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**ANNUAL FINANCIAL REPORT  
WILLIAMSON COUNTY, TENNESSEE**



**FOR THE YEAR ENDED JUNE 30, 2011**



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**WILLIAMSON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2011**

*COMPTROLLER OF THE TREASURY*  
*JUSTIN P. WILSON*

*DIVISION OF COUNTY AUDIT*  
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*State Auditors*

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## WILLIAMSON COUNTY, TENNESSEE

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# ***Audit Highlights***

Annual Financial Report  
Williamson County, Tennessee  
For the Year Ended June 30, 2011

## ***Scope***

We have audited the basic financial statements of Williamson County as of and for the year ended June 30, 2011.

## ***Results***

Our report on Williamson County's financial statements is unqualified.

Our audit resulted in seven findings and recommendations, which we have reviewed with Williamson County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

## ***Findings and Best Practice***

The following are summaries of the audit findings and best practice:

### **OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

- ◆ The Self-Insurance Fund had a deficit in unrestricted net assets.
- ◆ Some funds were not deposited within three days of collection at various general government departments.
- ◆ Time records were not signed by employees.

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### **OFFICE OF DIRECTOR OF SCHOOLS**

- ◆ The billing software used by the School Age Child Care Office did not have adequate application controls.

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### **OFFICE OF COUNTY CLERK**

- ◆ Duties were not segregated adequately.
-

## **OFFICE OF JUVENILE COURT CLERK**

- ◆ The court software did not have adequate application controls.
- 

## **OFFICES OF JUVENILE COURT CLERK AND REGISTER**

- ◆ Multiple employees operated from the same cash drawer.
- 

## **BEST PRACTICE**

Williamson County does not have a central system of accounting, budgeting, and purchasing. The Division of County Audit strongly believes that a central system of accounting, budgeting, and purchasing is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Williamson County.

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# INTRODUCTORY SECTION

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# Williamson County Officials

## June 30, 2011

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### Officials

Rogers Anderson, County Mayor  
Eddie Hood, Highway Superintendent  
Dr. Mike Looney, Director of Schools  
Walter Davis, Trustee  
Dennis Anglin, Assessor of Property  
Elaine Anderson, County Clerk  
Debbie McMillan Barrett, Circuit and General Sessions Courts Clerk  
Elaine Beeler, Clerk and Master  
Brenda Hyden, Juvenile Court Clerk  
Sadie Wade, Register  
Jeff Long, Sheriff  
David Coleman, Director of Accounts and Budgets

### Board of County Commissioners

Jack Walton, Chairman	Cheryl Wilson	Brandon Ryan
Judy Herbert	Lewis Green, Jr.	Mary Brockman
Ricky Jones	Tom Bain	Ernie Williams
Betsy Hester	Arlene Cooke	Bob Barnwell
John Hancock	Jeff Ford	Brian Beathard
Dwight Jones	Bert Chalfant	Kathy Danner
Judy Hayes	Travis Hawkins	Steve Smith
Tommy Little	Greg Davis	Doug Langston

### Board of Education

Pat Anderson, Chairman	Janine Moore	Barry Watkins
D'Wayne Greer	Terry Leve	Eric Welch
Janice Mills	Susan Graham	Mark Gregory
Timothy McLaughlin	Gary Anderson	Vicki Vogt

### Highway Commission

Rogers Anderson, County Mayor, Chairman  
Dick Fowlkes  
Charlie Bennett  
Stan Tyson  
Wayne Davis

## Williamson County Officials (Cont.)

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### **Budget Committee**

Lewis Green, Jr., Chairman  
Rogers Anderson, County Mayor  
Arlene Cooke  
Greg Davis  
Brandon Ryan

### **Audit Committee**

Lewis Green, Jr.  
Brian Beathard  
Betsy Hester

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## **FINANCIAL SECTION**

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STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
**DIVISION OF COUNTY AUDIT**  
SUITE 1500  
JAMES K. POLK STATE OFFICE BUILDING  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7841

INDEPENDENT AUDITOR'S REPORT

December 13, 2011

Williamson County Mayor and  
Board of County Commissioners  
Williamson County, Tennessee

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2011, which collectively comprise Williamson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Williamson County'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 discretely presented Williamson County Hospital District, which represent 28 percent and 34 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, and we did not audit the financial statements of the discretely presented Williamson County Emergency Communications District, which represent .2 percent and .3 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, as of June 30, 2011, and for the year then ended. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District, is based on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing 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 reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of June 30, 2011, 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 13, 2011, on our consideration of Williamson County's internal control over financial reporting and 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.

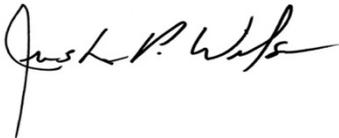
As described in Note V.B., Williamson County has adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which became effective for the year ended June 30, 2011.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 27 and the budgetary comparison, pension, and other postemployment benefits information on pages 104 through 112 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 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 Williamson County's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Rural Debt Service funds, combining and individual fund financial statements of the Williamson County School Department (a discretely presented component unit), and

miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Rural Debt Service funds, combining and individual fund financial statements of the Williamson County School Department (a discretely presented component unit), and the miscellaneous schedules 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 section has 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.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a long vertical stroke extending downwards from the end.

Justin P. Wilson  
Comptroller of the Treasury

JPW/sb

## Management's Discussion and Analysis

As management of Williamson County, Tennessee, we offer readers of Williamson County's financial statements this narrative overview and analysis of the financial activities of Williamson County, Tennessee, for the fiscal year ended June 30, 2011. This discussion and analysis focuses on the primary government only and does not include discussions of discretely presented component units.

### Financial Highlights

- The liabilities of Williamson County exceeded its assets at the close of the fiscal year by \$184,554,855 (net assets). The liabilities include \$365,441,733 in debt that is attributable to the Williamson County School Department.
- The government's total net assets decreased by \$24,885,134.
- At June 30, 2011, Williamson County's governmental funds reported combined ending fund balances of \$106,752,834, a decrease of \$758,221 in comparison with the prior year.
- At June 30, 2011, unassigned fund balance for the General Fund was \$25,870,447 or 41 percent of total General Fund expenditures.
- For the fiscal year ended June 30, 2011, Williamson County's total debt had a net increase of \$15,253,000. During the year, \$19,037,000 of debt service principal payments were made, and \$40,660,000 of existing debt was refunded. There was \$74,950,000 of new debt issued, of which \$35,950,000 was for various education capital projects, while \$39,000,000 of the new debt issued was for advance refunding of several general obligation and rural school bonds.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Williamson County's basic financial statements. The county's basic financial statements are composed of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Williamson County's finances in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of Williamson 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 whether the financial position of Williamson County is improving or deteriorating.

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 event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will 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 Williamson County, which 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 the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highway/public works; education; interest on long-term debt; and other debt service. The government-wide financial statements can be found on Exhibits A and B of this report.

The government-wide financial statements include not only Williamson County (known as the primary government), but also a legally separate School Department, Hospital District, and Emergency Communications District for which the county is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

**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. Williamson 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 Williamson County can be divided into three categories: governmental, proprietary, and fiduciary.

**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 narrower 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.

Williamson County maintains nine 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,

Highway/Public Works, General Debt Service, Rural Debt Service, and General Capital Projects funds all of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Williamson County adopts an annual appropriated budget for all funds except the General Capital Projects, District Attorney General, and Constitutional Officers - Fees funds. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-4 of this report.

**Proprietary fund.** Williamson County has one proprietary fund. The county uses an internal service fund (Self-Insurance Fund) to account for the county's and School Department's self-insured health programs. Because this service predominantly benefits governmental rather than business-type functions, it has 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, only in more detail. The proprietary fund financial statements provide separate information for the internal service fund. The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of 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 statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on Exhibit E of this report.

**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. The notes to the financial statements can be found on pages 43 through 102 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Williamson County's General Fund and major special revenue funds' budgetary statements, pension information, and other postemployment benefits information. Required supplementary information can be found after the basic financial statements section of this report.

The combining and individual fund statements and schedules for the nonmajor governmental funds can be found on Exhibits G-1 through G-4 of this report.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Williamson County, liabilities exceeded assets by \$184,554,855 at the close of the fiscal year. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, when the Williamson County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the county. As of June 30, 2011, the county had outstanding debt totaling \$365,441,733 for capital purposes for the Williamson County Board of Education, but the capital assets are reported in the financial statements of the Williamson County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net assets. Allocation of school debt to the Williamson County Board of Education would result in Williamson County having net assets of \$180,886,878 at June 30, 2011.

The largest portion of Williamson County Government's net assets totaling \$95,160,486 reflects its investment in capital assets (e.g., land, intangibles, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding.

Williamson County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Williamson County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### Williamson County's Net Assets

	2011 Governmental Activities	2010 Governmental Activities
Current and Other Assets	\$ 189,058,574	\$ 188,483,075
Capital Assets	213,594,435	212,765,540
Total Assets	<u>\$ 402,653,009</u>	<u>\$ 401,248,615</u>
Long-term Liabilities Outstanding	\$ 479,699,389	\$ 464,840,773
Other Liabilities	107,508,475	101,874,880
Total Liabilities	<u>\$ 587,207,864</u>	<u>\$ 566,715,653</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 95,160,486	\$ 90,172,946
Restricted	45,022,424	66,040,078
Unrestricted	<u>(324,737,765)</u>	<u>(321,680,062)</u>
Total Net Assets	<u>\$ (184,554,855)</u>	<u>\$ (165,467,038)</u>

An additional portion of Williamson County's net assets totaling \$45,022,424 represents resources that are subject to external restrictions on how they may be used. The restricted net assets include capital projects, debt service, highway, all of the nonmajor funds, and other county general restricted or grant designations not accounted for in unrestricted net assets.

**Governmental activities.** Governmental activities decreased Williamson County's net assets by \$24,855,134. Elements of this decrease are noted in the table below:

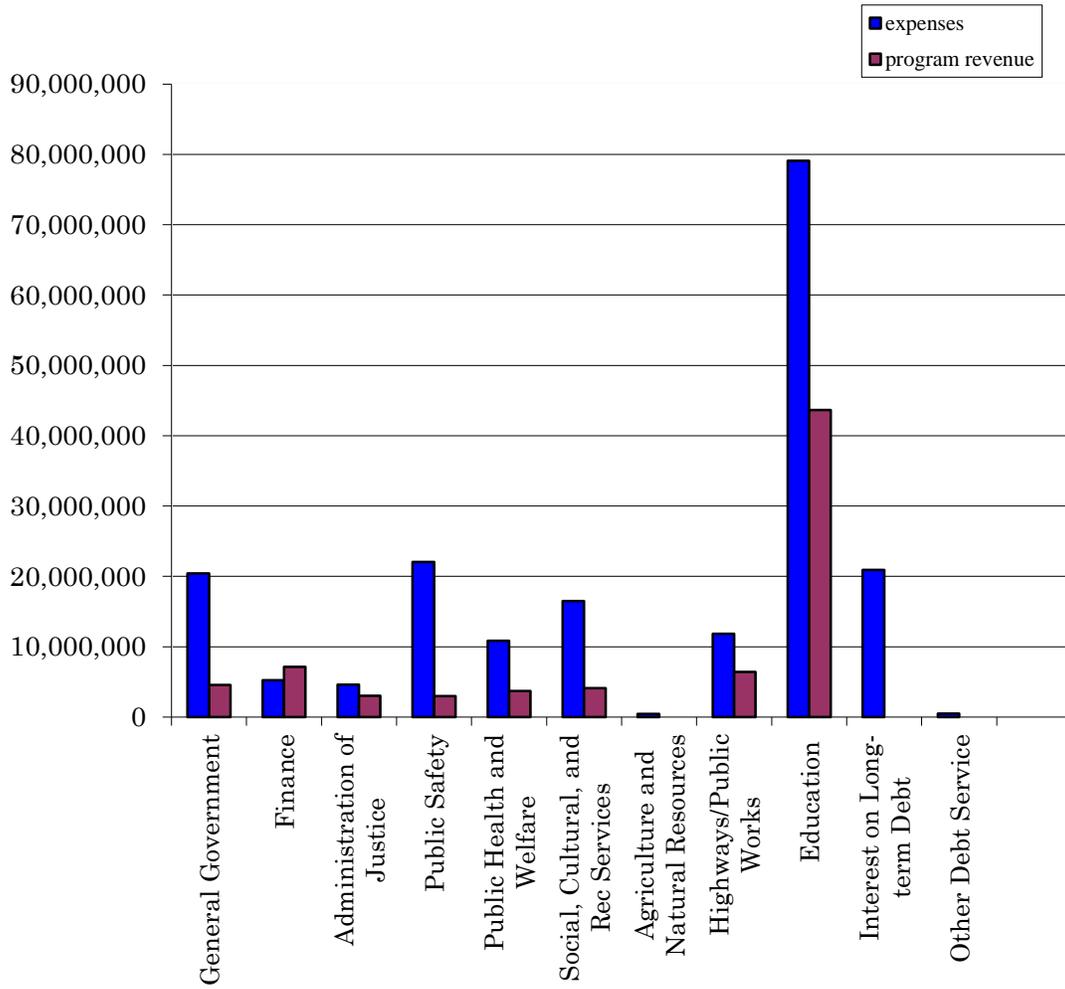
Williamson County's Changes in Net Assets

	2011	2010
	Governmental	Governmental
	Activities	Activities
	<u>                    </u>	<u>                    </u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 64,411,878	\$ 57,855,780
Operating Grants and Contributions	8,658,763	5,743,944
Capital Grants and Contributions	2,553,134	8,442,333
Total Program Revenues	<u>\$ 75,623,775</u>	<u>\$ 72,042,057</u>
General Revenues:		
Property Taxes Levied for General Purposes	\$ 37,566,800	\$ 39,530,118
Property Taxes Levied for Debt Service	30,619,416	34,810,794
Local Option Sales Tax	1,138,910	994,539
Hotel/Motel Tax	2,708,939	2,376,471
Wheel Tax	3,726,733	3,628,609
Litigation Tax	802,981	913,628
Business Tax	4,014,579	3,010,713
Privilege Taxes	2,273,036	1,438,650
Adequate Facilities Tax	3,467,311	2,233,807
Mineral Severance Tax	193,189	175,127
Wholesale Beer Tax	500,483	467,607
Other Local Taxes	2,728	2,546
Grants and Contributions Not		
Restricted to Specific Programs	2,496,323	9,650,134
Unrestricted Investment Earnings	515,672	1,231,334
Gain on Disposal of Capital Assets	0	251,428
Miscellaneous	1,910,964	1,007,461
Total General Revenues	<u>\$ 91,938,064</u>	<u>\$ 101,722,966</u>
Total Revenues	<u>\$ 167,561,839</u>	<u>\$ 173,765,023</u>

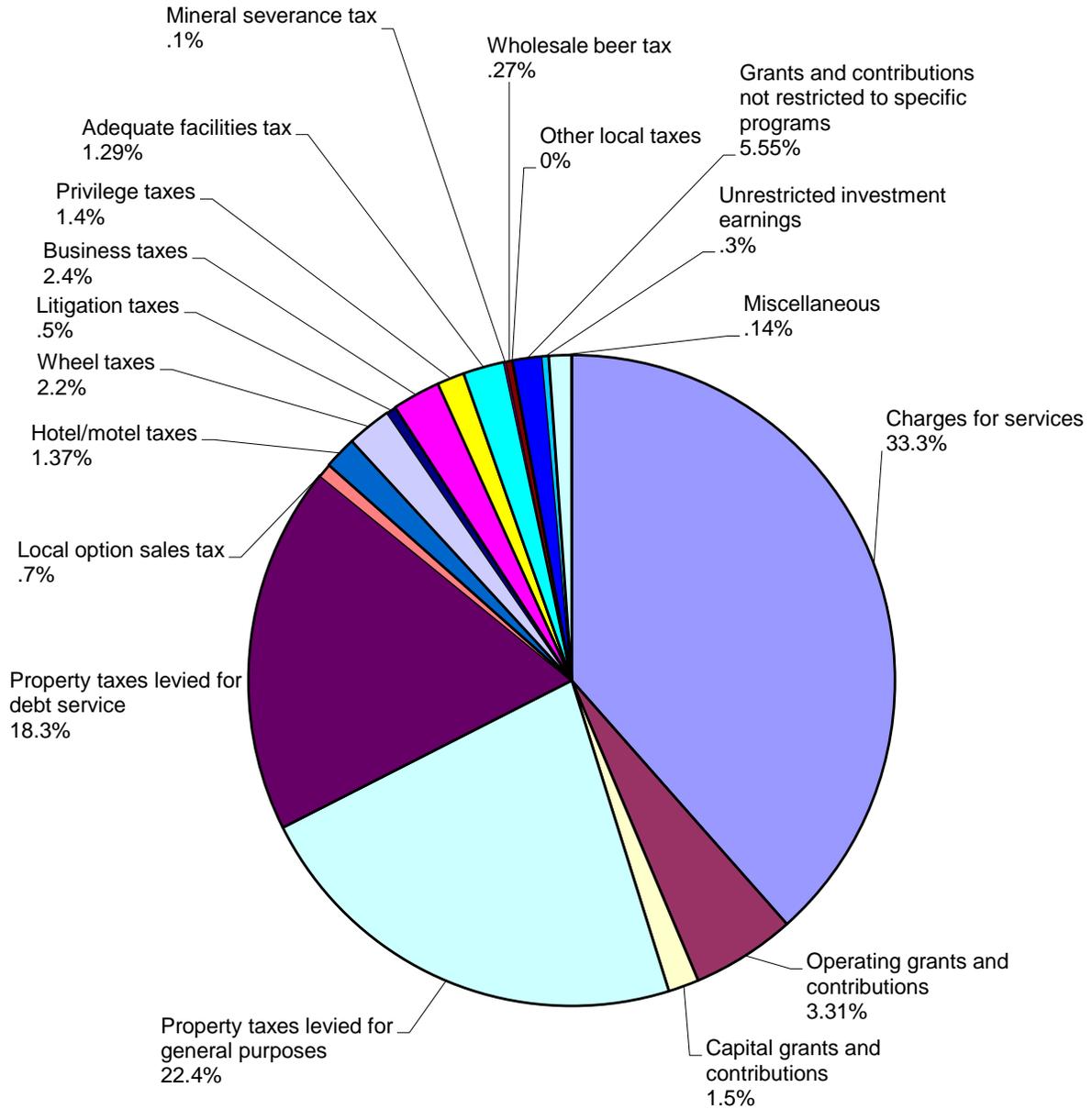
Williamson County's Changes in Net Assets (Cont.)

