AND URBAN DEVELOPMENT	264,862
14.218	B-06-UN-47-0001	AFFORDABLE HOUSING	DEPT OF HOUSING AND URBAN DEVELOPMENT	943,126
			Total community development block grants	<u>1,910,325</u>
14.235	TN37B601001	SUPPORTIVE HOUSING PROGRAM	DEPT OF HOUSING AND URBAN DEVELOPMENT	130,725
14.235	TN0112B4J010901	SUPPORTIVE HOUSING PROGRAM	DEPT OF HOUSING AND URBAN DEVELOPMENT	72,070
			Total community planning and development grants	<u>202,795</u>
14.239	M-09-UC470205	HOME ENTITLEMENT	DEPT OF HOUSING AND URBAN DEVELOPMENT	286,292
14.239	M-02-UC-47-0205	HOME ENTITLEMENT	DEPT OF HOUSING AND URBAN DEVELOPMENT	52,239
14.239	M08UC470205	HOME ENTITLEMENT	DEPT OF HOUSING AND URBAN DEVELOPMENT	33,977
			Total home investment partnerships program	<u>372,508</u>
14.240	H3-92-TN-0004-I-A	HOPE 3	DEPT OF HOUSING AND URBAN DEVELOPMENT	31,172
14.900	TNLHB0442-09	LEAD HAZARD CONTROL	DEPT OF HOUSING AND URBAN DEVELOPMENT	241,444
14.900	CD90050/CA071794	CITY OF MEMPHIS - HOUSING & COMMUNITY DEVEL	CITY OF MEMPHIS - HOUSING & COMMUN DEVELOPMENT	70,149
14.900	TNLHB0342-06	LEAD BASE PAINT REDUCTION	DEPT OF HOUSING AND URBAN DEVELOPMENT	606,460
			Total lead based paint hazard control	<u>918,053</u>
16.202	2007-RE-CX-0023	SCDOC RE-ENTRY PROGRAM	TDOC	49,734
16.523	GG-09-26155-00	CHILD & FAMILY INTERVENTION	TN DEPT OF CHILDREN'S SERVICES	67,625
16.523	12130	PROSECUTING VIOLENT JUVENILE OFFENDERS	TN COMMISSION ON CHILDREN & YOUTH	80,588
16.523	GG-09-26434-00/CJABG-PT-03-08	JUVENILE ACCOUNTABILITY BLOCK GRANT	TN COMMISSION ON CHILDREN & YOUTH	65,614
			Total juvenile accountability block grants	<u>213,827</u>
16.540	DG-09-24074-00 / Z09-213583-00	TRUANCY MENTORING	TN COMMISSION ON CHILDREN & YOUTH	35,455
16.556	2008-DD-BX-0282	OPERATION SAFE COMMUNITY	US DOJ OJP	743,044
16.580	2007-DJ-BX-0640	EDWARD BYRNE JUSTICE ASSISTANCE GRANT	DOJ-OJP	19,765
16.580	Z-06-027530-00	SCHOOL RESOURCE DEPUTY INITIATIVE	TN DEPT OF FINANCE & ADMIN	100,000
16.580	2007-DD-BX-0655	SAFEWAYS PROJECT	USDOJ-OJP Bureau of Justice Assistance	1,211,324
			Total Edward Byrne justice assistance program	<u>1,331,089</u>
16.582	2004-WE-AX-0031	ARREST POLICIES	UDDOJ-OVV	7,616

