

Appendix A: Shelby County Profile

Government

Shelby County was incorporated in 1819. Since the implementation of the Restructure Act in 1976, the County has operated under the Mayor-Commission form of government. The County is divided into five districts, with 13 elected representatives on the County Board of Commissioners. Other Elected Officials include the Sheriff, County Clerk, Court Clerks (5), Assessor, Register, and Trustee. All elected officials serve four year terms.

The County Seal



As with most counties in Tennessee, the Shelby County seal was adapted as a variation of the Tennessee state seal. The date shown is the date that Shelby County was established. The upper half of the seal features a tobacco plant, a plow, a sheaf of wheat, a cotton plant and an iris (state flower) as representations of "Agriculture." The lower half depicts a flatboat and sail with the word "Commerce".

Geographics

*1

Land Area.....	783 square miles
Elevation.....	331 feet
Average precipitation.....	54.65 inches
Average annual temperature.....	62.0
Average snowfall.....	5.1 inches
Freeze free period.....	230 days

Demographics

*2

Population of Shelby County:

2005.....	909,035
2000.....	897,472
1990.....	826,330
<i>(16% of the population of Tennessee resides within Shelby County)</i>	

Municipalities within Shelby County:

Memphis.....	672,277
Arlington.....	3,534
Bartlett.....	43,263
Collierville.....	37,564
Germantown.....	37,480
Lakeland.....	7,388
Millington.....	10,306
Unincorporated area.....	97,223

Racial Mix:

Black.....	51.1%
White.....	43.6%
Asian.....	2.0%
Other.....	2.2%
Mixed.....	1.1%

Sex:

Male.....	47.7%
Female.....	52.3%

Age Characteristics:

Ages 5 to 17.....	21.2%
Ages 18 to 64.....	68.5%
Age 65 and over.....	10.3%
Median age.....	34.6 years

Education *3, 4

Shelby County Schools:

Total enrollment.....	46,052
Total employees.....	3,500
Total teaching staff.....	2,667
Student/teacher ratio.....	17:2

Number of Schools:

Elementary schools.....	28
Middle schools.....	13
High schools.....	7
Total.....	48
% SACS Accredited schools.....	100%

School funding:

Local.....	48.5%
State.....	44.5%
Federal.....	7.0%

Funding per student:

Shelby County.....	\$6,903
Tennessee.....	\$7,469
United States.....	\$9,102

Community Education Level:

(in population 25 years or older)

High School diploma.....	85.5%
Bachelor's degree.....	17.7%
Graduate degree.....	9.6%

Testing Scores:

ACT:

Shelby County Schools.....	21.6
Tennessee.....	20.6
United States.....	20.9

Gateway:

Algebra.....	90.0% proficient
Biology.....	97.8% proficient
English.....	98.4% proficient

Shelby County Schools website:

<http://www.scsk12.org/>

*3 – Shelby County Schools 2006 TN Report Card

*4 – Shelby County Schools Website

Economics *2

Unemployment Rates:

Shelby County.....	6.4%
Memphis City.....	6.2%
Tennessee.....	5.8%
United States.....	5.1%

Median Family Income:

Shelby County.....	\$50,715
Memphis City.....	\$40,111
United States.....	\$55,831

Families below poverty level:

Shelby County.....	15.7%
Memphis City.....	21.1%
United States.....	10.2%

Median Home Value:

Shelby County.....	\$118,200
Memphis City.....	\$86,200
United States.....	\$167,500

Sales Tax Rates:

Local.....	2.25%
State.....	7.00%
Total.....	9.25%

Property Tax Rates:

(Per \$100 assessed value)

Shelby County.....	\$4.04
Rural Schools tax.....	\$.05
Memphis City.....	\$3.43
Arlington.....	\$1.00
Bartlett.....	\$1.31
Collierville.....	\$1.28
Germantown.....	\$1.54
Lakeland.....	none
Millington.....	\$1.23