	2011 Governmental Activities	2010 Governmental Activities
Expenses:		
Governmental Activities:		
General Government	\$ 20,447,828	\$ 15,721,183
Finance	5,230,595	5,009,806
Administration of Justice	4,588,042	7,410,364
Public Safety	22,063,007	21,267,897
Public Health and Welfare	10,843,466	11,340,666
Social, Cultural, and Recreational Services	16,472,212	15,924,636
Agriculture and Natural Resources	465,363	450,704
Highway/Public Works	11,842,754	10,608,838
Education	79,071,059	106,564,177
Interest on Long-term Debt	20,901,633	21,426,728
Other Debt Service	491,014	823,775
Total Expenses	\$ 192,416,973	\$ 216,548,774
Change in Net Assets	\$ (24,855,134)	\$ (42,783,751)
Prior-period Adjustment	5,767,317	0
Net Assets - July 1,	(165,467,038)	(122,683,287)
Net Assets - June 30,	\$ (184,554,855)	\$ (165,467,038)

## Expenses and Program Revenues – Governmental Activities



## Revenues by Source – Governmental Activities



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of Williamson County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Williamson County's financing requirements.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purpose for which amounts in these funds may be spent. These classifications may consist of the following: nonspendable, restricted, committed, assigned or unassigned.

**Nonspendable Fund Balance** – As of June 30, 2011, Williamson County does not report any nonspendable fund balance. Nonspendable fund balance would primarily include amounts that cannot be spent because either (a) they are not in spendable form or (b) they are legally or contractually required to be maintained intact.

**Restricted Fund Balance** – As of June 30, 2011, Williamson County reports \$45,165,107 in restricted fund balance, which includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed Fund Balance** – As of June 30, 2011, Williamson County reports \$26,064,527 in committed fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes pursuant to constraints imposed by formal resolution of the County Commission, the county's highest level of decision-making authority.

**Assigned Fund Balance** – As of June 30, 2011, Williamson County reports \$9,652,753 in assigned fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes that are neither restricted nor committed.

**Unassigned Fund Balance** – As of June 30, 2011, Williamson County reports \$25,870,447 in unassigned fund balance. This classification represents fund balance that has not been restricted, committed, or assigned for specific purposes within the General Fund.

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$106,752,834, a decrease of \$758,221 in comparison with the prior year. Approximately 24 percent of this total amount (\$25,870,447) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,870,447 while total fund balance was \$37,206,789. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 41 percent of total General Fund expenditures, while total fund balance represents 59 percent of that same amount.

The fund balance of the General Fund decreased \$291,716 from the prior year. One factor of the decrease is the per penny tax rate for the General Fund was decreased by four cents. The four cents was allocated to the Williamson County General Purpose School Fund. Another factor was an increase of five percent in actual expenditures over the previous year.

The fund balance of the Highway/Public Works Fund had a net increase of \$1,507,262 during the current fiscal year. Two major factors of the increase were the receipt of state aid funds and the close of capital projects back to the highway fund as well as the actual expenditures were 22 percent less than budgeted expenditures.

The fund balance of the General Debt Service Fund had a net decrease of \$2,434,523 from the prior year. One factor of the decrease is the per penny tax rate for the General Debt Service Fund was decreased by six cents. The six cents was allocated to the Williamson County General Purpose School Fund.

The fund balance of the Rural Debt Service Fund had a net increase of \$5,795,707 from the previous year. The main factor of the increase was the allocation of the adequate schools facilities tax to the fund. The Rural Debt Service fund per penny tax rate was decreased by one cent, and the one cent was allocated to the Williamson County General Purpose School Fund.

The fund balance of the General Capital Projects Fund had a net decrease of \$5,047,045 from the prior year due to ongoing construction projects.

**Proprietary fund.** Williamson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

### **General and Highway/Public Works Funds Budgetary Highlights**

The final amended budget for General Fund expenditures reflected an increase of five percent above the original budget.

During the current fiscal year, the final amended budget for Highway/Public Works Fund expenditures reflected an increase of five percent above the original budget.



Williamson County's Outstanding Debt  
As of June 30

	2011 Governmental Activities	2010 Governmental Activities
Bonds Payable	\$ 477,990,000	\$ 461,950,000
Other Loans Payable	8,197,000	8,984,000
 Total	 \$ 486,187,000	 \$ 470,934,000

- For the fiscal year ended June 30, 2011, Williamson County's total debt had a net increase of \$15,253,000. During the year, \$19,037,000 of debt service principal payments were made, and \$40,660,000 of existing debt was refunded. There was \$74,950,000 of new debt issued, of which \$35,950,000 was for various education capital projects, while \$39,000,000 of the new debt was issued for advance refunding of several general obligation and rural school bonds.
  
- The new debt issues for Williamson County are comprised of the following:
  - a) General obligation bond (Federally Taxable Build America Bonds-Direct Payment) issue of \$17,950,000 for various school construction projects, school building renovation and improvement projects, school buses, capitalized interest, and land for future school site.
  
  - b) Rural or county district school general obligation bond (Federally Taxable Build America Bonds-Direct Payment) of \$18,000,000 for various school construction projects, school building renovation and improvement projects, school buses, capitalized interest, and land for future school site.
  
  - c) General obligation refunding bond of \$24,500,000 and rural or county district school general obligation refunding bond of \$14,500,000 resources were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded bonds. Several general obligation and rural school bond issues were included in the advance refunding of the two separate issues.

The county maintains an Aaa bond rating from Moody's for general and rural obligation debt.

Additional information on the county's long-term debt can be found in Exhibits K-1 and K-2 of this report.

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

- The unemployment rate for the county as of June 30, 2011, was 7.2 percent, which is a .3 percent decrease from the 2010 rate of 7.5 percent. This compares to the state's average unemployment rate of 9.8 percent and the national average rate of 9.2 percent.
- The occupancy rate of the government's central business district for the past three years was 87.6 percent for 2009, 89.2 percent for 2010, and 93.5 percent for 2011.
- Inflationary trends in the region compare favorably to national indices.
- Assessed property value within the county is in excess of \$8.2 billion.

All of these factors were considered in preparing the county's budget for the 2012 fiscal year.

## **Requests for Information**

This financial report is designed to provide a general overview of Williamson 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 Director of Accounts and Budgets at 1320 West Main Street, Suite 125, Franklin, TN 37064.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

Williamson County, Tennessee  
Statement of Net Assets  
June 30, 2011

	Component Units			
	Primary Government Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<u>ASSETS</u>				
Cash	\$ 290,605	\$ 184,828	\$ 22,157,369	\$ 1,261,687
Equity in Pooled Cash and Investments	99,323,978	54,476,764	0	0
Accounts Receivable	236,684	222,219	22,715,289	120,377
Allowance for Uncollectibles	0	0	(6,608,348)	0
Property Taxes Receivable	68,250,252	90,797,975	0	0
Allowance for Uncollectible Property Taxes	(956,449)	(1,206,195)	0	0
Due from Other Governments	6,326,704	11,584,378	0	46,000
Prepaid Items	0	0	1,217,770	0
Cash Shortage	147,728	0	0	0
Deferred Charges - Debt Issuance Costs	3,354,834	0	162,407	0
Inventories	0	0	3,258,531	0
Investment in Joint Venture	6,794,625	0	690,036	0
Other Receivable	0	0	197,715	0
Notes Receivable - Long-term	5,289,613	0	0	0
Restricted Assets:				
Customer Deposits	0	0	732,748	0
Bond Reserves	0	0	2,658,244	0
Capital Improvements	0	0	41,520,854	0
Capital Assets:				
Assets Not Depreciated:				
Land	57,291,710	30,252,967	0	0
Intangibles	5,645,500	0	0	0
Construction in Progress	372,939	65,524,235	0	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	103,730,825	267,094,740	0	0
Other Capital Assets	20,092,132	17,591,582	120,613,636	439,902
Intangibles	278,095	0	0	0
Infrastructure	26,183,234	0	0	0
Total Assets	<u>\$ 402,653,009</u>	<u>\$ 536,523,493</u>	<u>\$ 209,316,251</u>	<u>\$ 1,867,966</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 419,190	\$ 493,370	\$ 3,184,038	\$ 1,964
Accrued Payroll	0	12,229,733	5,560,529	0
Payroll Deductions Payable	0	1,982,789	0	0
Contracts Payable	0	3,141,746	0	0
Retainage Payable	0	168,853	0	0
Accrued Interest Payable	5,162,002	0	193,901	0
Due to State of Tennessee	211	0	0	0
Due to Litigants, Heirs, and Others	1,700	0	0	0
Other Accrued Expenses	0	0	1,836,757	0
Other Current Liabilities	7,865	0	0	0
Estimated Amounts Due to Third-party Payors	0	0	580,829	0
Customer Deposits Payable	92,800	148,209	0	0
Deferred Revenue - Current Property Taxes	65,917,693	87,940,625	0	0
Noncurrent Liabilities:				
Due Within One Year	35,907,014	641,237	7,683,689	0
Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	479,699,389	59,463,197	43,815,610	0
Total Liabilities	<u>\$ 587,207,864</u>	<u>\$ 166,209,759</u>	<u>\$ 62,855,353</u>	<u>\$ 1,964</u>

(Continued)

Exhibit A

Williamson County, Tennessee  
Statement of Net Assets (Cont.)

	Primary Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	\$ 95,160,486	\$ 0	\$ 69,114,337	\$ 0
Invested in Capital Assets Restricted for:	0	380,463,524	0	439,902
Capital Projects	1,596,971	0	0	0
Debt Service	29,393,948	0	0	0
Highways	10,181,030	0	0	0
Solid Waste	1,800,846	0	0	0
Academic Excellence	0	1,939	0	0
Career Ladder	0	11,255	0	0
Drug Control	93,748	0	0	0
District Attorney General	279,024	0	0	0
Automation Purposes - Register	298,308	0	0	0
Automation Purposes - County Clerk	50,480	0	0	0
Unclaimed Property	30,884	0	0	0
Drug Court	34,455	0	0	0
Courtroom Security	824,114	0	0	0
Victims Assistance Program	72,987	0	0	0
Automation Purposes - Administration of Justice	88,295	0	0	0
Automation Purposes - Sheriff	18,026	0	0	0
Alcohol and Drug Treatment	37,087	0	0	0
Litter Grant	10,832	0	0	0
Disaster Relief Grant	48,260	0	0	0
Interoperable Communications Grant	38,695	0	0	0
Hospital	0	0	781,188	0
Other Purposes	124,434	0	0	0
Unrestricted	(324,737,765)	(10,162,984)	76,565,373	1,426,100
Total Net Assets (Deficit)	\$ (184,554,855)	\$ 370,313,734	\$ 146,460,898	\$ 1,866,002

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

Exhibit B

Williamson County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2011

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Program Revenues					Component Units				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District		
Primary Government:					Primary Government Total					
General Government	\$ 20,447,828	\$ 3,468,201	\$ 708,740	\$ 372,510	\$ (15,898,377)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	5,230,595	7,140,059	0	0	1,909,464	0	0	0	0	0
Administration of Justice	4,588,042	3,036,757	408	0	(1,550,877)	0	0	0	0	0
Public Safety	22,063,007	1,031,731	1,476,503	489,907	(19,064,866)	0	0	0	0	0
Public Health and Welfare	10,843,466	1,914,708	1,780,260	0	(7,148,498)	0	0	0	0	0
Social, Cultural, and Recreational Services	16,472,212	4,097,785	0	13,053	(12,361,374)	0	0	0	0	0
Agriculture and Natural Resources	465,363	0	0	0	(465,363)	0	0	0	0	0
Highway/Public Works	11,842,754	50,966	4,692,852	1,677,664	(5,421,272)	0	0	0	0	0
Education	79,071,059	43,671,671	0	0	(35,399,388)	0	0	0	0	0
Interest on Long-term Debt	20,901,633	0	0	0	(20,901,633)	0	0	0	0	0
Other Debt Service	491,014	0	0	0	(491,014)	0	0	0	0	0
Total Primary Government	\$ 192,416,973	\$ 64,411,878	\$ 8,658,763	\$ 2,553,134	\$ (116,793,198)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Component Units:										
Williamson County School Department	\$ 277,742,569	\$ 9,698,721	\$ 18,393,683	\$ 34,966,721	\$ 0	\$ (214,683,444)	\$ 0	\$ 0	\$ 0	\$ 0
Williamson County Hospital District	139,673,481	148,392,799	0	183,703	0	0	8,903,021	0	0	0
Emergency Communications District	1,533,129	1,392,871	0	0	0	0	0	0	(140,258)	0
Total Component Units	\$ 418,949,179	\$ 159,484,391	\$ 18,393,683	\$ 35,150,424	\$ 0	\$ (214,683,444)	\$ 8,903,021	\$ 0	\$ (140,258)	\$ 0
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes					\$ 37,566,800	\$ 88,986,370	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes Levied for Debt Service					30,619,416	0	0	0	0	0
Local Option Sales Tax					1,138,910	33,789,369	0	0	0	0
Hotel/Motel Tax					2,708,939	0	0	0	0	0
Wheel Tax					3,726,733	0	0	0	0	0
Litigation Tax					802,981	0	0	0	0	0
Business Tax					4,014,579	0	0	0	0	0
Privilege Tax					2,273,036	0	0	0	0	0

(Continued)

Exhibit B

Williamson County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets						
	Program Revenues			Component Units			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
General Revenues (Cont.):							
Taxes (Cont.):							
Adequate Facilities Tax				\$ 3,467,311	\$ 0	\$ 0	\$ 0
Mineral Severance Tax				193,189	0	0	0
Wholesale Beer Tax				500,483	0	0	0
Other Local Taxes				2,728	8,777	0	0
Grants and Contributions Not Restricted to Specific Programs				2,496,323	97,868,260	0	78,000
Unrestricted Investment Income				515,672	309,600	550,931	2,592
Miscellaneous				1,910,964	190,276	979,131	0
Total General Revenues				\$ 91,938,064	\$ 221,152,652	\$ 1,530,062	\$ 80,592
Change in Net Assets				\$ (24,855,134)	\$ 6,469,208	\$ 10,433,083	\$ (59,666)
Net Assets (Deficit), July 1, 2010				(165,467,038)	362,941,916	136,027,815	1,925,668
Prior-period Adjustment				5,767,317	902,610	0	0
Net Assets (Deficit), June 30, 2011				\$ (184,554,855)	\$ 370,313,734	\$ 146,460,898	\$ 1,866,002

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

Exhibit C-1

Williamson County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2011

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Governmental Funds			
Cash	\$ 15,005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,425	\$ 17,430	
Equity in Pooled Cash and Investments	34,605,529	12,528,663	16,362,761	11,574,029	20,754,412	3,309,468	3,309,468	99,134,862	
Accounts Receivable	0	165,457	0	0	0	71,227	71,227	236,684	
Due from Other Governments	2,789,707	2,375,284	0	200,000	675,002	286,711	286,711	6,326,704	
Due from Other Funds	841,312	0	0	0	0	0	0	841,312	
Property Taxes Receivable	33,160,099	776,849	21,256,474	9,876,834	0	3,179,996	3,179,996	68,250,252	
Allowance for Uncollectible Property Taxes	(440,511)	(27,921)	(282,379)	(150,505)	0	(55,133)	(55,133)	(956,449)	
Cash Shortage	147,728	0	0	0	0	0	0	147,728	
Notes Receivable - Long-term	0	0	5,289,613	0	0	0	0	5,289,613	
<b>Total Assets</b>	<b>\$ 71,118,869</b>	<b>\$ 15,818,332</b>	<b>\$ 42,626,469</b>	<b>\$ 21,500,358</b>	<b>\$ 21,429,414</b>	<b>\$ 6,794,694</b>	<b>\$ 6,794,694</b>	<b>\$ 179,288,136</b>	

ASSETS

Cash	\$ 15,005
Equity in Pooled Cash and Investments	34,605,529
Accounts Receivable	0
Due from Other Governments	2,789,707
Due from Other Funds	841,312
Property Taxes Receivable	33,160,099
Allowance for Uncollectible Property Taxes	(440,511)
Cash Shortage	147,728
Notes Receivable - Long-term	0

LIABILITIES AND FUND BALANCES

Accounts Payable	\$ 9,889	\$ 84,345	\$ 0	\$ 0	\$ 324,500	\$ 456	\$ 419,190
Claims and Judgments Payable	490,958	63,300	0	0	0	21,500	575,758
Due to Other Funds	0	841,312	0	0	0	0	841,312
Due to State of Tennessee	211	0	0	0	0	0	211
Due to Litigants, Heirs, and Others	0	0	0	0	0	0	1,700
Other Current Liabilities	0	0	0	0	0	1,700	7,865
Current Liabilities Payable from Restricted Assets:							
Customer Deposits Payable	0	0	0	0	92,800	0	92,800
Deferred Revenue - Current Property Taxes	32,116,573	687,080	20,587,547	9,494,401	0	3,032,092	65,917,693
Deferred Revenue - Delinquent Property Taxes	503,014	58,848	326,547	201,928	0	89,771	1,180,108
Other Deferred Revenues	791,435	2,106,808	0	100,000	219,807	280,615	3,498,665
<b>Total Liabilities</b>	<b>\$ 33,912,080</b>	<b>\$ 3,841,693</b>	<b>\$ 20,914,094</b>	<b>\$ 9,796,329</b>	<b>\$ 637,107</b>	<b>\$ 3,433,999</b>	<b>\$ 72,535,302</b>
<b>Fund Balances</b>							
Restricted:	\$ 298,308	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 298,308
Restricted for General Government							

(Continued)

Exhibit C-1

Williamson County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service			Rural Debt Service	General Capital Projects	Other Governmental Funds	
			General	Debt	Service				
\$	81,364	0	0	0	0	0	0	0	81,364
	1,022,012	0	0	0	0	0	279,024	0	1,301,036
	36,713	0	0	0	0	0	93,748	0	130,461
	37,087	0	0	0	0	0	1,440,869	0	1,477,956
	0	8,015,374	0	0	0	0	0	0	8,015,374
	0	0	0	0	10,013,787	0	0	0	10,013,787
	0	0	21,172,911	0	2,575,119	0	0	0	23,748,030
	98,791	0	0	0	0	0	0	0	98,791
Committed:									
Committed for General Government	24,212	0	0	0	0	0	0	0	24,212
Committed for Administration of Justice	2,642	0	0	0	0	0	0	0	2,642
Committed for Public Health and Welfare	0	0	0	0	0	0	1,547,054	0	1,547,054
Committed for Social, Cultural, and Recreational Services	74,997	0	0	0	0	0	0	0	74,997
Committed for Highways/Public Works	0	3,961,265	0	0	0	0	0	0	3,961,265
Committed for Capital Outlay	0	0	0	0	10,778,520	0	0	0	10,778,520
Committed for Debt Service	0	0	539,464	0	9,128,910	0	0	0	9,668,374
Committed for Other Purposes	7,463	0	0	0	0	0	0	0	7,463
Assigned:									
Assigned for General Government	150,590	0	0	0	0	0	0	0	150,590
Assigned for Finance	36,284	0	0	0	0	0	0	0	36,284
Assigned for Administration of Justice	280	0	0	0	0	0	0	0	280
Assigned for Public Safety	120,651	0	0	0	0	0	0	0	120,651
Assigned for Public Health and Welfare	11,647	0	0	0	0	0	0	0	11,647
Assigned for Social, Cultural, and Recreational Services	55,160	0	0	0	0	0	0	0	55,160
Assigned for Agriculture and Natural Resources	397	0	0	0	0	0	0	0	397
Assigned for Other Purposes	9,277,744	0	0	0	0	0	0	0	9,277,744
Unassigned	25,870,447	0	0	0	0	0	0	0	25,870,447
Total Fund Balances	\$ 37,206,789	\$ 11,976,639	\$ 21,712,375	\$ 11,704,029	\$ 20,792,307	\$ 3,360,695	\$ 106,752,834	\$ 6,794,694	\$ 179,288,136
Total Liabilities and Fund Balances	\$ 71,118,869	\$ 15,818,332	\$ 42,626,469	\$ 21,500,358	\$ 21,429,414	\$ 6,794,694	\$ 179,288,136	\$ 6,794,694	\$ 179,288,136