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2010

CFDA	Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
16.588	3793	STOP VIOLENCE AGAINST WOMEN	OFFICE OF CRIMINAL JUSTICE PROGRAMS	14,596
16.588	3793	ARRA-STOP VIOLENCE AGAINST WOMEN	OFFICE OF CRIMINAL JUSTICE PROGRAMS	40,180
			Total office of criminal justice program	54,776
16.590	2008-WE-AX-0037	ARREST POLICIES	USDOJ-OVAW	467,960
16.592	2006-DJ-BX-0730	EDWARD BYRNE JUSTICE ASSISTANCE GRANT	USDOJ BUREAU OF JUSTICE ASSISTANCE	1,132
16.609	2007-GP-CX-0071	PROJECT SAFE NEIGHBORHOODS (PSN)	US DEPT OF JUSTICE OFFICE OF JUSTICE PROGRAMS	83,392
16.609	2008-GP-CX-0056	PROJECT SAFE NEIGHBORHOOD	UNITED STATE DEPT OF JUSTICE	38,000
			Total US department of justice	121,392
16.710	2007-CK-WX-0184	COPS IN SCHOOLS	US DEPT OF JUSTICE OFFICE OF JUSTICE PROGRAMS	63,859
16.738	2008-DJ-BX-0465	EDWARD BYRNE JUSTICE ASSISTANCE GRANT	US DEPT OF JUSTICE OFFICE OF JUSTICE PROGRAMS	269,680
16.738	2009-DJ-BX-0421	EDWARD BYRNE JUSTICE ASSISTANCE GRANT	US DEPT OF JUSTICE OFFICE OF JUSTICE PROGRAMS	970,031
16.738	4034	EDWARD BRYNE MEMORIAL JUSTICE ASST. GRANT	TN OFFICE OF CRIMINAL JUSTICE PROGRAMS	386,253
16.738	DG-06-01963-02	INMATE FOOD SERVICE TRAINING	TN OFFICE OF CRIMINAL JUSTICE PROGRAMS	38,442
			Total office of criminal justice programs	1,664,406
16.744	2007-PG-BX-0036	SHELBY COUNTY ANTI-GANG INITIATIVE	US DEPT OF JUSTICE OFFICE OF JUSTICE PROGRAMS	38,690
16.801	1290 / 79000 / 952-85	ARRA - ADJUNCT VICTIMS SERVICES	OFFICE OF CRIMINAL JUSTICE PROGRAM	42,656
16.801	704 / 79000 / 952-85	SENIOR VICTIM ADVOCATE	OFFICE OF CRIMINAL JUSTICE PROGRAM	35,838
16.801	704 / 79000 / 952-85	DOMESTIC VIOLENCE COURT ADVOCATE	OFFICE OF CRIMINAL JUSTICE PROGRAM	47,038
			Total office of criminal justice program	125,532
16.803	GG1028271 / GR1028045	ARRA-CRIMINAL JUSTICE/MENTAL HEALTH LIAISON	TN DMHDD	168,923
16.803	4222	ARRA-WEST TN INTERDICTION ENCHANCEMENT	TN OFFICE OF CRIMINAL JUSTICE PROGRAMS	106,377
16.803	2009-SB-B9-2466	JAG - ARRA	VOCA	3,822,040
16.803	3840-GG-08-10-09	ARRA-COLLABORATIVE RE-ENTRY INITIATIVE	US DEPT OF JUSTICE OFFICE OF JUSTICE PROGRAMS	101,634
			Total office of criminal justice program	4,198,974
17.274	09-A200-LBDU-4123-5YB00-000	YOUTHBUILD	US DEPT OF LABOR/ETA/OGCM	138,072
20.205	Z-07-036299-00	TRANSPORTATION PLANNING	DEPARTMENT OF TRANSPORTATION	229,081
20.205	Z-07-036299-00	TRANSPORTATION PLANNING	DEPARTMENT OF TRANSPORTATION	815,325
20.205	76008-0700410/105365/101000	MDOT PL GRANT	MDOT	172,105
20.205	17233	MDOT PL GRANT	MDOT	44,566
20.205	070148	COUNTY SCHOOLS RIDESHARE PROGRAM	DEPARTMENT OF TRANSPORTATION	3,999
20.205	080030/CA092843/111533.00	RIDESHARE PROGRAM	TN DEPT OF TRANSPORTATION	658,996
20.205	CM-NHE-7900-28	CMAQ INTERSECTION IMPVTS GRANT	TN DEPT OF TRANSPORTATION	594,888
20.205	080064 / 110689.00	SAFE ROUTES TO SCHOOL	DEPARTMENT OF TRANSPORTATION	22,500
20.205	GG-07-26824-00	TRANSIT PLANNING	TN DEPT OF TRANSPORTATION	60,852
			Total highway planning and construction	2,602,312
20.505	MX011	MDOT SECTION 8	MDOT MEMPHIS AREA RIDESHARE	29,473
20.600	Z-09-214402-00	TRAFFIC SATURATIONS & CHECKPOINTS	TN DEPT OF TRANSPORTATION GOVERNOR'S HIGHWAY SAFE	39,433
20.600	Z-10-220082-00	GHSO NETWORK COORDINATOR	TN DEPT OF TRANSPORTATION GOVERNOR'S HIGHWAY SAFE	13,496
20.600	Z-10-220083-00	TRAFFIC DIVISION SOFTWARE	TN DEPT OF TRANSPORTATION GOVERNOR'S HIGHWAY SAFE	161,850
20.600/20.613	Z-09-214401-00	VEHICLE SAFETY AWARENESS COORDINATOR	TN DEPT OF TRANSPORTATION GOVERNOR'S HIGHWAY SAFE	4,116
			Total state and community highway safety	218,895
20.600-20.607	Z-09-214657-00	DUI CHECKPOINTS	TN DEPT OF TRANSPORTATION GOVERNOR'S HIGHWAY SAFE	22,143
20.607	Z-09-214711-00	CHILD PASSENGER SAFETY	TN DEPT OF TRANSPORTATION GOVERNOR'S HIGHWAY SAFE	64,001
			Total alcohol open container requirements	86,144
66.001	A-00408210-0	AIR POLLUTION	DEPT OF HEALTH & HUMAN SERVICES	1,277,105
66.001	A004082-08-2	AIR POLLUTION	ENVIRONMENTAL PROTECTION AGENCY	333,599
			Total air pollution program support	1,610,704