Bond Ratings:

Moody's.....	Aa2
Standard & Poors.....	AA+
Fitch IBCA, Inc.....	AA

*1 – Tennessee Bureau of Economic and Community Development

*2 – U.S. Census Bureau, American Fact Finder, 2005 American Community Survey

Rank	Taxpayer	Type of Business	Taxable Assessed Value for FY 2006	of Total Assessed
1	Federal Express Corporation	Package Delivery	\$ 387,393,227	2.27%
2	BellSouth Telecommunications	Communications Services	158,430,923	0.93%
3	Belz Enterprises	Commercial Real Estate	99,264,985	0.58%
4	Wolfchase Galleria	Retail Marketing	54,749,070	0.32%
5	Northwest Airlines Inc.	Air Transportation	39,700,282	0.23%
6	Amisub Inc.	Healthcare Services	38,720,000	0.23%
7	Baptist Memorial Hospital	Healthcare Services	37,518,390	0.22%
8	Regions Bank	Banking	35,960,325	0.21%
9	Pinnacle Airlines	Air Transportation	32,009,494	0.19%
10	Premcor Refinancing Co.	Financial Services	27,708,530	0.16%
Total Assessed Valuation of Top 10 Taxpayers			\$ 911,455,226	5.33%
Balance of Assessed Valuation			\$ 16,185,976,969	94.67%
Total Assessed Valuation for Shelby County			\$ 17,097,432,195	100.00%

Demographic/Economic Trends							
Shelby County, Tennessee							
Year	County	School	Unemployment	Per Capita	Construction	Bank Demand	Retail Sales
	Population	Enrollment	Rate	Income	Permits	Deposits	
	(a) (d)	(c)	(d) (f)	(g)		(a) (b) (e)	(a) (b)
1995	865,918	155,519	4.9%	\$ 25,301	\$ 508,458,000	\$ 2,962,627,000	\$ 10,298,000,000
1996	871,505	156,420	4.4%	26,309	\$ 725,816,000	\$ 3,524,434,000	\$ 10,340,655,000
1997	873,458	159,538	4.7%	27,246	\$ 629,772,000	\$ 3,262,754,000	\$ 9,107,000,000
1998	865,900	161,726	3.8%	28,984	\$ 793,453,000	\$ 5,894,737,000	\$ 11,615,000,000
1999	868,800	162,370	3.8%	29,803	\$ 847,763,000	\$ 4,487,667,000	\$ 9,779,952,000
2000	897,472	162,348	3.9%	30,496	\$ 1,012,278,000	\$ 5,020,429,000	\$ 11,531,574,000
2001	896,013	163,169	4.2%	31,916	\$ 961,169,000	\$ 6,144,801,000	\$ 11,453,758,000
2002	903,186	162,926	5.3%	33,141	\$ 659,190,000	\$ 7,324,634,000	\$ 11,441,954,462
2003	906,178	163,897	6.4%	34,087	\$ 1,106,248,729	\$ 7,000,963,601	\$ 11,815,261,795
2004	908,200	163,868	6.2%	(h)		\$ 7,200,337,000	\$ 12,457,752,554

- Sources: (a) University of Memphis Bureau of Business and Economic Research
 (b) Memphis and Shelby County Library
 (c) Memphis and Shelby County Boards of Education
 (d) U.S. Department of Labor, Bureau of Labor Statistics. Average of monthly rates for the year
 (e) Federal Reserve Bank
 (f) Tennessee Department of Labor and Workforce Development
 (g) United States Department of Commerce Bureau of Economic Analysis
 (h) Information not available