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

Exhibit C-2

Williamson County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Assets  
June 30, 2011

Amounts reported for governmental activities in the statement of net assets (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 106,752,834
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 57,291,710	
Add: intangibles	5,645,500	
Add: construction in progress	372,939	
Add: buildings and improvements net of accumulated depreciation	103,730,825	
Add: other capital assets net of accumulated depreciation	20,092,132	
Add: intangibles net of accumulated depreciation	278,095	
Add: infrastructure net of accumulated depreciation	<u>26,183,234</u>	213,594,435
(2) Investment in joint venture used in governmental activities is not a financial resource and therefore is not reported in governmental funds.		6,794,625
(3) Internal service funds are used to account for the county's and School Department's self-insured health programs. The assets and liabilities are included in governmental activities in the statement of net assets.		(4,986,235)
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Add: deferred amount on refunded debt	\$ 10,279,445	
Less: unamortized debt premiums	(19,884,171)	
Less: bonds payable	(477,990,000)	
Less: other loans payable	(8,197,000)	
Add: deferred charges - debt issuance costs	3,354,834	
Less: accrued interest on bonds and notes	(5,162,002)	
Less: landfill closure/postclosure care costs	(63,280)	
Less: other postemployment benefits liability	(11,567,383)	
Less: compensated absences payable	<u>(2,159,730)</u>	(511,389,287)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>4,678,773</u>
Net assets (deficit) of governmental activities (Exhibit A)		<u>\$ (184,554,855)</u>

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

Exhibit C-3

Williamson County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2011

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway /	General		Rural	General	Other	Governmental Funds	
		Public Works	Debt Service	Debt Service	Debt Service	Capital Projects			
<b>Revenues</b>									
Local Taxes	\$ 38,805,008	\$ 7,915,313	\$ 21,644,912	\$ 10,674,477	\$ 7,450,662	\$ 2,847,556	\$ 89,337,928		
Licenses and Permits	1,080,306	0	0	0	0	0	1,080,306		
Fines, Forfeitures, and Penalties	569,587	0	0	0	0	0	569,587		
Charges for Current Services	5,116,534	0	0	0	0	0	5,116,534		
Other Local Revenues	965,101	86,290	304,116	0	74,617	0	1,330,124		
Fees Received from County Officials	10,675,512	0	0	0	0	0	10,675,512		
State of Tennessee	3,757,593	3,336,693	0	0	0	0	7,094,286		
Federal Government	2,252,900	39,971	540,800	809,724	592,634	0	4,236,029		
Other Governments and Citizens Groups	614,172	129,550	235,348	0	0	3,750	982,820		
<b>Total Revenues</b>	<b>\$ 63,836,713</b>	<b>\$ 11,507,817</b>	<b>\$ 22,725,176</b>	<b>\$ 11,484,201</b>	<b>\$ 8,117,913</b>	<b>\$ 4,646,851</b>	<b>\$ 122,318,671</b>		
<b>Expenditures</b>									
Current:									
General Government	\$ 9,721,137	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,721,137		
Finance	3,635,560	0	0	0	0	283	3,635,843		
Administration of Justice	3,165,347	0	0	0	0	54,585	3,219,932		
Public Safety	14,691,599	0	0	0	0	71,452	14,763,051		
Public Health and Welfare	3,928,261	0	0	0	0	3,431,117	7,359,378		
Social, Cultural, and Recreational Services	11,512,240	0	0	0	0	0	11,512,240		
Agriculture and Natural Resources	327,394	0	0	0	0	0	327,394		
Other Operations	15,870,082	0	0	0	0	627,820	16,497,902		
Highways	0	9,616,012	0	0	0	0	9,616,012		
Debt Service:									
Principal on Debt	0	0	14,167,000	4,870,000	0	0	19,037,000		
Interest on Debt	0	0	11,638,056	9,420,020	0	0	21,058,076		
Other Debt Service	0	0	621,378	292,677	0	0	914,055		
Capital Projects	0	0	0	0	4,954,911	0	4,954,911		
Capital Projects - Donated	0	0	0	0	34,921,077	0	34,921,077		
<b>Total Expenditures</b>	<b>\$ 62,851,620</b>	<b>\$ 9,616,012</b>	<b>\$ 26,426,434</b>	<b>\$ 14,582,697</b>	<b>\$ 39,875,988</b>	<b>\$ 4,185,257</b>	<b>\$ 157,538,008</b>		
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 985,093</b>	<b>\$ 1,891,805</b>	<b>\$ (3,701,258)</b>	<b>\$ (3,098,496)</b>	<b>\$ (31,758,075)</b>	<b>\$ 461,594</b>	<b>\$ (35,219,337)</b>		

(Continued)

Exhibit C-3

Williamson County, Tennessee  
Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
Governmental Funds (Cont.)

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway /	General Debt Service	Rural Debt Service	General Capital Projects	Other Governmental Funds	Total Governmental Funds		
		Public Works							
<u>Other Financing Sources (Uses)</u>									
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,950,000	\$ 0	\$ 0	\$ 35,950,000	
Refunding Debt Issued	0	0	24,500,000	14,500,000	0	0	0	39,000,000	
Premiums on Debt Issued	0	0	1,762,198	1,128,833	0	0	0	2,891,031	
Transfers In	103,801	265,457	1,124,381	8,810,212	2,711,395	0	0	13,015,246	
Transfers Out	(1,380,610)	(650,000)	0	0	(11,950,365)	(749,500)	0	(14,730,475)	
Payments to Refunded Debt Escrow Agent	0	0	(26,119,844)	(15,544,842)	0	0	0	(41,664,686)	
Total Other Financing Sources (Uses)	\$ (1,276,809)	\$ (384,543)	\$ 1,266,735	\$ 8,894,203	\$ 26,711,030	\$ (749,500)	\$ (749,500)	\$ 34,461,116	
Net Change in Fund Balances	\$ (291,716)	\$ 1,507,262	\$ (2,434,523)	\$ 5,795,707	\$ (5,047,045)	\$ (287,906)	\$ (287,906)	\$ (758,221)	
Fund Balance, July 1, 2010	37,498,505	10,469,377	24,146,898	5,908,322	25,839,352	3,648,601	3,648,601	107,511,055	
Fund Balance, June 30, 2011	\$ 37,206,789	\$ 11,976,639	\$ 21,712,375	\$ 11,704,029	\$ 20,792,307	\$ 3,360,695	\$ 3,360,695	\$ 106,752,834	

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

Exhibit C-4

Williamson County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 2011

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ (758,221)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,663,724	
Less: current-year depreciation expense	<u>(7,731,312)</u>	(6,067,588)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.		
Add: assets donated and capitalized	\$ 1,247,407	
Less: loss on disposal of capital assets	<u>(118,241)</u>	1,129,166
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2010	\$ (2,932,060)	
Add: deferred delinquent property taxes and other deferred June 30, 2011	<u>4,678,773</u>	1,746,713
(4) The issuance of long-term debt (e.g., other loans, bonds) 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 costs, 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 effect of these differences in the treatment of long-term debt and related items:		
Less: bond proceeds	\$ (74,950,000)	
Add: refunded debt	40,660,000	
Add: amortization of debt issuance premiums	1,612,599	
Add: debt issuance cost on debt issued during year	423,041	
Less: premiums on debt issued during year	(2,808,418)	
Add: deferred charges on refunding debt issued during the year	1,004,686	
Less: deferred charges on refunding debt amortized during the year	(1,306,937)	
Less: debt issuance cost amortized during the year	(281,175)	
Add: principal payments on other loans	787,000	
Add: principal payments on bonds	<u>18,250,000</u>	(16,609,204)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 394,031	
Change in other postemployment benefits liability	(4,562,156)	
Change in landfill closure/postclosure care costs	(627)	
Change in compensated absences payable	<u>(46,897)</u>	(4,215,649)
(6) Internal service funds are used to account for the county's and School Department's self-insured health programs. The net expense of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>(80,351)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ (24,855,134)</u>

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

Exhibit D-1

Williamson County, Tennessee  
Statement of Net Assets  
Proprietary Fund  
June 30, 2011

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>ASSETS</u>	
Current Assets:	
Cash in Bank	\$ 273,175
Equity in Pooled Cash and Investments	189,116
Total Assets	<hr/> \$ 462,291 <hr/>
<u>LIABILITIES</u>	
Current Liabilities:	
Claims and Judgments Payable	\$ 5,448,526
Total Liabilities	<hr/> \$ 5,448,526 <hr/>
<u>NET ASSETS</u>	
Unrestricted	<hr/> \$ (4,986,235)
Net Assets	<hr/> <hr/> \$ (4,986,235)

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

Exhibit D-2

Williamson County, Tennessee  
Statement of Revenues, Expenses, and  
Changes in Net Assets  
Proprietary Fund  
For the Year Ended June 30, 2011

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>Operating Revenues</u>	
Charges for Services	\$ 48,947,905
Other Local Revenues	2,427,060
Federal Government	208,525
Total Operating Revenues	<u>\$ 51,583,490</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 2,532,163
Life Insurance	196,884
Dental Insurance	2,736,931
Medical Claims	36,092,326
Other Self-Insured Claims	10,105,537
Total Operating Expenses	<u>\$ 51,663,841</u>
Operating Income (Loss)	\$ (80,351)
Net Assets, July 1, 2010	<u>(4,905,884)</u>
Net Assets, June 30, 2011	<u><u>\$ (4,986,235)</u></u>

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

Exhibit D-3

Williamson County, Tennessee  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2011

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Interfund Services Provided	\$ 43,613,723
Receipts from Customers and Users	7,761,242
Other Cash Receipts	208,525
Payments to Suppliers	(52,052,868)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (469,378)</u>
Increase (Decrease) in Cash	\$ (469,378)
Cash, July 1, 2010	<u>931,669</u>
Cash, June 30, 2011	<u><u>\$ 462,291</u></u>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (80,351)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Increase (Decrease) in Claims and Judgments Payable	<u>(389,027)</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (469,378)</u></u>
<u>Reconciliation of Cash with Statement of Net Assets</u>	
Cash in Bank Per Net Assets	\$ 273,175
Equity in Pooled Cash and Investments Per Net Assets	<u>189,116</u>
Cash, June 30, 2011	<u><u>\$ 462,291</u></u>

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

Exhibit E

Williamson County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2011

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 7,061,131
Equity in Pooled Cash and Investments	2,460,567
Investments	14,353
Accounts Receivable	31,124
Due from Other Governments	7,100,907
Taxes Receivable	10,382,841
Allowance for Uncollectible Taxes	<u>(137,929)</u>
Total Assets	<u>\$ 26,912,994</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 17,833,429
Due to Joint Venture	1,702,311
Due to Litigants, Heirs, and Others	<u>7,377,254</u>
Total Liabilities	<u>\$ 26,912,994</u>

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

**WILLIAMSON COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2011**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Williamson County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Williamson County:

**A. Reporting Entity**

Williamson County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Williamson County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

**Discretely Presented Component Units** – The following entities meet the criteria for discretely presented component units of the county. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the county.

The Williamson County School Department operates the public school system in the county, and the voters of Williamson County elect its board. The School Department is fiscally dependent on the county because it may not issue debt without county approval, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Williamson County Hospital District provides health care to the citizens of Williamson County, and the Williamson County Commission appoints its governing body. The county annually provides a subsidy to the hospital to help defray the costs of operating an ambulance service.

The Williamson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Williamson County, and the Williamson County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval.

The Williamson County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Complete financial statements of the Williamson County Hospital District and the Williamson County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Williamson County Hospital District  
d/b/a Williamson Medical Center  
4321 Carothers Road  
Franklin, TN 37064

Williamson County Emergency  
Communications District  
1320 West Main Street, Suite B-30  
Franklin, TN 37064

**Related Organization** – The Williamson County Industrial Development Board is a related organization of Williamson County. The county’s officials are responsible for appointing the members of the board, but the county’s accountability for this organization does not extend beyond making the appointments. During the year ended June 30, 2011, the county did not appropriate any operating subsidies to the Williamson County Industrial Development Board.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., 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 interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Williamson County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Williamson County School Department component unit only reports governmental activities in the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Williamson County issues all debt for the discretely presented Williamson County School Department. Net debt issues totaling \$34,921,077 were contributed by the county to the School Department during the year ended June 30, 2011.

Separate financial statements are provided for governmental funds, the proprietary fund (an internal service fund), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. **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 funds financial statements, except for agency funds, which 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.

Fund financial statements of Williamson County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Williamson County reports one proprietary fund, an internal service fund. It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and the fiduciary funds in total are reported in single columns by fund type.

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 become 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. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Williamson County considers grants and similar revenues to be available if they are collected within 60 days after year-end. However, the discretely presented Williamson County School Department considers grants related to the American Recovery and Reinvestment Act to be available if they are collected within six months after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

Proprietary fund and fiduciary funds financial statements are reported using the economic resources measurement focus, except for agency funds, which have no measurement focus, and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Williamson County reports the following major governmental funds:

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

**Highway/Public Works Fund** – This special revenue fund accounts for transactions of the county’s Highway Department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

**General Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

**Rural Debt Service Fund** – This fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs specifically issued for K-8 schools outside the territorial boundaries of the Franklin Special School District.

**General Capital Projects Fund** – This fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Williamson County reports the following fund types:

**Internal Service Fund** – The Self-Insurance Fund is used to account for the county’s and the School Department’s self-insured health programs. Amounts per employee are charged to the various funds, and employee payroll deductions are placed in this fund for the payment of claims.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Williamson County, property taxes for the City of Nolensville and the Town of Thompson’s Station, various cities’ share of adequate facilities taxes collected by the county, the Franklin Special School District’s share of educational revenues, funds held for the benefit of the judicial district drug task force, and assets held in a custodial capacity for the Williamson County Governmental Library Commission. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Williamson County School Department reports the following major governmental funds:

**General Purpose School Fund** – This fund is the primary operating fund for the School Department. It is used to account for general operations of the School Department.

**Education Capital Projects Fund** – This fund is used to account for the receipt of debt issued by Williamson County and contributed to the School Department for building construction and renovations.

Additionally, the Williamson County School Department reports the following fund type:

**Special Revenue Funds** – These funds account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditure for specified purposes other than debt service or capital projects.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the county's and the School Department's employee self-insurance health programs. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. Insurance contributions and premiums are the principal operating revenues of the internal service fund. Operating expenses for the internal service fund include administrative expenses and employee benefits.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

**D. Assets, Liabilities, and Net Assets or Equity**

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes cash on deposit with the county trustee and cash in bank.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Williamson County School Department. Each fund's portion of this pool is

displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General, General Debt Service, and General Purpose School funds. In addition, investments are held separately by the Constitutional Officers - Agency Fund of the county. Williamson County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless 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 pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is one percent of total taxes levied.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as deferred revenue as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current

fiscal year. These property taxes receivable are presented on the balance sheet with offsetting deferred revenue to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets (customer deposits payable) reflected in the primary government's General Capital Projects Fund represent deposits placed with Williamson County for road damage (\$92,800) and in the School Department's Central Cafeteria Fund represent prepayments of student meals (\$148,209). Claims and judgments payable are discussed in Note V.A. Risk Management.

Retainage payable in the School Department's Education Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments.

### **3. Capital Assets**

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the primary government as assets with an initial, individual cost of \$10,000 (buildings/improvements and intangibles \$100,000 and infrastructure \$50,000) or more and an estimated useful life of more than five years. Capital assets are defined by the School Department as assets with an initial, individual cost of \$10,000 (buildings/improvements \$100,000 and vehicles \$20,000) and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated 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.

Property, plant, equipment, and infrastructure of the primary government and the discretely presented School Department are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 40
Intangibles	Various*
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20 - 50
Bridges	30 - 50

\*applicable legal life of the asset

**4. Compensated Absences**

It is the policy of Williamson County and the discretely presented Williamson County School Department to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Williamson County and the School Department do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the discretely presented School Department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**5. Long-term Obligations**

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Assets. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method. Debt issuance costs are reported as deferred charges and amortized over the term of the related debt. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is netted against the new debt and

amortized over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt 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.

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, claims and judgments, other postemployment benefits, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

## **6. Net Assets and Fund Equity**

In the government-wide financial statements and the proprietary fund in the fund financial statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

As of June 30, 2011, Williamson County had \$365,441,733 in outstanding debt for capital purposes for the discretely presented Williamson County School Department. This debt is a liability of Williamson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Williamson County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

**Nonspendable Fund Balance** – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted Fund Balance** – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed Fund Balance** – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission, the county’s highest level of decision-making authority and the Board of Education, the School Department’s highest level of decision-making authority.

**Assigned Fund Balance** – includes amounts that are constrained by the county’s intent to be used for specific purposes, but are neither restricted nor committed (excluding stabilization arrangements). The county’s Budget Committee and the Board of Education are authorized bodies to make assignments.

**Unassigned Fund Balance** – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

**7. Prior-period Adjustments**

Capital assets for the primary government were restated \$5,767,317 from the prior year because intangibles were added in compliance with GASB Statement No. 51.

Capital assets for the discretely presented School Department were restated \$902,610 from the prior year because two tracts of land and a piece of equipment had been omitted.

**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**

**Primary Government**

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Assets.

**Discretely Presented Williamson County School Department**

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Assets.

**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**

**Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net assets of governmental activities reported in the government-wide Statement of Activities.

**Discretely Presented Williamson County School Department**

Exhibit J-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net assets of governmental activities reported in the government-wide Statement of Activities.

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the District Attorney General Fund (special revenue fund) and the Constitutional Officers - Fees Fund (special revenue fund), which are not budgeted, and the General Capital Projects Fund, which adopts project length budgets. All annual appropriations lapse at fiscal year end.