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2010

CFDA	Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
66.034	XA-964927-08-0	BARGE EMISSIONS	ENVIRONMENTAL PROTECTION AGENCY	229,484
66.034	PM-96497508-4	SPECIAL AIR POLLUTION	ENVIRONMENTAL PROTECTION AGENCY	120,983
			Total air pollution	<u>350,467</u>
81.042	Z-10-000413	WEATHERIZATION	DEPARTMENT OF HUMAN SERVICES	512,863
90.201	TN-3052	BRUNSWICK SEVER PROJECT	DELTA REGIONAL AUTHORITY	170,280
93.008	MRC-080150	MEDICAL RESERVE CORPS	NACCHO	2,600
93.036	959 / TEMA DA-022009	JUNE '09 STORMS	TEMA	7,629
93.042	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	52,600
93.043	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	66,000
93.044	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	1,545,554
93.044	GG-10-29077-00	AGING PROGRAM - ARRA	TENNESSEE COMMISSION ON AGING	210,640
93.045	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	1,379,414
93.052	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	536,778
93.053	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	328,000
93.069	34360-52310	H1N1 (SWINE FLU EMERGENCY REPSONSE)	DEPARTMENT OF HEALTH	1,849,007
93.086	90FR0067/02	PROJECT REACHH	PROMOTING RESPONSIBLE FATHERHOOD	352,666
93.086	90FR0095/03	PROJECT REACHH	PROMOTING RESPONSIBLE FATHERHOOD	175,463
93.086	90FR0067/02	PROJECT REACHH	PROMOTING RESPONSIBLE FATHERHOOD	386,279
93.086	90FR0067-03	PROJECT REACHH	PROMOTING RESPONSIBLE FATHERHOOD	152,753
			Total healthy marriage promotion	<u>1,067,161</u>
93.116	GG-09-26379-00	T.B OUTREACH	TN DEPARTMENT OF HEALTH	1,376,884
93.136	GG-11-3-09	MSARC - RAPE PREVENTION EDUCATION	TN DEPT OF HUMAN SERVICES	16,393
93.153	MAYAHMSCHD2007-1010/CA086413	METHODIST YOUTHCARE	METHODIST LEBONHEUR HEALTHCARE FOUNDATION	9,513
93.243	1H79TI021892-01	EAIT PROGRAM	SAMSHA	102,256
93.268	GG-08-23836-00	WIC IMMUNIZATION	TN DEPT OF HUMAN SERVICES	64,579
93.268	GG-09-28371-00	IMMUNIZATION	TN DEPT OF HUMAN SERVICES	210,956
93.268	2 H49MC00036-09-00	HEALTHY START INITIATIVE	DHHS SUBSTANCE ABUSE & MENTAL HEALTH SERVICES	654,035
93.268	2H49MC00036-10-00	HEALTHY START INITIATIVE	DHHS SUBSTANCE ABUSE & MENTAL HEALTH SERVICES	53,780
			Total immunizations grants	<u>963,330</u>