Assessed and Estimated Values of Taxable Property

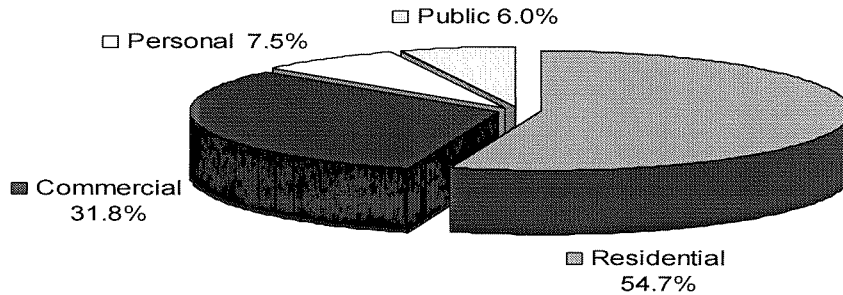
Fiscal Year	Tax Year	Total Direct Tax Rate	Total Taxable Assessed Value (a)	Estimated Actual Taxable Value	Assessed Value as % of Actual Value (b)	Assessed Values by Source			
						% Residential Property	% Commercial Property	% Personal Property	% Public Utilities
1997	1996	3.16	9,246,930,778	31,097,047,676	29.74%	50.9%	31.0%	10.5%	7.6%
1998	1997	3.16	9,570,433,444	32,419,977,870	29.52%	51.4%	30.1%	11.3%	7.2%
1999	1998	2.82	12,596,173,523	41,212,712,405	30.56%	49.0%	35.3%	9.1%	6.6%
2000	1999	3.54	12,804,855,475	42,023,145,109	30.47%	49.1%	34.1%	10.1%	6.7%
2001	2000	3.54	12,829,304,312	42,423,800,004	30.24%	50.7%	32.5%	10.0%	6.8%
2002	2001	3.79	15,119,655,559	49,858,145,639	30.33%	50.8%	33.9%	8.6%	6.7%
2003	2002	3.79	15,226,786,429	50,347,238,284	30.24%	51.1%	33.8%	8.9%	6.3%
2004	2003	4.04	15,113,967,063	50,379,365,307	30.00%	52.8%	32.8%	8.6%	5.8%
2005	2004	4.04	15,185,856,085	50,841,730,464	29.87%	54.1%	31.8%	8.1%	6.0%
2006	2005	4.04	17,220,258,313	57,726,276,478	29.83%	54.7%	31.8%	7.5%	6.0%

(a) Assessed value is the most current tax year value prepared by the County Property Assessor as of year-end.

(b) 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

Assessed Values by Source



Appendix B: Glossary of Terms

Accrual Basis of Accounting – Recognizes revenues in the period earned and expenses in the period incurred, regardless of when the cash is actually received or spent.

Actual – Expenditures and/or revenues realized in the past.

Adopted Budget – A plan of financial operation, legally approved by the Commission, to provide an estimate of expenditures for a given fiscal year and a proposed means of financing them.

Allocation – Funds set aside or designated for specific purposes. An allocation does not authorize the expenditure of funds.

Annual Budget – A budget developed and enacted to apply to a single fiscal year.

Appropriation – An authorization by the Commission that permits the County to incur obligations and to make expenditures of governmental resources. An appropriation is usually limited in amount and duration.

Appropriation Resolution – An official enactment by the Commission to establish legal authority for County officials to obligate and expend funds.

Assessed Value – The fair market value of real estate and personal property as determined by the Assessor's Office as a basis for levying property taxes.

Balanced Budget – A budget developed wherein estimated revenues, including budgeted fund balance, meet or exceed budgeted expenditures.

Base (Baseline) Budget – An estimate of the funding required to continue

existing programs at the currently budgeted level of service from one fiscal year to the next.

Bond – A written promise to pay a specified sum of money (the face value or principal amount) at a specified date or dates in the future (the maturity date) together with periodic interest at a specified rate.

Budget Calendar – A schedule of certain steps to be followed in the budgetary process and the dates by which each step must be completed.

Capital Improvement Program (CIP) – A multi-year plan for the acquisition, expansion or rehabilitation of any element of the County's infrastructure and the proposed methods for financing the projects.