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the County Commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Beer Board, Other Boards and Committees, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with GAAP, except instances in which encumbrances are treated as budgeted expenditures. The difference between the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2011, Williamson County and the Williamson County School Department reported the following significant encumbrances:

Primary Government

Major Fund:			
Highway/Public Works	Asphalt	\$	481,778
"	Road salt		219,347
"	Road stripes		55,000
"	Guardrails		60,000
General Capital Projects	Recreation center renovation		929,000
"	Rescue squad pumper		214,566

School Department

Major Fund:			
General Purpose School	Buses		539,328
Education Capital Projects	School construction		5,028,432
Nonmajor Fund:			
School Federal Projects	Buses		820,398
Central Cafeteria	Kitchen equipment		102,524

**B. Net Assets Deficit**

The Self-Insurance Fund (internal service fund) had a deficit in unrestricted net assets of \$4,986,235 at June 30, 2011. This deficit resulted from the recognition of liabilities in the financial statements for claims and judgments totaling \$5,448,526 at year-end.

**C. Cash Shortages – Prior-Years**

The audit of Williamson County for the 2005-06 year reported a cash shortage of at least \$45,037.43, as of June 30, 2006, at the Fairview Recreational Center. This cash shortage resulted from collections that were not deposited or otherwise accounted for properly. On October 6, 2008, the

defendant pled guilty and was sentenced to four years probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. As of June 30, 2011, this individual had paid restitution totaling \$7,141.50, leaving an outstanding cash shortage of \$37,895.93.

The audit of Williamson County for the 2008-09 year reported a cash shortage of \$3,386.18 in the Office of County Clerk. In December 2008, the county clerk discovered that collections from a title application transaction totaling \$1,877.68 had been diverted for an employee's personal use. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds, and the county clerk terminated the employee for mishandling the funds. Subsequently, the county clerk's bookkeeper and auditors discovered two additional title applications totaling \$1,508.50 had been stolen. Therefore, the amount of funds diverted from the office totaled \$3,386.18 (\$1,877.68 plus \$1,508.50). On November 10, 2009, the defendant pled guilty to one count of theft over \$1,000 and one count of forgery. The defendant was sentenced to two years' probation, and ordered to pay restitution of \$3,386.18 to Williamson County. As of June 30, 2011, no restitution had been paid, leaving the outstanding cash shortage of \$3,386.18.

A special report of the Williamson County Animal Control Department released on July 26, 2010, for the period May 17, 2005, through March 31, 2010, reported a cash shortage of at least \$106,446.17 from receipts that were not deposited with the county or otherwise accounted for properly. On November 15, 2010, Ms. Kerraina Jensen pled guilty to theft over \$60,000 and was sentenced to eight years' confinement, which was suspended to eight years' probation, and was ordered to pay restitution of \$106,446.17. As of June 30, 2011, no restitution had been paid, leaving the outstanding cash shortage of \$106,446.17.

#### **IV. DETAILED NOTES ON ALL FUNDS**

##### **A. Deposits and Investments**

Williamson County and the Williamson County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Cash and investments reflected on the balance sheets or statements of net assets represent nonpooled amounts held separately by individual funds.

## Deposits

**Legal Provisions.** All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

## Investments

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loans associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool and in repurchase agreements. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2011, Williamson County had the following investments carried at fair value or cost. Except for nonpooled investments in the Constitutional Officers - Agency Fund, all investments are in the county trustee's investment pool. Separate disclosures concerning

pooled investments cannot be made for Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

Nonpooled investments in the Constitutional Officers - Agency Fund are by court order and at the request of a litigant. These investments do not expose the county to any risk; therefore, further disclosure is not required.

Investment	Maturities	Fair Value or Cost
Pooled:		
State Treasurer's Investment Pool	Daily	\$ 48,854,062
Nonpooled:		
Constitutional Officers - Agency	Various	14,353

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments, as previously disclosed. Williamson County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments, as previously explained. Williamson County has no investment policy that would further limit its investment choices. As of June 30, 2011, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

**B. Notes Receivable**

Notes receivable in the General Debt Service Fund totaling \$5,289,613 resulted from an agreement with the City of Spring Hill to help finance the construction of a recreational facility and related infrastructure and is included in the restricted fund balance account.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2011, is presented in the following table. This table does not include certain land, buildings, and equipment, which are titled to Williamson County and used by the Williamson Medical Center. Titles to these assets were transferred from the hospital to the county based on a 1992 refunding of the Series 1985, Hospital Revenue Bonds. These assets are reported in the financial statements of the discretely presented Williamson County Hospital District. Chapter 107, Private Acts of 1957, as amended, provides that "the Board of Trustees shall

be vested with full, absolute and complete authority and responsibility for the operation, management, conduct and control of the business and affairs of the Hospital District ...”

**Primary Government**

**Governmental Activities:**

	*Restated			
	Balance			Balance
	7-1-10	Increases	Decreases	6-30-11
Capital Assets Not Depreciated:				
Land	\$ 57,000,406	\$ 305,074	\$ (13,770)	\$ 57,291,710
Intangibles	5,645,500	0	0	5,645,500
Construction in Progress	1,792,359	296,420	(1,715,840)	372,939
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 64,438,265</b>	<b>\$ 601,494</b>	<b>\$ (1,729,610)</b>	<b>\$ 63,310,149</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 136,937,072	\$ 351,492	\$ 0	\$ 137,288,564
Infrastructure	58,686,920	1,054,220	0	59,741,140
Intangibles	809,087	0	0	809,087
Other Capital Assets	46,595,105	2,619,765	(498,264)	48,716,606
<b>Total Capital Assets Depreciated</b>	<b>\$ 243,028,184</b>	<b>\$ 4,025,477</b>	<b>\$ (498,264)</b>	<b>\$ 246,555,397</b>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 30,014,170	\$ 3,543,569	\$ 0	\$ 33,557,739
Infrastructure	32,241,078	1,316,828	0	33,557,906
Intangibles	369,174	161,818	0	530,992
Other Capital Assets	26,309,170	2,709,097	(393,793)	28,624,474
<b>Total Accumulated Depreciation</b>	<b>\$ 88,933,592</b>	<b>\$ 7,731,312</b>	<b>\$ (393,793)</b>	<b>\$ 96,271,111</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 154,094,592</b>	<b>\$ (3,705,835)</b>	<b>\$ (104,471)</b>	<b>\$ 150,284,286</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 218,532,857</b>	<b>\$ (3,104,341)</b>	<b>\$ (1,834,081)</b>	<b>\$ 213,594,435</b>

\*See Note I.D.7. for prior-period adjustment

Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities:**

General Government	\$ 1,169,241
Finance	98,946
Public Safety	1,248,121
Public Health and Welfare	603,670
Social, Cultural, and Recreational Services	2,467,127
Other Operations	95,879
Highways/Public Works	<u>2,048,328</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 7,731,312</u>

**Discretely Presented Williamson County School Department**

**Governmental Activities:**

	*Restated Balance 7-1-10	Increases	Decreases	Balance 6-30-11
Capital Assets Not Depreciated:				
Land	\$ 29,022,758	\$ 1,230,209	\$ 0	\$ 30,252,967
Construction in Progress	<u>56,387,675</u>	<u>34,668,629</u>	<u>(25,532,069)</u>	<u>65,524,235</u>
Total Capital Assets Not Depreciated	<u>\$ 85,410,433</u>	<u>\$ 35,898,838</u>	<u>\$ (25,532,069)</u>	<u>\$ 95,777,202</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 335,233,990	\$ 30,157,777	\$ 0	\$ 365,391,767
Other Capital Assets	<u>27,574,197</u>	<u>3,855,277</u>	<u>(740,357)</u>	<u>30,689,117</u>
Total Capital Assets Depreciated	<u>\$ 362,808,187</u>	<u>\$ 34,013,054</u>	<u>\$ (740,357)</u>	<u>\$ 396,080,884</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 89,849,250	\$ 8,447,777	\$ 0	\$ 98,297,027
Other Capital Assets	<u>11,669,207</u>	<u>2,012,509</u>	<u>(584,181)</u>	<u>13,097,535</u>
Total Accumulated Depreciation	<u>\$ 101,518,457</u>	<u>\$ 10,460,286</u>	<u>\$ (584,181)</u>	<u>\$ 111,394,562</u>

**Governmental Activities (Cont.):**

	*Restated			Balance
	Balance	Increases	Decreases	Balance
	7-1-10			6-30-11
Total Capital Assets				
Depreciated, Net	<u>\$ 261,289,730</u>	<u>\$ 23,552,768</u>	<u>\$ (156,176)</u>	<u>\$ 284,686,322</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 346,700,163</u>	<u>\$ 59,451,606</u>	<u>\$ (25,688,245)</u>	<u>\$ 380,463,524</u>

\*See footnote I.D.7. for prior-period adjustment.

Depreciation expense was charged to functions of the discretely presented Williamson County School Department as follows:

**Governmental Activities:**

Instruction	\$ 17,196
Support Services	10,293,084
Operation of Non-Instructional Services	<u>150,006</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 10,460,286</u>

**D. Construction Commitments**

At June 30, 2011, Williamson County had uncompleted construction contracts of approximately \$1,002,599 in the General Capital Projects Fund for improvements at the jail, parks and recreation renovations, sewer projects, and renovations to the historic courthouse. Funding has been received for these future expenditures.

At June 30, 2011, the School Department had uncompleted construction contracts of approximately \$6,544,555 in the Education Capital Projects Fund for the school building program. Funding has been received for these future expenditures.

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2011, was as follows:

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Highway/Public Works	\$ 841,312
School Department Component Unit:		
General Purpose School	Nonmajor governmental	24,208

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2011, consisted of the following amounts:

**Primary Government**

Transfers Out	Transfers In		
	General Fund	Highway/ Public Works Fund	General Debt Service Fund
General Capital Projects Fund	\$ 40,000	\$ 265,457	\$ 1,124,381
Fiduciary	63,801	0	0
<b>Total</b>	<b>\$ 103,801</b>	<b>\$ 265,457</b>	<b>\$ 1,124,381</b>

Transfers Out	Transfers In		
	Rural Debt Service Fund	General Capital Projects Fund	Fiduciary Funds
General Fund	\$ 0	\$ 1,311,895	\$ 68,715
General Capital Projects Fund	8,810,212	0	1,710,315
Highway/Public Works Fund	0	650,000	0
Nonmajor governmental funds	0	749,500	0
<b>Total</b>	<b>\$ 8,810,212</b>	<b>\$ 2,711,395</b>	<b>\$ 1,779,030</b>

**Discretely Presented Williamson County School Department**

	Transfer In
Transfer Out	General Purpose School Fund
Nonmajor governmental funds	\$ 234,922

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

**F. Long-term Debt**

**Primary Government**

**General Obligation Bonds and Other Loans**

The county issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation bonds and notes.

General obligation bonds and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds and other loans outstanding were issued for original terms of up to 25 years for bonds and up to 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and other loans included in long-term debt as of June 30, 2011, will be retired from the debt service funds.

General obligation bonds and other loans outstanding as of June 30, 2011, for governmental activities are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-11
General Obligation Bonds	1 to 5.75%	\$ 201,655,000	\$ 78,245,000
General Obligation Bonds - Refunding	2 to 5.5	215,265,000	180,820,000
Rural School Bonds	0.85 to 5.75	169,275,000	117,520,000
Rural School Bonds - Refunding	2 to 5.5	122,600,000	101,405,000
Other Loans	variable	14,600,000	8,197,000

In prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$8,490,000 to the county for various renovation and construction projects. The loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2011, the variable interest rate was .37 percent, and other fees totaled approximately .25 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

Also, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$4,095,000 to the county for various renovation and construction projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2011, the variable interest rate was .27 percent, and other fees totaled approximately .3 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

In addition, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$2,015,000 to the county for various renovation and construction projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2011, the variable interest rate was .27 percent, and other fees totaled approximately .3 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2011, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2012	\$ 823,000	\$ 26,242	\$ 32,154	\$ 881,396
2013	859,000	23,519	29,277	911,796
2014	896,000	20,672	26,276	942,948
2015	937,000	17,698	23,149	977,847
2016	979,000	14,585	19,880	1,013,465
2017-2021	3,162,000	29,020	48,140	3,239,160
2022-2023	541,000	2,200	5,142	548,342
Total	\$ 8,197,000	\$ 133,936	\$ 184,018	\$ 8,514,954

Year Ending June 30	Bonds		
	Principal	Interest	Total
2012	\$ 26,900,000	\$ 21,344,859	\$ 48,244,859
2013	30,155,000	18,840,017	48,995,017
2014	31,105,000	17,712,788	48,817,788
2015	32,555,000	16,521,298	49,076,298
2016	31,115,000	15,383,874	46,498,874
2017-2021	154,005,000	58,478,899	212,483,899
2022-2026	105,685,000	30,778,365	136,463,365
2027-2031	51,980,000	10,618,997	62,598,997
2032-2034	14,490,000	1,687,050	16,177,050
Total	\$ 477,990,000	\$ 191,366,147	\$ 669,356,147

There is \$33,416,404 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$2,609, based on the 2010 federal census. Debt per capita, including bonds and other loans totaled \$2,654, based on the 2010 federal census.

#### Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2011, was as follows:

Governmental Activities:

	Bonds	Other Loans	Self-Insured Other Postemployment Benefits
Balance, July 1, 2010	\$ 461,950,000	\$ 8,984,000	\$ 7,005,227
Additions	74,950,000	0	5,283,041
Deductions	(58,910,000)	(787,000)	(720,885)
Balance, June 30, 2011	<u>\$ 477,990,000</u>	<u>\$ 8,197,000</u>	<u>\$ 11,567,383</u>
Balance Due Within One Year	<u>\$ 26,900,000</u>	<u>\$ 823,000</u>	<u>\$ 0</u>

	Compensated Absences	Claims and Judgments	Closure/ Postclosure Care Costs
Balance, July 1, 2010	\$ 2,112,833	\$ 6,184,696	\$ 62,653
Additions	2,199,230	40,982,512	627
Deductions	(2,152,333)	(41,142,924)	0
Balance, June 30, 2011	<u>\$ 2,159,730</u>	<u>\$ 6,024,284</u>	<u>\$ 63,280</u>
Balance Due Within One Year	<u>\$ 2,159,730</u>	<u>\$ 6,024,284</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2011	\$ 506,001,677
Less: Due Within One Year	(35,907,014)
Add: Unamortized Premium on Debt	19,884,171
Less: Deferred Amount on Refunding	<u>(10,279,445)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 479,699,389</u>

The internal service fund primarily serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, \$5,448,526 of claims and judgments in the internal service fund is included in the above amounts. Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public

Works funds. Landfill closure/postclosure care costs will be paid from the General Capital Projects Fund.

Current Refunding

On December 22, 2010, Williamson County currently refunded several general obligation and rural school bond issues with two separate bond issues. The county issued \$24,500,000 of general obligation refunding bonds and \$14,500,000 of rural school refunding bonds to provide resources to retire the bonds. As a result of the current refunding, total debt service payments over the next nine years will be reduced by \$4,410,643, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$4,372,304 was obtained.

Defeasance of Prior Debt

In prior years, Williamson County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county’s financial statements. At June 30, 2011, the following outstanding bonds are considered defeased:

	<u>Amount</u>
2002 General Obligation	\$ 17,430,000
2004A General Obligation	6,320,000
2004B General Obligation	9,465,000
2006 GO School and Public Improvement	15,690,000
2001 Rural School	2,165,000
2002 Rural School	6,175,000
2004A Rural School	5,855,000
2004B Rural School	9,975,000
2006 Rural School	13,570,000

Discretely Presented Williamson County School Department

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Williamson County School Department for the year ended June 30, 2011, was as follows:

Governmental Activities:

	Compensated Absences	Claims and Judgments
Balance, July 1, 2010	\$ 982,698	\$ 480,250
Additions	1,035,535	1,930,198
Deductions	(899,699)	(1,936,991)
	<hr/>	<hr/>
Balance, June 30, 2011	\$ 1,118,534	\$ 473,457
	<hr/>	<hr/>
Balance Due Within One Year	\$ 167,780	\$ 473,457
	<hr/>	<hr/>

	State Medicare Postemployment Benefits	Self-Insured Other Postemployment Benefits
Balance, July 1, 2010	\$ 737,903	\$ 34,053,169
Additions	267,753	26,975,303
Deductions	(2,075)	(3,519,610)
	<hr/>	<hr/>
Balance, June 30, 2011	\$ 1,003,581	\$ 57,508,862
	<hr/>	<hr/>
Balance Due Within One Year	\$ 0	\$ 0
	<hr/>	<hr/>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2011	\$ 60,104,434
Less: Due Within One Year	<u>(641,237)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 59,463,197</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds. Claims and judgments will be paid from the General Purpose School Fund.

**G. On-Behalf Payments – Discretely Presented Williamson County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Williamson County School Department. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Medicare Supplement Plan for the year ended June 30, 2011, were \$13,162.

The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**H. Short-term Debt**

Williamson County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Purpose School Fund. These notes were necessary because funds were not available to meet various operational expenditures coming due before the current tax collections. Short-term debt activity for the year ended June 30, 2011, was as follows:

	Balance 7-1-10	Issued	Paid	Balance 6-30-11
Tax Anticipation Notes	\$ 0	\$ 12,000,000	\$ (12,000,000)	\$ 0

**V. OTHER INFORMATION**

**A. Risk Management**

Williamson County and the Williamson County School Department have chosen to establish the Self-Insurance Fund for risks associated with the employees' health insurance plans. The Self-Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$200,000 per specific loss. The PPO and HMO plans do not carry aggregate reinsurance.

All full-time and certain retired employees of the primary government and the discretely presented Williamson County School Department are eligible to participate. A premium charge is allocated to each fund that accounts for its employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Self-Insurance Fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2009-10	\$ 5,459,708	\$ 38,584,941	\$ (38,207,096)	\$ 5,837,553
2010-11	5,837,553	39,026,141	(39,415,168)	5,448,526

Williamson County and the discretely presented Williamson County School Department are self-insured for all other risks of loss, including general liability, property, casualty, and workers' compensation. The county carries commercial insurance coverage for any specific loss exceeding \$100,000 (\$200,000 workers' compensation) and aggregate losses from \$1,000,000 to \$3,990,000 in a given year. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

**B. Accounting Change**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* became effective for the year ended June 30, 2011.

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications include nonspendable, restricted, committed, assigned, and unassigned and are based on the relative strength of the constraints that control how specific amounts can be spent. Also, Statement No. 54 clarified the definitions of the General Fund and the special revenue, capital projects, debt service, and permanent fund types. Williamson County and the Williamson County School Department have implemented provisions of this statement in the financial statements of this report for their governmental funds.