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2010

CFDA	Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
93.283	GG-08-21986-00	CENTRAL LAB/BIO TERRORISM	TN DEPT OF HUMAN SERVICES	111,396
93.283	GG-09-25771-00	CENTRAL LAB/BIO TERRORISM	TN DEPT OF HUMAN SERVICES	-
93.283	343.60-316-10	ENVIRONMENTAL HLTH SVCS	DEPARTMENT OF HEALTH	1,015,073
93.283	GG-09-25635-01	HOMELAND SECURITY BIOTERRORISM	DEPARTMENT OF HEALTH	<u>183,256</u>
			Total centers for disease control	1,309,725
93.563	GG-09-22206-00	TITLE IV-CHILD SUPPORT	DEPT OF HUMAN SERVICES	507,539
93.600	04CH3447/43	HEADSTART	DEPT OF HEALTH & HUMAN SERVICES	10,749,659
93.600	04CH3447/43	HEADSTART	DEPT OF HEALTH & HUMAN SERVICES	11,755,343
93.708	04CH3447/43	HEADSTART -ARRA	DEPT OF HEALTH & HUMAN SERVICES	800,241
93.709	04CH3447/42	HEADSTART -ARRA	DEPT OF HEALTH & HUMAN SERVICES	<u>108,231</u>
			Total preventive health and health services	23,413,474
93.667	CA075023	CSA-SPECIAL FUNDING	TN DEPARTMENT OF HUMAN SERVICES	25,000
93.705	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	69,487
93.707	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	139,068
93.778	GG-08-23550-01	INFANT MORTALITY COORDINATOR	BUREAU of TENNCARE	62,342
93.779	GG-10-29077-00	AGING PROGRAM	TENNESSEE COMMISSION ON AGING	427,840
93.914	5 H3MHA08475-03-00	MINORITY AIDS INITIATIVE PART A	HRSA	407,927
93.914	2 H89HA11464-02-00	MINORITY AIDS INITIATIVE PART A	HRSA	581,639
93.914	PENDING	MINORITY AIDS INITIATIVE PART A	HRSA	24,216
93.914	6 H89HA07940-02-01	HIV EMERGENCY RELIEF PROJECT GRANT	HRSA	9,116
93.914	1 H89HA11464-01-00/6 H89HA11464-01-0	HIV EMERGENCY RELIEF PROJECT GRANT	HRSA	3,849,489
93.914	6 H3MHA08475-03-02	MINORITY AIDS INITIATIVE	DHHS-HRSA	398,062
93.914	6 H3MHA08475-02-03	MINORITY AIDS INITIATIVE	DHHS-HRSA	<u>142,454</u>
			Total HIV emergency relief projects	5,412,903
93.917	GG-08-24788-00	HIV/AIDS CASE MANAGEMENT	TN DEPT OF HUMAN SERVICES	169,769
93.940	GG-09-28912-00	HIV SURVEILLANCE	TN DEPT OF HUMAN SERVICES	904,374
93.940	GG-09-27048-00	HIV RAPID TESTING	TN DEPT OF HUMAN SERVICES	65,161
93.940	GG-6-10-9	HIV RAPID TESTING	TN DEPT OF HUMAN SERVICES	<u>252,413</u>
			Total HIV prevention activities	1,221,948
93.994	GG1030127	CHILDHOOD LEAD POISONING	HEALTH & HUMAN SERVICES	208,688
93.994	GG-09-25430-00	TOLL FREE BABIES HOTLINE	TN DEPARTMENT OF HEALTH	<u>19,835</u>
			Total maternal and child health services	228,523
94.002	10SRSTN007	RETIRED AND SENIOR VOLUNTEER PROGRAM	CORPORATION FOR NATIONAL AND COMMUNITY SERVICE	68,791
97.001	GG-011609/34101-00009	INTEROPERABLE EMERGENCY COMMUNICATIONS	TN EMERGENCY MANAGEMENT AGENCY	67,374
97.008	GG-05-11548-00	FY2003 UASI EQUIPMENT	TEMA	6,009
97.042	DG-09-24430-00/0000000057	EMERGENCY MANAGEMENT PERFORMANCE	TEMA	149,000
97.053	341-01-06310 / 2009-SS-T9-0086	CITIZEN CORPS PROGRAM	TENNESSEE COMMISSION ON AGING	7,227