Capital Expenditures – Expenditures related to the purchase of equipment, facility modifications, land, or other fixed assets not included in the CIP.

Carry Forward Encumbrance – Appropriations brought forward from a previous year to continue or complete a specific project, program or activity.

CAFR (Comprehensive Annual Financial Report) – The audited annual financial report of the government, showing financial position and results of operations for the fiscal year, along with schedules detailing other financial matters.

Component Unit – an organization that is legally separate from the County, but for whom the County has shared financial responsibility, such as the MED

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Cost of Living Adjustment (COLA) – An increase in salaries to offset the adverse effect of inflation on compensation.

Debt Service – Payment of principal and interest on bonds and other debt instruments according to a predetermined payment schedule.

Deficit – the excess of expenditures over revenues within a given fund during a defined accounting period.

Department – The second largest organizational unit within County government; several departments may comprise a single division.

Division – Identifies the largest organizational unit within the County; usually comprised of several departments.

Encumbrance – Obligations in the form of purchase orders or contracts that are chargeable to an appropriation and for which a part of the appropriation is reserved. Encumbrances are eliminated when paid or when an actual liability is set up.

Enterprise Fund – A governmental accounting fund in which the services provided are financed through user fees in a manner similar to private business. Rate schedules are established to ensure that the revenues generated are adequate to meet all necessary costs of operations.

Fiscal Year – A consecutive twelve (12) month period designated as the operating year by an entity. For Shelby County, the fiscal year begins July 1 and ends June 30 of the following calendar year.

Fixed Assets – Assets with a useful life in excess of one year and an initial cost

exceeding \$5000. Classifications include land, buildings, machinery, furniture, equipment and construction in progress.

Full-Time Equivalent (FTE) – A measure of the effective number of authorized positions, indicating the percentage of time a position or group of positions is funded. An FTE of 1.00 is usually equal to 2,080 hours of work per year. $FTE = (\text{hours worked per week}/40) \times (\text{months funded}/12)$.

Fund - An accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for specific activities or objectives.

Fund Balance – A term used to express the equity (excess of assets minus liabilities) of governmental fund types and trust funds.

Fund Transfers – Interfund activity with and among fund categories, typically a legally authorized transfer from a fund receiving revenue to another fund through which the resources are to be expended. The budget treats the transfer as an expenditure of the first fund and revenue to the second fund.

GAAP (Generally Accepted Accounting Principles) – Nationally recognized uniform principles, standards, and guidelines for financial accounting and reporting, governing the form and content of financial statements of an entity.

GASB (Governmental Accounting Standards Board) – The oversight body that establishes governmental GAAP, equivalent to the private sector FASB.

General Fund – A fund used to account for all monies received and disbursed for general municipal government purposes including all assets, liabilities, reserves, fund balances, revenues and expenditures which are not accounted for in any other fund.

General Obligation (GO) debt – Bonds and notes used to borrow money, backed by the full faith, credit, and taxing power of the County Government.

Grant – a contribution of assets (usually cash) by one governmental unit or organization to another. Typically, these contributions are made to local governments from the State and Federal governments for a specified purpose.

Grant Match – Costs or in-kind services required to match the grantor share of grant program costs.

Independent Audit – An audit conducted by certified public accounting (CPA) auditors who are independent of the government.

Infrastructure – The underlying foundation and facilities on which the continuance and growth of a jurisdiction depends, such as streets, roads, bridges, sewers, and water systems.

Internal Service Fund – A fund established to finance and account for services and commodities furnished by one department to another department within the same governmental unit on a cost reimbursement basis.

Investment – Securities and real estate purchased and held for the production in income in the form of interest, dividends, rentals or base payments.

Lapse Restriction – An account that reduces appropriated salary funds by

the amount of expected or realized savings related to vacant positions.

Liability – Debt or other legal obligations resulting from past transactions which must be liquidated, renewed or refunded at some future date.