**C. Subsequent Events**

On September 19, 2011, the county's General Debt Service Fund issued a \$5,000,000 tax anticipation note and the General Capital Projects Fund issued a \$5,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds.

**D. Contingent Liabilities**

The county and School Department are involved in several pending lawsuits. Attorneys for the county and the School Department estimate that the potential claims against the county and School Department not covered by

insurance resulting from such litigation would not materially affect the financial statements of the county and School Department.

Williamson County is contingently liable for certain revenue bonds and loans of the discretely presented Williamson County Hospital District. Williamson County would become liable for these bonds, loans, and the interest thereon, in case of default by the Williamson County Hospital District.

**E. Landfill Closure/Postclosure Care Costs**

Williamson County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill, solid waste transfer station, demolition landfill, and a compost facility. The county has provided financial assurances for estimated closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require Williamson County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$63,280 reported as landfill closure and postclosure care liability at June 30, 2011, represents the cumulative amount reported to date based on the use of seven percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of closure and postclosure care of \$840,717 if the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2011. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**F. Joint Ventures**

The Cool Springs Conference Center is a joint venture between Williamson County and the City of Franklin. The parties have agreed to share equally all revenues, expenses, and other legal obligations from the operation of the conference center. The county's net investment of \$6,794,625 is reported as an asset in the governmental activities column on the Statement of Net Assets. The county's share of 2010-11 revenues (\$277,021) and expenditures (\$52,210) related to the conference center are included in the county's General Fund. Williamson County and the City of Franklin have contracted with Noble Investments, Cool Springs, LLC, for the operation and maintenance of the conference center.

The Twenty-first Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-first Judicial District; Williamson, Perry, Lewis, and Hickman

counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors, including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Williamson County does not retain an equity interest in the DTF.

Complete financial statements for the Cool Springs Conference Center and the Twenty-first Judicial District Drug Task Force can be obtained from their respective administrative offices at the following addresses:

#### Administrative Offices

Cool Springs Conference Center  
City of Franklin  
P.O. Box 305  
Franklin, TN 37065-0305

Office of District Attorney General  
Twenty-first Judicial District Drug Task Force  
P.O. Box 937  
Franklin, TN 37065

### **G. Retirement Commitments**

#### **1. Tennessee Consolidated Retirement System (TCRS)**

##### Plan Description

Employees of Williamson County are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979, become vested after five years of service, and members joining prior to July 1, 1979, were vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters

34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Williamson County participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the 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 <http://www.tn.gov/treasury/tcrs/PS/>.

### Funding Policy

Williamson County requires employees to contribute five percent of their earnable compensation to the plan. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2011, was 7.94 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the county is established and may be amended by the TCRS Board of Trustees.

### Annual Pension Cost

For the year ended June 30, 2011, the county's annual pension cost of \$4,684,271 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2009, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post retirement increases of 2.5 percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a ten-year period. The county's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2009, was six years. An actuarial valuation was performed as of July 1, 2009, which established contribution rates effective July 1, 2010.

**Trend Information**

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-11	\$4,684,271	100%	\$0
6-30-10	4,339,891	100	0
6-30-09	4,297,219	100	0

**Funded Status and Funding Progress**

As of July 1, 2009, the most recent actuarial valuation date, the plan was 83.61 percent funded. The actuarial accrued liability for benefits was \$112 million, and the actuarial value of assets was \$93 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$18 million. The covered payroll (annual payroll of active employees covered by the plan) was \$57 million, and the ratio of the UAAL to the covered payroll was 32.34 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The annual required contribution was calculated using the aggregate actuarial cost method. Since the aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and this information is intended to serve as a surrogate for the funded status and funding progress of the plan.

**SCHOOL TEACHERS**

**Plan Description**

The Williamson County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member’s high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested

members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. Cost of living adjustments (COLA) are provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEPP. 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.tn.gov/treasury/tcrs/Schools](http://www.tn.gov/treasury/tcrs/Schools).

#### Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2011, was 9.05 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2011, 2010, and 2009, were \$8,818,882, \$6,852,037, and \$6,730,952, respectively, equal to the required contributions for each year.

## **2. Deferred Compensation**

#### Primary Government

Williamson County offers its employees a deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plan.

## Discretely Presented Williamson County School Department

The Williamson County School Department offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 457 and the Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

### **H. Other Postemployment Benefits (OPEB)**

#### **Self-Insurance Plan**

##### Plan Description

All full-time employees hired prior to July 1, 2009, and eligible retirees of the primary government and the discretely presented Williamson County School Department are eligible to participate in the health and dental insurance cost sharing plan accounted for in the Self-Insurance Fund (internal service fund). Life insurance ranging from \$2,700 to \$15,000 is also provided at full cost to the retiree. For accounting purposes, the plan is an agent single-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the County Commission.

##### Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The county develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums.

An employee hired prior to July 1, 2009, who retires from Williamson County becomes eligible for retiree health coverage upon the earlier of attaining: (1) age 55 with ten years of service and active coverage for one year prior to retirement, or (2) any age with 30 years of service and active coverage for one year prior to retirement. Williamson County pays 80 percent of the costs of benefits. If the retiree is eligible for health and dental insurance coverage, the coverage is also provided for the retiree's spouse and/or dependent children. Once the retirees or their dependent(s) become eligible for Medicare, the county coverage will become the secondary insurance provider. The federal government contributed \$208,525 to Williamson County's Medicare Plan.

Annual OPEB Cost and Net OPEB Obligation

	Primary Government	School Department	Total
ARC	\$ 5,270,523	\$ 26,914,185	\$ 32,184,708
Interest on the NPO	279,029	1,362,319	1,641,348
Adjustment to the ARC	(266,511)	(1,301,201)	(1,567,712)
Annual OPEB cost	<u>\$ 5,283,041</u>	<u>\$ 26,975,303</u>	<u>\$ 32,258,344</u>
Amount of contribution	(720,885)	(3,519,610)	(4,240,495)
Increase/decrease in NPO	\$ 4,562,156	\$ 23,455,693	\$ 28,017,849
Net OPEB obligation, 7-1-10	<u>7,005,227</u>	<u>34,053,169</u>	<u>41,058,396</u>
Net OPEB obligation, 6-30-11	<u>\$ 11,567,383</u>	<u>\$ 57,508,862</u>	<u>\$ 69,076,245</u>

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09	Primary Government	\$ 4,563,000	31 %	\$ 3,152,279
6-30-10	"	4,647,188	17	7,005,227
6-30-11	"	5,270,523	14	11,567,383
6-30-09	School Department	22,648,000	33	15,241,714
6-30-10	"	22,689,213	17	34,053,169
6-30-11	"	26,914,185	13	57,508,862

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010, was as follows:	Primary Government	School Department
Actuarial valuation date	7-1-10	7-1-10
Actuarial accrued liability (AAL)	\$ 41,827,083	\$ 185,332,458
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 41,827,083	\$ 185,332,458
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 29,796,577	\$ 135,582,158
UAAL as a % of covered payroll	140%	137%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual

results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year 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 Methods and Assumptions

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the July 1, 2010, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of ten percent, grading down to five percent. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2008.

### **State Sponsored Medicare Supplement Plan**

#### Plan Description

The Williamson County School Department participates in the state-administered Medicare Supplement Plan for healthcare benefits. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-701, *Tennessee Code Annotated*. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plan is reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at <http://tn.gov/finance/act/cafr.html>.

#### Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop their own contribution policy in terms of subsidizing retired employees' premiums since the committee is not prescriptive on that issue.

The state provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The monthly support for noncertified School Department employees is based on years of service. If the retiree has between 15 and 19 years of service, the monthly support is \$25. If the retiree has between 20 and 29 years of service, the monthly support is \$37.50. Retirees with 30 or more years of service receive monthly support of \$50. Expenditures for postretirement health care benefits are included in the government's annual budget. During the year, expenditures totaling \$2,075 were recognized for postemployment health care.

Annual OPEB Cost and Net OPEB Obligation

	Medicare Supplement Plan
	<hr/>
ARC	\$ 266,000
Interest on the NPO	33,205
Adjustment to the ARC	(31,452)
Annual OPEB cost	<hr/> \$ 267,753
Amount of contribution	(2,075)
Increase/decrease in NPO	<hr/> \$ 265,678
Net OPEB obligation, 7-1-10	<hr/> 737,903
Net OPEB obligation, 6-30-11	<hr/> <hr/> \$ 1,003,581

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09	Medicare Supplement	\$ 242,285	1 %	\$ 476,234
6-30-10	"	264,132	1	737,903
6-30-11	"	267,753	1	1,003,581

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010, was as follows:	Medicare Supplement Plan
	<hr/>
Actuarial valuation date	7-1-10
Actuarial accrued liability (AAL)	\$ 2,145,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 2,145,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ N/A
UAAL as a % of covered payroll	N/A

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year 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 Methods and Assumptions

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the July 1, 2010, actuarial valuation, the projected unit credit actuarial cost method was used and the actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses). The annual healthcare premium trend rate for the medicare supplement plan was ten percent for fiscal year 2011. The trend will decrease to 9.5 percent in fiscal year 2012 and then will be reduced by decrements to an ultimate rate of five percent by fiscal year 2021. Both rates include a three percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with June 30, 2008.

#### **I. Office of Central Accounting, Budgeting, and Purchasing**

Williamson County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and the highway superintendent. These funds are maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of accounts and budgets. Williamson County also operates under provisions of the Williamson County Budget Act, Chapter 56, Private Acts of 2001.

#### **J. Purchasing Laws**

##### Offices of County Mayor and Highway Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*. Purchasing procedures for the Highway Department are

also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes require that purchase orders be issued for all purchases and that sealed bids be solicited on purchases exceeding \$10,000 for the Offices of County Mayor and Highway Superintendent.

Office of Director of Schools

Purchasing procedures for the discretely presented Williamson County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids be solicited through newspaper advertisement on all purchases exceeding \$10,000.

**VI. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY HOSPITAL DISTRICT**

**A. Reporting Entity**

Williamson County Hospital District operates under the name of Williamson Medical Center and is a general, short-term, acute care hospital organized as a political subdivision of Williamson County, Tennessee. The medical center constitutes a component unit of the county, which is considered the primary government unit. The Williamson County Commission adopted a resolution in 1992, in conjunction with acquiring title to the property and equipment of the district, giving the district complete authority and responsibility to manage and operate the medical center as provided in Chapter 107 of the Private Act of 1957, passed by the Tennessee legislature. The county is financially accountable as it appoints a voting majority of the district's Board of Trustees, and the full faith and credit of the county is pledged for payment of principal and interest on the outstanding hospital revenue and tax bonds.

The primary mission of the medical center is to provide inpatient and outpatient healthcare services to citizens of Williamson County and surrounding areas. The medical center also provides ambulance services in Williamson County.

Williamson Medical Center Foundation is a tax-exempt organization, which was established in 2003. The foundation was formed to coordinate the fund-raising and development activities of the medical center, which is the sole member of the organization. The activities of the foundation are reflected in the operating and nonoperating revenues (expenses) as they relate to the foundation in the accompanying combined statements of revenues, expenses, and changes in net assets. All assets of the foundation, other than unconditional promises to give, are shown as part of assets limited as to use in the accompanying combined Statements of Net Assets.

The medical center follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an amendment of GASB Statement No. 14. As a result, the foundation is included in the accompanying combined financial statements as a discretely presented component unit of the medical center.

As required by accounting principles generally accepted in the United States of America, these combined financial statements present both Williamson Medical Center and its discretely presented component unit (collectively referred to as the reporting entity).

**B. Summary of Significant Accounting Policies**

Basis of Presentation – The medical center utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis. Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the medical center has elected to apply all relevant pronouncements of the Financial Accounting Standards Board and predecessor standard setting organizations, including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Cash and Cash Equivalents – The medical center considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of amounts maintained in bank deposits and overnight repurchase agreements, which are insured by the Federal Deposit Insurance Corporation or are otherwise collateralized.

Inventories – Inventories consist principally of medical and pharmaceutical supplies and are stated at the lower of cost, determined on the first-in, first-out (FIFO) basis, or market (net realizable value).

Assets Limited as to Use – Assets limited as to use include cash and investments designated by the Board of Trustees for future capital improvements and debt repayment, over which the board retains control and may at its discretion use for other purposes; cash and investments from county bond proceeds to be used for capital improvements; and restricted cash from donors through the foundation. Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Property and Equipment – Property and equipment acquisitions are recorded at cost. The medical center capitalizes purchases that cost a minimum of \$1,000 and have a useful life greater than three years. Assets are depreciated on a straight-line basis over their estimated useful lives as

follows: land improvements two to 25 years; buildings generally 40 years; fixed equipment five to 20 years; and major movable equipment three to 20 years. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation and amortization expense and accumulated depreciation and amortization, respectively. The medical center reviews the carrying values of long-lived assets if facts and circumstances indicate that recoverability may have been impaired. Costs of maintenance and repairs are expensed as incurred. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Investment in Joint Ventures – Investment in joint ventures are accounted for under the equity method of accounting and the medical center recognizes its share in the results of the underlying activities of the joint ventures.

Bond Issuance Costs – Costs incurred in issuing the revenue bonds are being amortized over the term of the related bond issues using the straight-line method.

Accrual for Compensated Absences – The medical center recognizes an expense and accrues a liability for compensated future employee absences in the period in which employees' rights to such compensated absences are earned. Compensated absences consist of paid days off, including holiday, vacation, sick, and bereavement days to qualifying employees.

Patient Service Revenue – The medical center has agreements with third-party payors that provide for payments to the medical center at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Risk Management – The medical center is exposed to various risks of loss from medical malpractice; torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. Commercial insurance is purchased for claims arising from such matters. The medical center is self-insured for employee medical and other healthcare benefit claims and judgments as discussed later.

Income Taxes – The medical center is classified as an organization exempt from federal income taxes as it is a political subdivision of Williamson County. The foundation is classified as an organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Accordingly, no provision for income taxes has been included in the accompanying combined financial statements.

Net Assets – Net assets of the medical center are classified in three components. Net assets invested in capital assets, net of related debt, consist of capital assets net of accumulated depreciation and reduced by the remaining balances of any outstanding borrowings used to finance the 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 medical center, including amounts related to county contributions and bond indebtedness restricted for specific purposes. Unrestricted net assets are remaining net assets that do not meet the definition of invested in capital assets, net of related debt, or restricted. During 2011, \$427 of net assets were released from restrictions and reclassified from restricted to unrestricted.

Operating Revenues and Expenses – The medical center's statement of revenues, expenses, and changes in net assets distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing healthcare services – the medical center's principal activity. Nonexchange revenues, including grants and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide healthcare services, other than financing costs.

Charity Care – The medical center accepts all patients, regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the medical center. In assessing a patient's inability to pay, the medical center utilizes generally recognized poverty income levels. Because the medical center does not pursue collection of amounts determined to qualify as charity care, charges related to charity care are not included in net patient service revenue. In addition to these charity care services, the medical center provides a number of other services to benefit underprivileged patients for which little or no payment is received, including providing services to TennCare and state indigent patients and providing various public health education, health evaluation, and screening programs.

Contributed Resources – The medical center receives grants from the county, as well as from individuals and private organizations through the foundation. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to specific operating purposes are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported as other increases in net assets.

Recently Issued Accounting Pronouncements – In August 2010, accounting standards relating to the presentation of insurance claims and related insurance recoveries for health care entities were amended to require the entity to recognize an insurance receivable at the same time that it recognizes the liability, measured on the same basis of the liability. These amendments are effective for financial statements for the fiscal years beginning after December 15, 2010. Therefore, the medical center expects to adopt these standards at the beginning of the fiscal year 2012.

In August 2010, accounting standards relating to the disclosure of charity care for health care entities were amended to require the entity to measure charity care based on the direct and indirect costs of providing the charity care. These amendments are effective for financial statements for fiscal years beginning after December 15, 2010. Therefore, the medical center expects to adopt these standards at the beginning of fiscal year 2012.

The medical center is currently assessing the impact of adopting these accounting standards.

Use of 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Performance Indicator – Excess of revenues over expenses reflected in the accompanying statement of revenues, expenses, and changes in net assets is a performance indicator.

### C. Fair Value Measurements

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2), and the reporting entity's own assumptions about market participant assumptions (Level 3). While a majority of the medical center's assets whose use is limited are cash equivalents, the medical center has approximately \$5,000,000 in certificates of deposit as of June 30, 2011, that would be classified as Level 2 under the hierarchy above. The medical center does not have any fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2011.

Financial Assets – The carrying amount of financial assets, consisting of cash, accounts receivable, accounts payable, accrued expenses, and current portions of long-term debt and capital lease obligations approximate their fair value due to their relatively short maturities. Long-term debt and capital lease obligations are carried at amortized cost, which approximates fair value.

Non-Financial Assets – The medical center’s non-financial assets, which include property and equipment, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required, and the medical center is required to evaluate the non-financial instrument for impairment, a resulting asset impairment would require that the non-financial asset be recorded at the fair value. During the year ended June 30, 2011, there were no triggering events that prompted an asset impairment test of the medical center’s non-financial assets. Accordingly, the medical center did not measure any non-recurring, non-financial assets or recognize any amounts in earnings related to changes in fair value for non-financial assets for the year ended June 30, 2011.

**D. Net Patient Service Revenue**

A significant portion of the amount of services provided by the medical center is to patients whose bills are paid by third-party payors such as Medicare, TennCare, and private insurance carriers.

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net assets is as follows:

Gross Patient Service Charges	\$ 407,614,597
Less:	
Medicare Contractual Adjustments	(119,619,140)
TennCare Contractual Adjustments	(22,829,260)
Other Contractual Adjustments	(104,356,757)
Bad Debt	(10,570,824)
Charity Care	(7,667,894)
	<hr/>
Net Patient Service Revenue	<u><u>\$ 142,570,722</u></u>

Net patient accounts receivable consist of the following:

Commercial and Managed Care Plans	\$ 8,670,972
Medicare	3,398,009
TennCare	705,289
Patients, Including Self-Insured	9,291,277
Less: Allowance for Uncollectible Accounts	<u>(6,608,348)</u>
 Total	 <u><u>\$ 15,457,199</u></u>

**E. Third-party Reimbursement Programs**

The medical center renders services to patients under contractual arrangements with the Medicare and Medicaid programs. Effective January 1, 1994, the Medicaid program in Tennessee was replaced with TennCare, a managed-care program designed to cover previous Medicaid-eligible enrollees, as well as other previously uninsured and uninsurable participants.

Amounts earned under these contractual arrangements are subject to review and final determination by fiscal intermediaries and other appropriate governmental authorities or their agents. Activity with respect to audits and reviews of governmental programs and reimbursement has increased and is expected to increase in the future. No additional reserves or allowances have been established with regard to these increased audits and reviews as management is not able to estimate such amounts. In the opinion of management, any adjustments, which may result from such audits and reviews, will not have a material impact on the financial statements; however, due to the uncertainties involved, it is at least reasonably possible that management's estimates will change in the future. In addition, participation in these programs subjects the medical center to significant rules and regulations; failure to adhere to such could result in fines, penalties, or expulsion from the programs.