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2010

CFDA	Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
97.067	2007-GE-T7-0051 / GG-08-24733-00	CITIZEN CORPS PROGRAM	TEMA	3,471,391
97.067	2008-GE-T8-0048	URBAN AREA SECURITY INITIATIVE	TEMA	739,050
97.067	2006-GE-T6-0011/ GG-07-21350-00	URBAN AREA SECURITY INITIATIVE	TEMA	10,314
97.067	GG-08-24732-00	2007 MMRS	TEMA	248,809
			Total homeland security grant program	4,469,564
97.078	GG-08-24423-00	BUFFER ZONE PROTECTION PLAN	HOMELAND SECURITY	12,067
			Total Federal Awards	\$ 69,863,461

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2010

Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
GG-09-27003-00	ENDOWMENT GRANT - REGIONAL MED CTR PRIMARY & INDIGENT CA	TN COMMISSION ON CHILDREN AND YOUTH	\$ 4,250,000
CA-101078	STATE SUPPLEMENTAL GRANT	TN COMMISSION ON CHILDREN AND YOUTH	9,000
GG1030380 / 18322	TENDERCARE OUTREACH	TN DEPT OF HUMAN SERVICES	1,174,691
Verbal extention - TDFA/GG-07-12979	GOVERNOR'S INITIATIVE GRANT	STATE OF TENNESSEE OCJP	56,101
GG-09-27482-00/343.47-326-09	FETAL INFANT MORTALITY REVIEW	TN DEPT OF HEALTH HAS	274,504
GG-10-29343-00	HOME VISIT	TN DEPT OF HUMAN SERVICES	464,492
N/A	CITY COURTS CHILD SAFETY SEATS	CITY OF MEMPHIS CITY COURTS	182,024
AMENDMENT 1	SHERIFF COMMUNIC. CTR. GENERATOR	SHELBY COUNTY 911 DISTRICT	9,947
N/A	GENERATOR	SHELBY COUNTY 911 DISTRICT	42,151
Z-10-000115	CSBG	STATE OF TN DEPT OF HUMAN SVC	1,945,927
Z-10-000214 / DG-10-28193	LIHEAP	STATE OF TN DEPT OF HUMAN SVC	10,359,960
N/A	WIC IMMUNIZATIONS	TN DEPT OF HUMAN SERVICES	1,774,455
N/A	EPSDT	TN DEPT OF HUMAN SERVICES	41,232
PENDING	HIV CASE MGMT	TN DEPT OF HUMAN SERVICES	54,157
GG-10-281130-00	TN CARE DENTAL PREVENTION	TN DEPT OF TRANSPORTATION	1,682,786
GG-10-31137-00	HIV SURVEILLANCE	TENNESSEE DEPARTMENT OF HEALTH	855,586
N/A	IMMUNIZATIONS	TN DEPT OF HUMAN SERVICES	231,679
3920	HOMICIDE RESPONSE PROGRAM	OFFICE OF CRIMINAL JUSTICE PROGRAMS	167,546
2007-GS-H7-0037	FY2007 PSIC GRANT PROGRAM	TEMA	442,168
4166	FIRST STEP TO SAFETY	OFFICE OF CRIMINAL JUSTICE PROGRAMS	64,149
4034	OUTPATIENT TREATMENT	TN DMHDD	18,200
CHECK # 2047	200 SMOKE DETECTORS	100 CLUB OF MEMPHIS	1,192
Edison ID # 4032	STOP VIOLENCE AGAINST WOMEN	TN OCJP	77,671
Z-09-217916	WAP-ARRA	STATE OF TN DEPT OF HUMAN SVC	4,370,109
Z0000485502	VICTIMS OF CRIME ACT	TN DEPT OF HUMAN SERVICES	226,993
Z0000143201	STOP VIOLENCE AGAINST WOMEN	TN DEPT OF HUMAN SERVICES	24,158
QP-10-03	W. TENN CHILD PASSENGER SAFETY	STATE OF TENNESSEE	223,197
Z-05-025540-00	MOTHER'S GRANT PROGRAM	STATE OF TENNESSEE	92,398
GG-10-29022	CHILD SUPPORT- IVD	TN DEPT OF HUMAN SERVICES	1,348,103