Limited Obligation Debt – Debt secured by a pledge of the collections from a specified tax rather than by all general revenues.

Line Item – An account for recording specific revenues or expenditures within a fund or department; several "line item" accounts may be summarized in an expenditure category or "account pool".

Line Item Transfers – A transfer of an unused portion of an appropriation to another department/section within a division's budget.

Long-Term Debt – Debt that matures more than one year after issue.

Maturities – The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

Mission – A clear, concise statement of broad purpose for a division or department.

Note – A form of debt that is shorter in term than bonds, and often used for short-term capital project financing in anticipation of a future bond package with terms more advantageous for the government.

Operating Budget – A plan of current expenditures and the proposed means of financing them; the annual appropriation to maintain the provision of County services to the public.

Ordinance – Legislation that is approved on three readings by the Commission and signed by the Mayor.

Operating Transfer In – Transfer (payment) from other funds which are not related to rendering of services.

Pay-As-You-Go – A term used to describe a policy of financing capital outlays from current revenues rather than through issue of debt instruments.

Position Control Budget – The number of authorized positions funded by the Operating Budget, including full-time, part-time, and seasonal (durational) employees.

Program – A specific and distinguishable unit of work or service performed.

Property Tax – An ad valorem (value-based) tax levied on real and personal property according to the property's assessed valuation and the tax rate.

Proposed Budget – The Operating Budget presented and recommended by the Mayor to the Commission for further review/revision before adoption.

Proprietary Funds – examples include enterprise funds and internal service funds.

Reserve – An account used to indicate that a portion of a fund's assets are legally restricted for a specific purpose and is, therefore, not available for further appropriation or expenditure.

Revenue – Funds that the government receives as income to support expenditures.

Revenue Bonds – Bonds whose principal and interest are payable

exclusively from earnings of an enterprise fund.

Section – Identifies the third highest level of organization within the County government associated with a specific activity or function. Several sections may together comprise one department.

Single Audit Act – The federal law requiring a comprehensive government-wide audit of all federal financial assistance.

Special Revenue Funds – A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes (such as education or roads).

Supplies – The account class that includes articles and items that are consumed or materially altered when used by operating activities, such as office supplies, maintenance parts and minor equipment.

Workload/Performance Indicators – Specific quantitative measures of work performed within an activity or program (i.e. total miles of roads paved) to measure demand, workload, efficiency, effectiveness, quality, achievement or outcomes.

Yield – The rate earned on an investment based on the price paid for the investment, the interest earned during the period held, and the selling price or redemption value of the investment.

Appendix C: Guide to Abbreviations/Acronyms

ADA	Americans with Disabilities Act
CAFR	Comprehensive Annual Financial Report
CAO	Chief Administrative Officer
COBRA	Consolidated Omnibus Budget Reconciliation Act
CPA	Certified Public Accountant
CDGB	Community Development Block Grant
CIP	Capital Improvement Program
CPI	Consumer Price Index
DOT	Department of Transportation
EDA	Economic Development Administration
EEO	Equal Employment Opportunity
EPA	Environmental Protection Agency
FASB	Financial Accounting Standards Board
FEMA	Federal Emergency Management Agency
FLSA	Fair Labor Standards Act
FMLA	Family and Medical Leave Act
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GIS	Geographic Information Systems
GOB	General Obligation Bonds
GFOA	Government Finance Officers Association
HUD	Federal Department of Housing and Urban Development
HVAC	Heating, Ventilation & Air Conditioning
IT	Information Technology
LAN	Local Area Network
MHA	Memphis Housing Authority
MATA	Memphis Area Transit Authority
MLG&W	Memphis Light, Gas & Water
OJI	On the Job Injury
OSHA	Occupational Safety and Health Administration
O&M	Operating & Maintenance
PILOT	Payment In Lieu of Taxes
RFP	Request for Proposal (bid)
SWAT	Special Weapons and Tactics
TCA	Tennessee Code Annotated