The Medicare program pays for inpatient services on a prospective basis. Payments are based upon diagnostic-related group assignments, which are determined by the patient's clinical diagnosis and medical procedures utilized.

The Medicare program reimburses for outpatient services under a prospective method utilizing an ambulatory payment classification system, which classifies outpatient services based upon medical procedures and diagnosis codes.

The medical center contracts with various managed care organizations under the TennCare program. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per diem amounts.

Net patient service revenue related to Medicare and TennCare was approximately \$46,074,000 and \$3,518,000, respectively, in 2011.

The medical center has also entered into reimbursement agreements with certain commercial insurance companies, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, per diem rates, case rates, and discounts from established charges.

**F. Assets Limited as to Use**

Assets limited as to use consist of the following:

By Board for Capital Improvements:	
Cash	\$ 41,520,854
By Board for Bond Principal and Interest Payments:	
Cash	2,658,244
By Donors:	
Cash	<u>732,748</u>
 Total Assets Limited as to Use	 <u><u>\$ 44,911,846</u></u>

Balances consist of cash and certificates of deposit at June 30, 2011. Amounts are classified as noncurrent assets to the extent they are not expected to be used to satisfy current obligations.

Amounts classified as current assets will be used to pay bond principal and interest payments.

All cash assets limited as to use at June 30, 2011, are insured by the Federal Deposit Insurance Corporation, registered or otherwise collateralized by the financial institution through the State of Tennessee Collateral Bank Pool. See Note VI.O. for additional information related to the medical center's risks with respect to its investments.

**G. Capital Contributions**

During 2003, the county contributed \$20 million in funds toward the medical center's facility expansion and renovation project pursuant to a resolution of the County Commission. These funds were raised from a county bond issue, which will be repaid, along with interest, from county revenues. In March 2011, the county requested that the medical center pay the 2012 through 2016 principal and interest payments related to the debt. In June 2011, the medical center Board of Trustees approved the payment of the 2012 principal and interest payments, which will approximate \$1,700,000. The Board of Trustees will consider the payment of the future principal and interest payments at a later date.

## H. Property and Equipment

The major classifications and changes in property and equipment, as of and for the year ended June 30, 2011, are as follows:

	Balance 7-1-10	Additions	Retirements	Balance 6-30-11
Land	\$ 6,513,813	\$ 0	\$ 0	\$ 6,513,813
Land Improvements	2,226,518	156,550	0	2,383,068
Building and Improvements	120,305,670	10,907,941	0	131,213,611
Equipment	60,162,601	2,855,245	(36,664)	62,981,182
Equipment Under Capital Leases	11,955,613	2,112,919	0	14,068,532
Subtotal	\$ 201,164,215	\$ 16,032,655	\$ (36,664)	\$ 217,160,206
Less: Accumulated Depreciation and Amortization	(88,281,145)	(9,092,666)	36,664	(97,337,147)
Add: Construction in Progress	19,880	812,508	(41,811)	790,577
Total	\$ 112,902,950	\$ 7,752,497	\$ (41,811)	\$ 120,613,636

Construction in progress at June 30, 2011, consists primarily of renovations to department offices, software upgrades, and a new payroll system. Estimated costs to complete these projects totaled approximately \$3,178,000 at June 30, 2011.

## I. Investments in Joint Ventures

During 2006, the medical center entered into a joint venture with physicians to own and operate Williamson Surgery Center, LLC. As of June 30, 2011, the medical center's ownership interest in the surgery center was approximately 48 percent. There was no operating revenue for the year ended June 30, 2011, from the surgery center. For the year ended June 30, 2011, the medical center received \$71,205 in distributions from the joint venture. In August 2011, the medical center purchased an additional 32 percent ownership interest held by physicians for approximately \$1,024,000 and began consolidating the operations of the surgery center.

In December 2007, the medical center entered into a joint venture with Saint Thomas Network to own and operate Williamson Saint Thomas Community Health, LLC (WSTCH), which began operations during the year ended June 30, 2008. As of June 30, 2009, the joint venture was owned equally by the medical center and Saint Thomas Network and net income/loss of WSTCH to be divided equally. Effective November 30, 2009, the medical center acquired the remaining ownership interest in WSTCH. No consideration was required for this transaction. Prior to November 30, 2009, the medical center provided administrative and other services and personnel to WSTCH.

In July 2008, the medical center entered into a joint venture with Saint Thomas Network to own and operate Williamson Saint Thomas Medical Group, LLC (WSTMG), which began operations during the year ended June 30, 2009. The medical center owned 80 percent and Saint Thomas Network owned 20 percent of WSTMG, and net income/loss of WSTMG was to be allocated based on these ownership interests at June 30, 2009. Effective November 30, 2009, the medical center acquired the remaining ownership interest in WSTMG in consideration for forgiveness of a receivable due from WSTMG totaling \$36,137. Prior to November 30, 2009, the medical center provided administrative and other services and personnel to WSTMG.

The medical center contributed \$189,989 during 2011 to WSTCH and WSTMG.

The medical center also has an investment in Shared Hospital Services, Inc. (S.H.S.), which provides laundry and linen services. This investment is in a joint venture in which the medical center owns approximately seven percent at June 30, 2011. Equity earnings are distributed based upon tons of laundry processed by S.H.S.

The medical center paid S.H.S. approximately \$512,000 for laundry services for 2011.

Combined summary information for the surgery center and S.H.S. as of June 30, 2011, and for the year then ended, is as follows:

Total Assets	<u>\$ 12,948,362</u>
Total Liabilities	<u>\$ 5,328,226</u>
Net Revenues	<u>\$ 16,178,204</u>
Net Earnings (Loss)	<u>\$ 603,827</u>
Medical Center's Interest	
Investment in Joint Ventures	<u>\$ 690,036</u>
Equity in Earnings (Losses) of Joint Ventures	<u>\$ 123,967</u>

**J. Williamson County Ambulance Service**

Pursuant to terms of an agreement with the county, which has been and may continue to be renewed annually upon agreement by both parties, the medical center controls and operates the Williamson County Ambulance Service. In accordance with this agreement, the county made unrestricted donations to the medical center of \$1,943,624 in 2011, which is included in other revenue in the accompanying statements of revenues, expenses, and changes in net assets. The agreement also provides for the medical center to return all related assets (as defined) of the ambulance service to the county at the end of the contract period. The net book value of assets related to the ambulance service was approximately \$1,401,708 at June 30, 2011. In March 2011, the

county requested that this donation be discontinued for the years ended June 30, 2012 through 2016. No formal agreements approving this request have been executed as of report issuance.

**K. Long-term Debt**

A schedule of changes in the medical center’s long-term debt is as follows:

	Balance 7-1-10	Additions	Reductions	Balance 6-30-11	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	\$ 12,215,000	\$ 0	\$ (625,000)	\$ 11,590,000	\$ 650,000
Hospital Revenue and Tax Bonds Series 2004A	11,700,000	0	(620,000)	11,080,000	645,000
Hospital Revenue and Refunding Tax Bonds Series 2008 2.41% Note	3,660,000	0	(1,800,000)	1,860,000	1,860,000
Payable to Bank (LIBOR + 1.75%) 4.31% Note	7,333,333	0	(566,667)	6,766,666	1,400,004
Payable to Bank .97% Note	7,023,421	0	(343,479)	6,679,942	402,152
Payable to Bank (LIBOR + 0.65%) .97% Note	206,176	0	(206,176)	0	0
Payable to Bank (LIBOR + 0.65%) 4.5% Note	370,286	0	(211,592)	158,694	158,694
Payable to Bank 1.67% Note	1,755,013	0	(169,116)	1,585,897	176,049
Payable to Bank (LIBOR + 1.35%) 1.72% Note	698,731	0	(306,700)	392,031	306,696
Payable to Bank (LIBOR + 1.50%)	0	9,150,000	0	9,150,000	838,750
<b>Total</b>	<b>\$ 44,961,960</b>	<b>\$ 9,150,000</b>	<b>\$ (4,848,730)</b>	<b>\$ 49,263,230</b>	<b>\$ 6,437,345</b>

On December 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004B for the purpose of constructing improvements and renovations to and equipping of the medical center. Specifically, the 2004B Bonds were used for the multi-phase facility expansion and renovation project, which extended over several years and was substantially completed in 2007. The remaining Series 2004B Bonds bear interest rates ranging from 3.5 percent to 4.375 percent and are due through May 1, 2025.

The Series 2004B Bonds maturing on or after May 1, 2016, are subject to redemption at the option of the county on or after May 1, 2015, at 100 percent of par value, plus interest accrued to the redemption date.

On June 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004A to construct improvements and renovations to and equipping of the medical center. Specifically, the 2004A Bonds were also used for the multi-phase facility expansion and renovation project. The remaining Series 2004A Bonds bear interest at rates ranging from four percent to 4.875 percent and are due through May 1, 2024.

The Series 2004A Bonds maturing on or after May 1, 2015, are subject to redemption at the option of the county on or after May 1, 2014, at 100 percent of par value, plus interest accrued to the redemption date.

On February 28, 2008, the county issued \$7,100,000 in Hospital Revenue and Tax Refunding Bonds, Series 2008 to refund the Series 1997 Bonds. The Series 2008 Bonds bear interest at rates ranging from three percent to five percent and are due through May 1, 2012. The Series 2008 Bonds are not subject to optional redemption prior to maturity.

The Series 2004A, Series 2004B, and the Series 2008 Bonds are collateralized by a pledge of the net revenues of the medical center and security interests in accounts receivable and certain other assets. In the event of a deficiency, the bonds are payable from unlimited ad valorem taxes levied on all taxable property within the county. The trust indentures related to the bonds contain certain covenants and restrictions, involving the issuance of additional debt and income available for debt service.

The medical center also issues notes payable to finance certain property and equipment additions. The 3.15 percent note payable to the bank represents amounts drawn under a \$10 million line of credit, which converted to a term loan on March 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in March 2015. This loan is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 4.31 percent note payable to bank represents amounts drawn under a \$7.5 million construction loan, which converted to a term loan on December 1, 2008, with monthly principal and interest payments based on a 15-year amortization, with all outstanding principal and interest due November 2013. This loan is secured by security interests in accounts receivable, excluding Medicare payments. The .84 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus .65 percent through February 2012 and is secured by equipment and ambulances. The 4.5 percent note payable to bank is payable in monthly amounts of principal and interest of \$20,390 through February 2019 and is secured by the medical center's deposit accounts and security interests in accounts receivable, excluding Medicare payments. The 1.57 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.35 percent through July 2018 and is unsecured. In

June 2011, the hospital issued a \$9,150,000 note payable to bank for the purchase of a building. The 1.72 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.5 percent through July 2014 and is secured by accounts receivable.

The debt service requirements at June 30, 2011, related to long-term debt are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2012	\$ 6,437,345	\$ 1,744,270
2013	4,349,858	1,524,932
2014	9,765,742	1,223,770
2015	10,679,927	916,157
2016	1,726,349	762,572
2017-2021	9,124,009	2,790,030
2022-2026	7,180,000	795,240
Total	<u>\$ 49,263,230</u>	<u>\$ 9,756,971</u>

During 2011, the medical center did not capitalize any interest relating to construction projects.

**L. Other Receivables**

Other current and long-term receivables at June 30, 2011, include \$678,854 in receivables from certain physicians, which were made as part of the medical center's recruitment program to attract physicians to the medical center's service area. Under terms of the related agreements, such receivables will be forgiven over a period of time, generally over three years, as long as the physician continues to practice in the area. The medical center is amortizing these loans over the physicians' service commitments.

**M. Employees Retirement Plan**

The medical center participates in a tax-sheltered annuity program for substantially all of its employees who have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately \$2,095,000 in 2011 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. The medical center's contribution percentage is three percent of covered wages for non-management employees, seven percent for management employees, and ten percent for executives, as of June 30, 2011. The medical center also matches employee contributions up to two percent of compensation. Employees may make voluntary contributions so long as the total amount

contributed by the employee does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. The plan's investments at June 30, 2011, consist of various mutual fund and fixed income investments.

**N. Functional Expenses**

The following is a summary of management's functional classification of operating expenses:

Healthcare Services	\$ 80,111,209
General and Administrative	<u>57,515,678</u>
Total	<u><u>\$ 137,626,887</u></u>

**O. Leases**

The medical center leases equipment and office space under capital and operating lease agreements. Future minimum lease payments under capital leases and noncancellable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2011, are as follows:

Year Ending June 30	Capital Leases	Operating Leases
2012	\$ 1,284,787	\$ 1,265,000
2013	811,548	626,000
2014	198,115	518,000
2015	<u>0</u>	<u>38,000</u>
Total future minimum lease payments	\$ 2,294,450	<u><u>\$ 2,447,000</u></u>
Less amounts representing interest of 3.86% to 4.5%	<u>(58,381)</u>	
Present value of net minimum lease payments	<u><u>\$ 2,236,069</u></u>	

A schedule of changes in the medical center's capital leases is as follows:

Balance 7-1-10	Additions	Reductions	Balance 6-30-11	Due Within One Year
\$ 1,591,084	\$2,360,281	\$ (1,715,296)	\$2,236,069	\$1,246,344

The medical center generates rental income primarily from operating leases of three medical office buildings. Rental revenue was \$2,605,640 in 2011 and is included in other revenue.

Future minimum rental revenue under noncancellable leases, including a lease with the surgery center currently for \$64,000 per month through September 2015, at June 30, 2011, is as follows:

Year Ending June 30	Amount
2012	\$ 2,509,000
2013	2,211,000
2014	1,937,000
2015	1,497,000
2016	1,191,000
Thereafter	<u>166,000</u>
Total	<u>\$ 9,511,000</u>

Future minimum rental payments generally include minor annual increases for inflation. Rental income in excess of rent expense was \$695,281 for 2011.

**P. Commitments and Contingencies**

Medical malpractice liability is limited under provisions of the Tennessee Governmental Tort Liability Act (Section 29-20-403, et seq., *Tennessee Code Annotated*), which removed tort liability from governmental entities which, in the opinion of counsel for the medical center, includes the medical center. In addition to requiring claims to be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a provision requiring the governmental entity to purchase insurance or to be self-insured within certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act (\$300,000 for bodily injury or death of any one person and \$700,000 in the aggregate for all persons in any one accident, occurrence, or act) or the amount of insurance purchased by the governmental entity.

The medical center maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are \$1 million per claim and \$3 million in the aggregate annually with a deductible of \$100,000 per claim. In addition, the medical center maintains a \$3 million annual aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past five fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2011, that have resulted in the assertion of claims, although other claims may be asserted, arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's

financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse, and, most recently under the provisions of the Health Insurance Portability and Accountability Act of 1996, matters related to patient records, privacy, and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

The medical center is self-insured for medical and other healthcare benefits provided to its employees and their families. The medical center maintains reinsurance through a commercial excess coverage policy, which covers annual individual employee claims paid in excess of \$175,000 for the plan year. Contributions by the medical center and participating employees are based on actual claims experience. A provision for estimated incurred but not reported claims has been provided in the accompanying financial statements. Total expenses under this program totaled approximately \$7,352,000 for the year ended June 30, 2011.

The medical center is exposed to risks related to its cash and investments, a portion of which is included in assets limited as to use, although certain risks such as credit risk are mitigated due to the medical center's practice of maintaining investments primarily in cash and cash equivalents. The medical center's investment policy includes certificates of deposit, bank demand and savings accounts, and investment vehicles of the United States government. The medical center is subject to investment rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment; however, the medical center's cash and investments are short-term in nature. The medical center's investment policy does not specifically address custodial credit risk, the risk that in the event of failure of a counterparty to a transaction, the medical center will not be able to recover the value of the investment or any collateral securities that are in the possession of an outside party, or concentration of credit risk, the risk that the amount of investments the medical center has with any one issuer exceeds five percent of its total investment. Substantially all of the medical center's cash and equivalents are with two financial institutions.

Management continues to implement policies, procedures, and compliance overviews of organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 and other government statutes and regulations. The medical center's compliance with such laws and regulations is subject to future government review and interpretations, as well as regulatory actions which are unknown or unasserted at this time.

The Centers for Medicare and Medicaid Services ("CMS") have implemented a Recovery Audit Contractors ("RAC") program. The purpose of the program is to reduce improper Medicare payments through the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits, and they are being compensated on a contingency basis based on the amount of overpayments that are recovered. While management believes that all Medicare billings are proper and adequate support is maintained, certain aspects of Medicare billing, coding and support are subject to interpretation and may be viewed differently by the RAC auditors versus medical center management. As the amount of any recovery is unknown, management has not recorded any reserves related to the RAC audit at this time.

## **VII. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

### **A. Summary of Significant Accounting Policies**

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the Williamson County Commission approved resolution number 3-88-7, which established a district for their county, the Williamson County Emergency Communications District. As provided by the act, the district operates as a governmental organization through the directives of a seven-member board of directors and provides enhanced 911 emergency telephone service for its service area. In February 2005, the Williamson County Commission added an eighth representative seat with the new director to be appointed from within the corporate limits of Franklin. The directors serve without compensation for terms of four years.

Financial Reporting Entity - Component Unit – As specified and described by Standard No. 14 of the Governmental Accounting Standards Board (GASB); the district is a component unit of the primary government of Williamson County, Tennessee. The district reports its financial information separately from Williamson County; however, the district's financial information should also be discretely presented by the county in its financial report.

Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Williamson

County Mayor and approved by the Williamson County Commission, the district cannot be a primary government. Instead, it qualifies as a component unit according to the directives of GASB.

GASB No. 14 specifies that component units must be legally separate organizations that have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. By Section 7-86-114, *Tennessee Code Annotated*, before issuing negotiable bonds, the district must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Williamson County Commission has the ability to adjust the district's service charges. Because the district is both a legal entity and financially accountable to the primary government of Williamson County as the County Commission approves all members of the governing board and by the nature of its fiscal dependence on Williamson County as described above, it is a component unit of Williamson County. The district did not engage in any activities that were subject to the approval of Williamson County.

Basis of Presentation and Accounting – As a governmental entity, the district abides by the accounting rules and regulations issued by the Governmental Accounting Standards Board (GASB), as well as the Financial Accounting Standards Board (FASB) issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. After November 30, 1989, the district follows GASB guidance only and does not follow any FASB guidance issued after that date. Promulgations of that board require that the accrual method of accounting be used for governmental units that operate in a manner similar to a private business.