GG-10-29025	CHILD SUPPORT ADVOCACY TO NON-CUSTODIAL	TN DEPT OF HUMAN SERVICES	238,592
345-13-211-09	CHILD SUPPORT-AUTOMATED WORK FLOW	TN DEPT OF HUMAN SERVICES	257,667
Z-09-214657-00	STOP STIMULUS	TN DEPT OF TRANSPORTATION GOVERNOR'S HWY SAFETY	54,465
DMC-01-08/Z-09-213561-00	DISPROPORTIONATE MINORITY	TN COMMISSION ON CHILDREN AND YOUTH	18,999
CA100344	FAMILY PLANNING	TN DEPT OF HUMAN SERVICES	1,060,243
Z-09-217918	CSBG ARRA	STATE OF TN DEPT OF HUMAN SVC	2,262,384
GG-10-29520-00	HEALTH RISK REDUCTION	TN DEPT OF HUMAN SERVICES	113,471
GG-09-25584-00	HOME & COMMUNITY-BASED SERVICES	TENNESSEE COMMISSION ON AGING	4,379
GG-10-29077-00	HOME & COMMUNITY-BASED SERVICES	TENNESSEE COMMISSION ON AGING	2,651,063
GG092737601	RAPE PREVENTION EDUCATION SERVICES	TENNESSEE DEPARTMENT OF HEALTH	6,103
CA107279	COURT ADVOCATE GRANT	TN COALITION AGAINST DOMESTIC & SEXUAL VIOLENCE	17,827
GG-09-28604-00	TOBACCO USE PREVENTION	TN DEPT OF HUMAN SERVICES	44,246
Z0912356100	MPD TREATMENT FUND	CITY OF MEMPHIS POLICE DEPARTMENT	222,521
Z-05-020698-02	ENERGY SMART MEMPHIS INITIATIVE	MLGW	222,327
CHECK # 702	ASSISI FOUNDATION: YOUTH BUILDER	ASSISI FOUNDATION	10,000
40100-24510 / Z-10-220379-00	TDOT ROADSIDE LITTER GRANT	TN HIGHWAY BEAUTIFICATION OFFICE	220,644
GG-08-22581	METH LEBONHEUR RYAN/NAYAH	METH LEBONHEUR COMMUNITY OUTREACH	47,436
90175	STP	TN DEPT OF TRANSPORTATION	4,500,000
CA118176	CHILD SUPPORT MEDIATION	TN ADMIN OFFICE OF THE COURTS	13,811
FEMA1786-DR-LA	HURRICANE GUSTAV EVACUATION	TEMA	498,448
CN-NHE-7900-28	CSA SPECIAL FUNDING-WORLD OVERCOMERS	WORLD OVERCOMERS	44,539
GG-09-25635-01	CHILDREN SPECIAL SVCS	TN DEPT OF HUMAN SERVICES	441,389
Z-08-020268-00 / Z-08-212966	TIRE RECYCLING	TN DEPARTMENT OF ENVIRONMENT & CONSERVATION	518,220
GG-07-12743-00	HOUSEHOLD HAZARD WASTE FACILITY	CITY OF MEMPHIS	174,655
GG-10-28913-10	BREAST & CERVICAL CANCER	TN DEPT OF HUMAN SERVICES	125,087
GG-07-12619-00	STATE GRANT-N-AID	TN DEPT OF HUMAN SERVICES	780,100
2007-F5286-FN-AP	STATE CRIMINAL ALIENT ASSISTANCE	US DEPT OF JUSTICE	21,148
2005-CKWX084	STATE CRIMINAL ALIENT ASSISTANCE	US DEPT OF JUSTICE	7,607
2009-AP-BX-0443	STATE CRIMINAL ALIENT ASSISTANCE	US DEPT OF JUSTICE	48,573
03-47-64531-00-0	CHILD & ADULT CARE FOOD PROGRAM	TN DHS	1,145,116
03-47-64531-00-0	CHILD & ADULT CARE FOOD PROGRAM	TN DHS	265,176
GG-10-28916-00	CARE COORDINATION	TN DEPT OF HUMAN SERVICES	378,088
CA096143	CITY SCHOOL NURSES	CITY BOARD OF EDUCATION	46,727
N/A	AGING	TN Dept Of HS	31,793
N/A	FIRST RESPONDER	TDOT	56,224
090175-112845 00	CSX CORRIDOR	TN DEPT OF TRANSPORTATION	1,540,997
CA106211	COUNTY SCHOOLS NURSING	COUNTY BOARD OF EDUCATION	1,948,447
Z05025510-00	SHELBY COUNTY RESIDENTAL DRUG COURT PROJECT	TN OCJP	493,788