The district does not have the authority to levy or collect taxes but is supported instead by the fees collected from telephone subscribers who benefit from the availability of its service. It recovers the cost of providing its services from its customers. Consequently, the district functions in a manner similar to a private business enterprise and utilizes the accrual method of accounting. Income is recognized as it is earned, and expenses are recognized as they are incurred, whether or not cash is received or paid out at that time.

The accounts of the district are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the district's assets, liabilities, net assets, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing

services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenue; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included in the Statement of Net Assets. Net assets (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt, restricted for debt services, and unrestricted components. As of June 30, 2011, the district had no debt, other than accounts payable.

Budgetary Law and Practice – The treasurer of the district files an annual budget with the county mayor of Williamson County in accordance with *Tennessee Code Annotated*, Title 7, Chapter 86, Part 1. In March of each year, the treasurer presents to the board of directors a preliminary budget, which is then discussed and amended as necessary for board approval.

The budget for operations is prepared on the cash receipts and disbursements basis by line-item accounts. Revenues are budgeted in the year receipt is expected, and disbursements are budgeted in the year that the disbursement is expected to occur. The board has determined to maintain an investment of \$125,000 in cash and cash equivalents as a resource for future purchases of property and equipment.

Equipment – Equipment is stated at cost or estimated historical cost if actual cost is not available and depreciated from two to ten years by the straight-line method of depreciation. The district defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Maintenance and repairs are charged to operations when incurred. Major renewals and betterments are capitalized. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included as non-operating revenue or loss.

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingencies at the date of the financial statements and the reported amounts of the revenues and expenses during the reported period. Actual results could differ from these estimates.

Cash Flow - Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, cash in the local government investment pool, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2011, the district did not hold any certificates of deposits.

Use of Facilities – The district conducts its operations in the Williamson County government’s office building at no cost to the district. The measurement of the contribution from Williamson County is not considered material for disclosure as in-kind support and as an expense in the accompanying statements of revenue, expenses, and changes in net assets.

Operating Revenues and Expenses – The district’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its system. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities. When an expense is incurred for purposes for which there are both restricted and unrestricted net assets available, it is the district’s policy to apply those expenses to restricted net assets to the extent such are available and then to unrestricted net assets.

**B. Cash and Cash Equivalents**

The district is authorized to make investments in bonds, notes, or treasury bills of the United States; Federal Land Bank bonds; Federal Home Loan Bank notes and bonds; Federal National Mortgage Association notes and debentures; banks for cooperative debentures; or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year; or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2011, the board of directors chose to limit the investment of funds to deposits at banks and the local government investment pool.

Cash – At June 30, 2011, the carrying amount of cash deposits was \$1,261,687, and the bank balance was \$1,472,230. At June 30, 2011, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool. The pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

Cash Accounts	Interest Rate	6-30-11	
		Carrying Amount	Bank Balance
Franklin Synergy Bank Checking	Variable	\$ 509,440	\$ 719,983
Local Government Investment Pool	Variable	752,247	752,247
Total		<u>\$ 1,261,687</u>	<u>\$ 1,472,230</u>

**C. Accounts Receivable**

The district receives the majority of its revenue from the telephone subscribers residing within Williamson County. As provided in the act, telephone companies collect the 911 fees from the subscribers and remit the funds on a not longer than bi-monthly basis to the district. The policy of the telephone companies has been to remit based upon their billings rather than on their collections. Accordingly, the financial statements do not include a provision for bad debts. Also included in accounts receivable are amounts from the communities and organizations that have contracted with the district for 911 dispatch services.

The following is the detail of the receivables at June 30, 2011:

AT&T	\$ 38,098
Fairview	54,000
Windstream	8,857
XO Communications	4,738
Others	<u>14,684</u>
Total	<u>\$ 120,377</u>

**D. Capital Assets**

Capital assets are summarized as follows:

	Balance		Balance 6-30-11
	7-1-10	Additions	
Communications Equipment	\$ 1,861,948	\$ 30,424	\$ 1,892,372
Office Furniture and Equipment	67,772	0	67,772
Subtotal	<u>\$ 1,929,720</u>	<u>\$ 30,424</u>	<u>\$ 1,960,144</u>
Less: Accumulated Depreciation	<u>(1,288,053)</u>	<u>(232,189)</u>	<u>(1,520,242)</u>
Total	<u>\$ 641,667</u>	<u>\$ (201,765)</u>	<u>\$ 439,902</u>

**E. Risk Management**

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district is covered under insurance policies maintained by Williamson County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**F. Accounts Payable**

Accounts payable include administration fess totaling \$1,964.

**G. Related-party Transactions**

Williamson County provides dispatch employees and certain services to the district. The district and Williamson County signed an interlocal contract effective from July 1, 1998, to June 30, 1999, that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the district quarterly and are included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets as contracts with government agencies. Amounts paid or payable to Williamson County for the fiscal year 2011 totaled \$1,010,714. The amount payable to Williamson County at June 30, 2011, was zero.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 38,805,008	\$ 0	\$ 0	\$ 38,805,008	\$ 35,232,838	\$ 36,074,150	\$ 2,730,858
Licenses and Permits	1,080,306	0	0	1,080,306	915,000	915,000	165,306
Fines, Forfeitures, and Penalties	569,587	0	0	569,587	377,500	377,500	192,087
Charges for Current Services	5,116,534	0	0	5,116,534	4,799,600	4,801,800	314,734
Other Local Revenues	965,101	0	0	965,101	795,500	913,751	51,350
Fees Received from County Officials	10,675,512	0	0	10,675,512	9,950,000	9,950,000	725,512
State of Tennessee	3,757,593	0	0	3,757,593	3,382,400	3,122,264	635,329
Federal Government	2,252,900	0	0	2,252,900	1,821,500	2,762,552	(509,652)
Other Governments and Citizens Groups	614,172	0	0	614,172	205,000	817,233	(203,061)
Total Revenues	\$ 63,836,713	\$ 0	\$ 0	\$ 63,836,713	\$ 57,479,338	\$ 59,734,250	\$ 4,102,463
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 738,084	\$ 0	\$ 325	\$ 738,409	\$ 670,635	\$ 770,635	\$ 32,226
Board of Equalization	7,054	0	0	7,054	7,700	10,700	3,646
Beer Board	1,725	0	0	1,725	2,700	2,700	975
Other Boards and Committees	1,500	0	250	1,750	3,300	3,300	1,550
County Mayor/Executive	344,163	(4,565)	15,839	355,437	673,895	673,895	318,458
Personnel Office	181,301	0	0	181,301	245,670	245,670	64,369
County Attorney	589,888	0	171	590,059	609,450	609,450	19,391
Election Commission	694,359	(30,157)	498	664,700	734,469	841,347	176,647
Register of Deeds	593,979	(11,000)	0	582,979	566,367	651,487	68,508
Development	2,039,497	(46,420)	29,605	2,022,682	2,141,562	2,181,562	158,880
Planning	4,284	(6,953)	11,530	8,861	23,855	23,855	14,994
Building	16,111	0	938	17,049	19,121	19,121	2,072

(Continued)

Exhibit F-1

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Engineering	\$ 18,213	\$ (9,030)	2,600	11,783	\$ 47,997	\$ 47,997	\$ 36,214
Codes Compliance	39,696	(32,141)	12,201	19,756	50,381	50,381	30,625
Geographical Information Systems	1,071,134	(28,537)	7,500	1,050,097	1,077,416	1,077,416	27,319
County Buildings	2,697,701	(130,376)	68,694	2,636,019	2,975,190	2,984,250	348,231
Other Facilities	95,834	0	0	95,834	99,854	99,854	4,020
Preservation of Records	187,054	(952)	440	186,542	237,385	237,385	50,843
Risk Management	157,063	0	0	157,063	190,030	190,030	32,967
Other Risk Management	242,497	0	0	242,497	252,040	252,040	9,543
<u>Finance</u>							
Accounting and Budgeting	826,120	(42,237)	10,609	794,492	881,239	881,239	86,747
Property Assessor's Office	1,505,936	(54,123)	17,526	1,469,339	1,543,645	1,548,395	79,056
County Trustee's Office	454,792	0	8,149	462,941	528,744	528,744	65,803
County Clerk's Office	848,712	(494)	0	848,218	909,507	929,607	81,389
<u>Administration of Justice</u>							
Circuit Court	1,302,843	(2,840)	2,411	1,302,414	1,420,343	1,436,343	133,929
General Sessions Court	760,270	(41)	30	760,259	707,260	813,200	52,941
Drug Court	83,093	0	0	83,093	0	83,093	0
Chancery Court	395,344	0	0	395,344	394,680	401,513	6,169
Juvenile Court	388,990	(3,075)	0	385,915	395,874	396,919	11,004
Other Administration of Justice	147,146	0	0	147,146	161,300	161,300	14,154
Victims Assistance Programs	87,661	0	0	87,661	0	87,661	0
<u>Public Safety</u>							
Sheriff's Department	6,018,967	(46,517)	47,572	6,020,022	6,500,038	6,908,948	888,926
Traffic Control	62,343	0	1,950	64,293	98,130	98,130	33,837

(Continued)

Exhibit F-1

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original		
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
Jail	\$ 4,836,379	\$ (59,668)	\$ 29,598	\$ 4,806,309	\$ 4,915,443	\$ 5,000,189	\$ 193,880
Workhouse	169,034	(5,725)	3,453	166,762	185,492	185,492	18,730
Juvenile Services	1,548,237	(10,272)	977	1,538,942	1,547,007	1,562,007	23,065
Fire Prevention and Control	476,684	(6,420)	16,504	486,768	496,359	496,359	9,591
Civil Defense	1,230,115	(49,004)	18,062	1,199,173	937,304	1,498,797	299,624
Rescue Squad	160,687	0	8,015	168,702	299,375	304,375	135,673
Other Emergency Management	2,393	0	6,521	8,914	25,000	25,000	16,086
County Coroner/Medical Examiner	186,760	0	0	186,760	165,760	186,760	0
<u>Public Health and Welfare</u>							
Local Health Center	946,341	(12,736)	11,632	945,237	1,367,084	1,368,684	423,447
Rabies and Animal Control	823,376	(9,908)	0	813,468	956,684	969,756	156,288
Ambulance/Emergency Medical Services	1,943,624	0	0	1,943,624	1,943,624	1,943,624	0
Other Local Health Services	9,576	0	0	9,576	9,576	9,576	0
Regional Mental Health Center	21,780	0	0	21,780	21,780	21,780	0
Appropriation to State	103,816	0	0	103,816	103,816	103,816	0
General Welfare Assistance	17,617	0	0	17,617	17,617	17,617	0
Aid to Dependent Children	9,140	(275)	0	8,865	11,000	11,000	2,135
Other Public Health and Welfare	52,991	0	15	53,006	66,932	66,932	13,926
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	45,464	0	0	45,464	45,464	45,464	0
Senior Citizens Assistance	83,530	0	0	83,530	87,760	87,760	4,230
Libraries	1,925,125	(5,833)	14,265	1,933,557	1,876,924	2,054,850	121,293
Parks and Fair Boards	8,425,735	(106,495)	37,594	8,356,834	8,971,742	9,113,242	756,408
Other Social, Cultural, and Recreational	1,032,386	(24,185)	3,562	1,011,763	1,167,487	1,177,487	165,724

(Continued)

Exhibit F-1

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	\$ 281,644	(115)	397	\$ 281,926	\$ 339,503	\$ 339,503	\$ 57,577
Soil Conservation	45,750	0	0	45,750	45,753	45,753	3
<u>Other Operations</u>							
Other Economic and Community Development	234,871	(117)	0	234,754	291,831	291,831	57,077
Public Transportation	518,846	(128,191)	98,790	489,445	778,154	1,240,945	751,500
Veterans' Services	14,980	0	0	14,980	13,680	15,280	300
Other Charges	2,417,974	(38,375)	77,558	2,457,157	2,693,992	2,693,992	236,835
Employee Benefits	11,904,546	0	0	11,904,546	11,663,000	12,383,000	478,454
ARRA Grant No. 1	67,171	0	0	67,171	0	82,734	15,563
ARRA Grant No. 6	6,749	0	0	6,749	0	21,195	14,446
Miscellaneous	704,945	0	0	704,945	814,224	745,509	40,564
Total Expenditures	\$ 62,851,620	\$ (906,777)	\$ 565,781	\$ 62,510,624	\$ 66,029,144	\$ 69,358,476	\$ 6,847,852
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ 985,093	\$ 906,777	\$ (565,781)	\$ 1,326,089	\$ (8,549,806)	\$ (9,624,226)	\$ 10,950,315
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 103,801	\$ 0	\$ 0	\$ 103,801	\$ 0	\$ 40,000	\$ 63,801
Transfers Out	(1,380,610)	0	0	(1,380,610)	0	(1,380,610)	0
Total Other Financing Sources (Uses)	\$ (1,276,809)	\$ 0	\$ 0	\$ (1,276,809)	\$ 0	\$ (1,340,610)	\$ 63,801
Net Change in Fund Balance	\$ (291,716)	\$ 906,777	\$ (565,781)	\$ 49,280	\$ (8,549,806)	\$ (10,964,836)	\$ 11,014,116
Fund Balance, July 1, 2010	37,498,505	(906,777)	0	36,591,728	35,278,045	35,278,045	1,313,683
Fund Balance, June 30, 2011	\$ 37,206,789	\$ 0	\$ (565,781)	\$ 36,641,008	\$ 26,728,239	\$ 24,313,209	\$ 12,327,799

Exhibit F-2

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 7,915,313	\$ 0	\$ 0	\$ 7,915,313	\$ 7,910,095	\$ 7,910,095	\$ 5,218
Other Local Revenues	86,290	0	0	86,290	60,000	60,000	26,290
State of Tennessee	3,336,693	0	0	3,336,693	2,775,000	2,775,000	561,693
Federal Government	39,971	0	0	39,971	0	0	39,971
Other Governments and Citizens Groups	129,550	0	0	129,550	50,000	179,313	(49,763)
Total Revenues	\$ 11,507,817	\$ 0	\$ 0	\$ 11,507,817	\$ 10,795,095	\$ 10,924,408	\$ 583,409
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 635,528	\$ 0	\$ 0	\$ 635,528	\$ 819,654	\$ 819,654	\$ 184,126
Highway and Bridge Maintenance	4,299,739	(1,130,194)	861,607	4,031,152	5,325,417	5,756,619	1,725,467
Operation and Maintenance of Equipment	1,701,833	(72,829)	3,713	1,632,717	1,711,628	1,739,339	106,622
Quarry Operations	633,886	(18,265)	0	615,621	732,417	752,817	137,196
Other Charges	449,657	(11,217)	1,442	439,882	755,000	755,000	315,118
Employee Benefits	1,266,576	0	0	1,266,576	1,223,200	1,301,200	34,624
Capital Outlay	628,793	(487,564)	2,000	143,229	180,000	180,000	36,771
Total Expenditures	\$ 9,616,012	\$ (1,720,069)	\$ 868,762	\$ 8,764,705	\$ 10,747,316	\$ 11,304,629	\$ 2,539,924
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,891,805	\$ 1,720,069	\$ (868,762)	\$ 2,743,112	\$ 47,779	\$ (380,221)	\$ 3,123,333
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 265,457	\$ 0	\$ 0	\$ 265,457	\$ 100,000	\$ 265,457	\$ 0
Transfers Out	(650,000)	0	0	(650,000)	0	(650,000)	0
Total Other Financing Sources (Uses)	\$ (384,543)	\$ 0	\$ 0	\$ (384,543)	\$ 100,000	\$ (384,543)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2010	\$ 1,507,262	\$ 1,720,069	\$ (868,762)	\$ 2,358,569	\$ 147,779	\$ (764,764)	\$ 3,123,333
Fund Balance, July 1, 2010	10,469,377	(1,720,069)	0	8,749,308	8,575,192	8,575,192	174,116
Fund Balance, June 30, 2011	\$ 11,976,639	\$ 0	\$ (868,762)	\$ 11,107,877	\$ 8,732,971	\$ 7,810,428	\$ 3,297,449

Exhibit F-3

Williamson County, Tennessee  
Schedule of Funding Progress – Pension Plan  
Primary Government and Discretely Presented Williamson County School Department  
June 30, 2011

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-09	\$ 93,313	\$ 111,602	\$ 18,289	83.61	% \$ 56,545	32.34 %
6-30-07	81,676	95,034	13,358	85.94	49,964	26.74

The Governmental Accounting Standards Board requires the plan to prepare the Schedule of Funding Progress using the entry age actuarial cost method. The requirement to present the Schedule of Funding Progress using the entry age actuarial cost method went into effect during the 2007 year; therefore, only the two most recent valuations are presented.

Exhibit F-4

Williamson County, Tennessee  
 Schedule of Funding Progress – Other Postemployment Benefits Plans  
Primary Government and Discretely Presented Williamson County School Department  
June 30, 2011

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Self-Insurance *	7-1-08	\$ 0	\$ 182,850	\$ 182,850	0	\$ 162,765	112
"	7-1-10	0	227,160	227,160	0	165,379	137
State Medicare Supplement	7-1-07	0	1,946	1,946	0	N/A	N/A
"	7-1-09	0	2,145	2,145	0	N/A	N/A
"	7-1-10	0	2,145	2,145	0	N/A	N/A

\* Three actuarial valuations will be presented when data is available.

**WILLIAMSON COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2011**

**A. BUDGETARY INFORMATION**

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the County Commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Beer Board, Other Boards and Committees, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with generally accepted accounting principles (GAAP), except instances in which encumbrances are treated as budgeted expenditures. The difference between the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2011, Williamson County reported the following significant encumbrances in the Highway/Public Works Fund:

Fund	Description	Amount
Highway/Public Works	Asphalt	\$ 481,778
"	Road salt	219,347
"	Road stripes	55,000
"	Guardrails	60,000

**B. CASH SHORTAGES – PRIOR-YEARS**

The audit of Williamson County for the 2005-06 year reported a cash shortage of at least \$45,037.43, as of June 30, 2006, at the Fairview Recreational Center. This cash shortage resulted from collections that were not deposited or otherwise accounted for properly. On October 6, 2008, the defendant pled guilty and was sentenced to four years probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. As of

June 30, 2011, this individual had paid restitution totaling \$7,141.50, leaving an outstanding cash shortage of \$37,895.93.

The audit of Williamson County for the 2008-09 year reported a cash shortage of \$3,386.18 in the Office of County Clerk. In December 2008, the county clerk discovered that collections from a title application transaction totaling \$1,877.68 had been diverted for an employee's personal use. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds, and the county clerk terminated the employee for mishandling the funds. Subsequently, the county clerk's bookkeeper and auditors discovered two additional title applications totaling \$1,508.50 had been stolen. Therefore, the amount of funds diverted from the office totaled \$3,386.18 (\$1,877.68 plus \$1,508.50). On November 10, 2009, the defendant pled guilty to one count of theft over \$1,000 and one count of forgery. The defendant was sentenced to two years' probation and ordered to pay restitution of \$3,386.18 to Williamson County. As of June 30, 2011, no restitution had been paid, leaving the outstanding cash shortage of \$3,386.18.