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2010

Contract Number	Program Name	Grantor or Pass-Through Agency	Total Expenditures Incurred
N/A	CHICAWAW BASIN AUTHORITY OPERATIONS	STATE OF TENNESSEE	51,019
N/A	AT-RISK YOUTH	MEMPHIS CITY SCHOOLS	1,310,599
N/A	INDUSTRIAL DEVELOPMENT BOARD	INDUSTRIAL DEVELOPMENT BOARD	580,040
N/A	INDUSTRIAL DEVELOPMENT BOARD	INDUSTRIAL DEVELOPMENT BOARD	584,041
N/A	INTEGRATED DELIVERY SYSTEM	HEALTH LOOP-THE REGIONAL MED CENTER	1,103,078
		Total State awards	<u>54,623,629</u>
		Total Federal and State awards	<u>\$ 124,487,089</u>

See accompanying notes to schedule of expenditures of federal and state awards.

SHELBY COUNTY, TENNESSEE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

June 30, 2010

NOTE 1 – BASIS OF PRESENTATION

The schedule of expenditures of federal and state awards includes the transactions related to the receipt of federal funds by Shelby County, Tennessee (the "County"). The Shelby County Board of Education, a component unit of the County, issues a separate financial report under OMB Circular A-133 and is not included in this schedule.

The schedule of expenditures of federal and state awards is presented on the modified accrual basis of accounting, consistent with accounting for governmental type funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"), which is generally when the allowable program expenditures are incurred. Expenditures and transfers out are recorded when the related program liability is incurred, except for certain compensated absences.

NOTE 2 – RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS TO THE FINANCIAL STATEMENTS

The following is a reconciliation of expenditures per the schedule of expenditures of federal and state awards to the expenditure balances in the grant fund, per the County's financial statements:

Totals per schedule of expenditures	\$ 124,487,089
Add: Expenditures not shown on this schedule	1,203,932
Less: Expenditures shown in the general fund	(4,250,000)
Less: Transfers out	(2,730,543)
Total grant fund expenditures	<u>\$ 118,710,478</u>

SHELBY COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2010

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Shelby County, Tennessee.
2. No significant deficiencies related to the financial statements of Shelby County, Tennessee were disclosed during the audit.
3. No instances of noncompliance material to the financial statements of Shelby County, Tennessee were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported.
5. The auditors' report on compliance for the major federal award programs for Shelby County, Tennessee expresses an unqualified opinion on all major federal programs.
6. There were no audit findings required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
 - 10.577 – Women, Infant, and Children
 - 14.218 – Community Development Block Grant
 - 16.738 – Justice Assistance Grant (Non ARRA)
 - 16.803 – Justice Assistance Grant (ARRA)
 - 93.044, 93.045, and 93.053 – Aging Commission Cluster
 - 93.600, 93.708, and 93.708 – Head Start Cluster
 - 93.069 – H1N1 Emergency Response
8. The threshold for distinguishing between Type A and B programs was \$2,095,904.
9. Shelby County, Tennessee does not qualify as a low risk auditee.

SHELBY COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2010

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

None reported

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None reported

SHELBY COUNTY, TENNESSEE

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2010

2009-1 General Sessions Civil Court Bank Reconciliations

Condition: General Sessions Civil Court bank reconciliations were not completed in a timely manner. As a result of audit work performed, material adjustments of \$3,291,538 were made to decrease the bank balance of General Sessions Civil Court. This bank account balance is included in the County's fiduciary funds and shown as part of the Constitutional Officers Agency Fund.

Recommendation: We recommend that all bank accounts be reconciled each month prior to preparation of the monthly financial reports.

Current Status: General Sessions Civil Court completed the bank reconciliations in a timely manner during the current year. No material adjustments were needed.

2009-2 Head Start – CFDA No. 93.600

Condition: Shelby County Head Start is in violation of the targeted 10% earmark for enrolling children with disabilities.

Recommendations: We recommend Shelby County, Head Start, adhere to the Office of Head Start, Department of Health and Human Services and enroll the proper number of children with disabilities.

Current Status: Head Start has devised a Risk Management Plan which was required to be submitted to the Regional Head Start to assist with the increase in the disability enrollment percentage. Head Start met the targeted 10% earmark for the fiscal year 2010 audit.

2009-3 Homeland Security – Urban Areas Security Initiative (UASI) – CFDA No. 97.067

Condition: Shelby County Office of Preparedness did not include the inventory control report with their final expenditure close out report according to the grant agreement.

Recommendations: We recommend the Shelby County Office of Preparedness adhere to the grant award document and perform an annual physical inventory and submit the required inventory control report to the State.

Current Status: The County performed an annual physical inventory and submitted the inventory report to the State.

SHELBY COUNTY, TENNESSEE

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2010

2009-4 Center for Disease Control and Prevention, Investigations, and Technical Assistance – CFDA No. 93.283

Condition: Shelby County Office of Emergency Preparedness did not maintain evidence that reports were submitted by the Emergency Response Coordinator to the PHEEP Coordinator on or before July 29, 2008.

Recommendations: We recommend the Shelby County Office of Emergency Preparedness, adhere to requirements of the grant and maintain the required reports and documents.

Response: This recommendation was adopted during fiscal year 2010.

2009-5 Center for Disease Control and Prevention, Investigations, and Technical Assistance – CFDA No. 93.283

Condition: Satellite phones were not purchased; therefore, not operable or maintained.

Recommendations: We recommend Shelby County purchase the necessary equipment required under the grant.

Current Status: As of December 31, 2009, the County has purchased the satellite phones and is working to enable the phone system for use.

2009-6 Center for Disease Control and Prevention, Investigations, and Technical Assistance – No. 93.283

Condition: There was no supporting documentation regarding planning activities related to SNS Receiving Staging and Storage (RSS).

Recommendations: We recommend Shelby County PHEPP maintain necessary supporting documentation to remain in compliance with the grant contract requirements.

Current Status: This recommendation was adopted during fiscal year 2010.

2009-7 Center for Disease Control and Prevention, Investigations, and Technical Assistance – CFDA No. 93.283

Condition: There is no evidence of purchasing and maintenance records and logs for delivery upon request to the State for the Respiratory Protection Program (RPP).

SHELBY COUNTY, TENNESSEE

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2010

Recommendations: We recommend that Shelby County Government adhere to the grant and maintain necessary records and logs to provide to the State upon request.

Current Status: The Regional Epidemiologist position has been filled and monthly maintenance records and logs are being maintained. PHEPP will work with the Regional Epidemiologist to develop a procedure to ensure there is a back-up to complete the required records and logs documentation in absence of the Regional Epidemiologist. PHEPP also will seek specific clarification from TDH within the grant guidance regarding the frequency of record-keeping and procurement of RPP related items.

2009-8 Center for Disease Control and Prevention, Investigations, and Technical Assistance – CFDA No. 93.283

Condition: There were no Public Health Investigation Team (PHIT) meeting minutes maintained.

Recommendations: We recommend Shelby County Government adhere to the grant agreement and hold meetings with the Public Health Investigation Team members and maintain minutes.

Current Status: The Public Health Investigation Team members held meetings per the grant requirements and maintained minutes for those meetings.