A special report of the Williamson County Animal Control Department released on July 26, 2010, for the period May 17, 2005, through March 31, 2010, reported a cash shortage of at least \$106,446.17 from receipts that were not deposited with the county or otherwise accounted for properly. On November 15, 2010, the defendant pled guilty to theft over \$60,000 and was sentenced to eight years' confinement, which was suspended to eight years' probation, and was ordered to pay restitution of \$106,446.17. As of June 30, 2011, no restitution had been paid, leaving the outstanding cash shortage of \$106,446.17.

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of Williamson County’s recycling and solid waste collection.

Drug Control Fund – The Drug Control Fund is used to account for revenues received from drug-related fines, forfeitures, and seizures.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held in trust for the benefit of the Office of District Attorney General.

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for operating expenses paid directly from the fee and commission accounts of the trustee, clerks, register, and sheriff.

Williamson County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2011

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
\$ 575 \$	0 \$	150 \$	1,700 \$		2,425	
2,928,877	101,717	278,874	0		3,309,468	
71,227	0	0	0		71,227	
286,711	0	0	0		286,711	
3,179,996	0	0	0		3,179,996	
(55,133)	0	0	0		(55,133)	
<b>\$ 6,412,253 \$</b>	<b>101,717 \$</b>	<b>279,024 \$</b>	<b>1,700 \$</b>		<b>6,794,694</b>	

ASSETS

Cash	
Equity in Pooled Cash and Investments	
Accounts Receivable	
Due from Other Governments	
Property Taxes Receivable	
Allowance for Uncollectible Property Taxes	

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable	
Claims and Judgments Payable	
Due to Litigants, Heirs, and Others	
Other Current Liabilities	
Deferred Revenue - Current Property Taxes	
Deferred Revenue - Delinquent Property Taxes	
Other Deferred Revenues	

Total Liabilities

Fund Balances

Restricted:	
Restricted for Administration of Justice	
Restricted for Public Safety	
Restricted for Public Health and Welfare	
Committed:	
Committed for Public Health and Welfare	

Total Fund Balances

Total Liabilities and Fund Balances

\$ 352 \$	104 \$	0 \$	0 \$	0 \$	456
21,500	0	0	0	0	21,500
0	0	0	1,700	0	1,700
0	7,865	0	0	0	7,865
3,032,092	0	0	0	0	3,032,092
89,771	0	0	0	0	89,771
280,615	0	0	0	0	280,615
<b>\$ 3,424,330 \$</b>	<b>7,969 \$</b>	<b>0 \$</b>	<b>1,700 \$</b>	<b>0 \$</b>	<b>3,433,999</b>
\$ 0 \$	0 \$	279,024 \$	0 \$	0 \$	279,024
0	93,748	0	0	0	93,748
1,440,869	0	0	0	0	1,440,869
1,547,054	0	0	0	0	1,547,054
<b>\$ 2,987,923 \$</b>	<b>93,748 \$</b>	<b>279,024 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>3,360,695</b>
<b>\$ 6,412,253 \$</b>	<b>101,717 \$</b>	<b>279,024 \$</b>	<b>1,700 \$</b>	<b>0 \$</b>	<b>6,794,694</b>

Williamson County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2011

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
<u>Revenues</u>						
Local Taxes	\$ 2,847,556	\$ 0	\$ 0	\$ 0	\$ 0	2,847,556
Fines, Forfeitures, and Penalties	0	28,447	80,426	0	0	108,873
Charges for Current Services	950,469	0	0	283	0	950,752
Other Local Revenues	589,089	4,335	0	0	0	593,424
State of Tennessee	142,496	0	0	0	0	142,496
Other Governments and Citizens Groups	0	3,750	0	0	0	3,750
Total Revenues	\$ 4,529,610	\$ 36,532	\$ 80,426	\$ 283	\$ 0	\$ 4,646,851
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 283	\$ 0	283
Administration of Justice	0	0	54,585	0	0	54,585
Public Safety	0	71,452	0	0	0	71,452
Public Health and Welfare	3,431,117	0	0	0	0	3,431,117
Other Operations	627,820	0	0	0	0	627,820
Total Expenditures	\$ 4,058,937	\$ 71,452	\$ 54,585	\$ 283	\$ 0	\$ 4,185,257
Excess (Deficiency) of Revenues Over Expenditures	\$ 470,673	\$ (34,920)	\$ 25,841	\$ 0	\$ 0	461,594
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (749,500)	\$ 0	\$ 0	\$ 0	\$ 0	(749,500)
Total Other Financing Sources (Uses)	\$ (749,500)	\$ 0	\$ 0	\$ 0	\$ 0	(749,500)
Net Change in Fund Balances	\$ (278,827)	\$ (34,920)	\$ 25,841	\$ 0	\$ 0	(287,906)
Fund Balance, July 1, 2010	3,266,750	128,668	253,183	0	0	3,648,601
Fund Balance, June 30, 2011	\$ 2,987,923	\$ 93,748	\$ 279,024	\$ 0	\$ 0	\$ 3,360,695

Exhibit G-3

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,847,556	\$ 0	\$ 0	\$ 2,847,556	\$ 2,636,002	\$ 2,636,002	\$ 211,554
Charges for Current Services	950,469	0	0	950,469	961,600	961,600	(11,131)
Other Local Revenues	589,089	0	0	589,089	410,000	427,140	161,949
State of Tennessee	142,496	0	0	142,496	135,000	135,000	7,496
Total Revenues	\$ 4,529,610	\$ 0	\$ 0	\$ 4,529,610	\$ 4,142,602	\$ 4,159,742	\$ 369,868
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 3,431,117	\$ (315,594)	\$ 121,225	\$ 3,236,748	\$ 3,718,303	\$ 3,735,443	\$ 498,695
<u>Other Operations</u>							
Other Charges	198,670	0	1,500	200,170	400,000	400,000	199,830
Employee Benefits	429,150	0	0	429,150	454,150	479,150	50,000
Total Expenditures	\$ 4,058,937	\$ (315,594)	\$ 122,725	\$ 3,866,068	\$ 4,572,453	\$ 4,614,593	\$ 748,525
Excess (Deficiency) of Revenues Over Expenditures	\$ 470,673	\$ 315,594	\$ (122,725)	\$ 663,542	\$ (429,851)	\$ (454,851)	\$ 1,118,393
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (749,500)	\$ 0	\$ 0	\$ (749,500)	\$ 0	\$ (749,500)	\$ 0
Total Other Financing Sources (Uses)	\$ (749,500)	\$ 0	\$ 0	\$ (749,500)	\$ 0	\$ (749,500)	\$ 0
Net Change in Fund Balance, Fund Balance, July 1, 2010	\$ (278,827)	\$ 315,594	\$ (122,725)	\$ (85,958)	\$ (429,851)	\$ (1,204,351)	\$ 1,118,393
	3,266,750	(315,594)	0	2,951,156	2,951,156	2,951,156	0
Fund Balance, June 30, 2011	\$ 2,987,923	\$ 0	\$ (122,725)	\$ 2,865,198	\$ 2,521,305	\$ 1,746,805	\$ 1,118,393

Exhibit G-4

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Drug Control Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less:		Add:	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		7/1/2010	Encumbrances 6/30/2011			Original	Final	
<u>Revenues</u>								
Fines, Forfeitures, and Penalties	\$ 28,447	\$ 0	\$ 0	\$ 0	\$ 28,447	\$ 36,000	\$ 36,000	\$ (7,553)
Other Local Revenues	4,335	0	0	0	4,335	0	0	4,335
Other Governments and Citizens Groups	3,750	0	0	0	3,750	0	0	3,750
Total Revenues	\$ 36,532	\$ 0	\$ 0	\$ 0	\$ 36,532	\$ 36,000	\$ 36,000	\$ 532
<u>Expenditures</u>								
<u>Public Safety</u>								
Drug Enforcement	\$ 71,452	(4,160)	\$ 1,702	\$ 1,702	\$ 68,994	\$ 85,000	\$ 85,000	\$ 16,006
Total Expenditures	\$ 71,452	(4,160)	\$ 1,702	\$ 1,702	\$ 68,994	\$ 85,000	\$ 85,000	\$ 16,006
Excess (Deficiency) of Revenues Over Expenditures	\$ (34,920)	\$ 4,160	\$ (1,702)	\$ (1,702)	\$ (32,462)	\$ (49,000)	\$ (49,000)	\$ 16,538
Net Change in Fund Balance Fund Balance, July 1, 2010	\$ (34,920)	\$ 4,160	\$ (1,702)	\$ (1,702)	\$ (32,462)	\$ (49,000)	\$ (49,000)	\$ 16,538
	128,668	(4,160)	0	0	124,508	129,028	129,028	(4,520)
Fund Balance, June 30, 2011	\$ 93,748	\$ 0	\$ (1,702)	\$ (1,702)	\$ 92,046	\$ 80,028	\$ 80,028	\$ 12,018

# Major Governmental Funds

## Debt Service Funds

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Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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General Debt Service Fund – The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs.

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs specifically issued for schools outside the territorial boundaries of the Franklin Special School District.

Exhibit H-1

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2011

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 21,644,912	\$ 19,980,677	\$ 19,980,677	\$ 1,664,235
Other Local Revenues	304,116	695,000	695,000	(390,884)
Federal Government	540,800	437,047	437,047	103,753
Other Governments and Citizens Groups	235,348	330,813	330,813	(95,465)
Total Revenues	<u>\$ 22,725,176</u>	<u>\$ 21,443,537</u>	<u>\$ 21,443,537</u>	<u>\$ 1,281,639</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 7,105,892	\$ 10,910,895	\$ 7,865,895	\$ 760,003
Highways and Streets	156,600	156,600	156,600	0
Education	6,904,508	7,009,510	7,009,510	105,002
<u>Interest on Debt</u>				
General Government	5,144,772	7,006,755	5,843,352	698,580
Highways and Streets	52,075	52,075	52,075	0
Education	6,441,209	6,271,320	6,464,083	22,874
<u>Other Debt Service</u>				
General Government	605,882	620,000	746,858	140,976
Education	15,496	0	15,496	0
Total Expenditures	<u>\$ 26,426,434</u>	<u>\$ 32,027,155</u>	<u>\$ 28,153,869</u>	<u>\$ 1,727,435</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (3,701,258)</u>	<u>\$ (10,583,618)</u>	<u>\$ (6,710,332)</u>	<u>\$ 3,009,074</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 24,500,000	\$ 0	\$ 24,500,000	\$ 0
Premiums on Debt Issued	1,762,198	0	1,762,198	0
Transfers In	1,124,381	811,658	1,004,421	119,960
Payments to Refunded Debt Escrow Agent	(26,119,844)	0	(26,119,844)	0
Total Other Financing Sources (Uses)	<u>\$ 1,266,735</u>	<u>\$ 811,658</u>	<u>\$ 1,146,775</u>	<u>\$ 119,960</u>
Net Change in Fund Balance	<u>\$ (2,434,523)</u>	<u>\$ (9,771,960)</u>	<u>\$ (5,563,557)</u>	<u>\$ 3,129,034</u>
Fund Balance, July 1, 2010	<u>24,146,898</u>	<u>18,761,820</u>	<u>18,761,820</u>	<u>5,385,078</u>
Fund Balance, June 30, 2011	<u>\$ 21,712,375</u>	<u>\$ 8,989,860</u>	<u>\$ 13,198,263</u>	<u>\$ 8,514,112</u>

Exhibit H-2

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Rural Debt Service Fund  
For the Year Ended June 30, 2011

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 10,674,477	\$ 9,809,627	\$ 9,809,627	\$ 864,850
Other Local Revenues	0	110,000	110,000	(110,000)
Federal Government	809,724	700,691	700,691	109,033
Total Revenues	<u>\$ 11,484,201</u>	<u>\$ 10,620,318</u>	<u>\$ 10,620,318</u>	<u>\$ 863,883</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 4,870,000	\$ 6,265,000	\$ 6,265,000	\$ 1,395,000
<u>Interest on Debt</u>				
Education	9,420,020	9,392,844	9,595,333	175,313
<u>Other Debt Service</u>				
Education	292,677	235,000	318,991	26,314
Total Expenditures	<u>\$ 14,582,697</u>	<u>\$ 15,892,844</u>	<u>\$ 16,179,324</u>	<u>\$ 1,596,627</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (3,098,496)</u>	<u>\$ (5,272,526)</u>	<u>\$ (5,559,006)</u>	<u>\$ 2,460,510</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 14,500,000	0	\$ 14,500,000	0
Premiums on Debt Issued	1,128,833	0	1,128,833	0
Transfers In	8,810,212	1,433,728	8,636,217	173,995
Payments to Refunded Debt Escrow Agent	(15,544,842)	0	(15,544,842)	0
Total Other Financing Sources (Uses)	<u>\$ 8,894,203</u>	<u>\$ 1,433,728</u>	<u>\$ 8,720,208</u>	<u>\$ 173,995</u>
Net Change in Fund Balance	\$ 5,795,707	\$ (3,838,798)	\$ 3,161,202	\$ 2,634,505
Fund Balance, July 1, 2010	<u>5,908,322</u>	<u>5,908,321</u>	<u>5,908,321</u>	<u>1</u>
Fund Balance, June 30, 2011	<u>\$ 11,704,029</u>	<u>\$ 2,069,523</u>	<u>\$ 9,069,523</u>	<u>\$ 2,634,506</u>

# Fiduciary Funds

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Agency Funds are used to account for assets held by the county in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the State of Tennessee and forwarded to the various cities on a monthly basis.

Cities Property Tax Fund – The Cities Property Tax Fund is used to account for the property taxes of the City of Nolensville and Town of Thompson’s Station. These collections are remitted to each city monthly.

Cities Adequate Facilities Tax Fund – The Cities Adequate Facilities Tax Fund is used to account for various cities’ share of adequate facilities tax collected by the county. These collections are remitted to the cities on a monthly basis.

Special School District Fund – The Special School District Fund is used to account for the Franklin Special School District’s share of education revenues collected by the county that must be apportioned between the county and special school district on an average daily attendance basis and property taxes assessed on parcels that lie within the Franklin Special School District. These collections are remitted to the special school district on a monthly basis.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues that are held in trust for the benefit of the judicial district drug task force.

Constitutional Officers - Agency Fund – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk, circuit and general sessions courts clerk, juvenile court clerk, clerk and master, register, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Other Agency Fund – The Other Agency Fund is used to account for a special litigation tax levied by Chapter 9, Private Acts of 1957, as amended. Proceeds of the tax must be expended for the benefit of the county’s law library under the control of the Williamson County Governmental Library Commission.

Exhibit I-1

Williamson County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2011

	Agency Funds							Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	Constitu- tional Officers - Agency	Other Agency		
<u>ASSETS</u>								
Cash	\$ 0	\$ 0	0	\$ 3,752	\$ 7,057,379	0	\$ 0	\$ 7,061,131
Equity in Pooled Cash and Investments	0	1,310	486,693	1,938,485	0	34,079	0	2,460,567
Investments	0	0	0	0	14,353	0	0	14,353
Accounts Receivable	0	0	0	0	31,124	0	0	31,124
Due from Other Governments	6,416,133	0	684,381	393	0	0	0	7,100,907
Taxes Receivable	0	0	10,382,841	0	0	0	0	10,382,841
Allowance for Uncollectible Taxes	0	0	(137,929)	0	0	0	0	(137,929)
Total Assets	\$ 6,416,133	\$ 1,310	\$ 11,415,986	\$ 1,942,630	\$ 7,102,856	\$ 34,079	\$ 0	\$ 26,912,994
<u>LIABILITIES</u>								
Due to Other Taxing Units	\$ 6,416,133	\$ 1,310	\$ 11,415,986	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,833,429
Due to Joint Venture	0	0	0	1,702,311	0	0	0	1,702,311
Due to Litigants, Heirs, and Others	0	0	0	240,319	7,102,856	34,079	0	7,377,254
Total Liabilities	\$ 6,416,133	\$ 1,310	\$ 11,415,986	\$ 1,942,630	\$ 7,102,856	\$ 34,079	\$ 0	\$ 26,912,994

Exhibit I-2

Williamson County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2011

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 36,163,050	\$ 36,163,050	\$ 0
Due from Other Governments	5,485,407	6,416,133	5,485,407	6,416,133
<b>Total Assets</b>	<b>\$ 5,485,407</b>	<b>\$ 42,579,183</b>	<b>\$ 41,648,457</b>	<b>\$ 6,416,133</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,485,407	\$ 42,579,183	\$ 41,648,457	\$ 6,416,133
<b>Total Liabilities</b>	<b>\$ 5,485,407</b>	<b>\$ 42,579,183</b>	<b>\$ 41,648,457</b>	<b>\$ 6,416,133</b>
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 1,268	\$ 344,583	\$ 344,541	\$ 1,310
<b>Total Assets</b>	<b>\$ 1,268</b>	<b>\$ 344,583</b>	<b>\$ 344,541</b>	<b>\$ 1,310</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,268	\$ 344,583	\$ 344,541	\$ 1,310
<b>Total Liabilities</b>	<b>\$ 1,268</b>	<b>\$ 344,583</b>	<b>\$ 344,541</b>	<b>\$ 1,310</b>
<u>Cities Adequate Facilities Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,108,630	\$ 1,108,630	\$ 0
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 1,108,630</b>	<b>\$ 1,108,630</b>	<b>\$ 0</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 1,108,630	\$ 1,108,630	\$ 0
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 1,108,630</b>	<b>\$ 1,108,630</b>	<b>\$ 0</b>
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 514,780	\$ 33,186,823	\$ 33,214,910	\$ 486,693
Due from Other Governments	581,281	684,381	581,281	684,381
Taxes Receivable	10,288,094	10,382,841	10,288,094	10,382,841
Allowance for Uncollectible Taxes	(167,243)	(137,929)	(167,243)	(137,929)
<b>Total Assets</b>	<b>\$ 11,216,912</b>	<b>\$ 44,116,116</b>	<b>\$ 43,917,042</b>	<b>\$ 11,415,986</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 11,216,912	\$ 44,116,116	\$ 43,917,042	\$ 11,415,986
<b>Total Liabilities</b>	<b>\$ 11,216,912</b>	<b>\$ 44,116,116</b>	<b>\$ 43,917,042</b>	<b>\$ 11,415,986</b>

(Continued)

Exhibit I-2

Williamson County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds (Cont.)

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Judicial District Drug Fund</b>				
<u>Assets</u>				
Cash	\$ 6,777	\$ 3,752	\$ 6,777	\$ 3,752
Equity in Pooled Cash and Investments	2,537,843	845,102	1,444,460	1,938,485
Due from Other Governments	1,862	393	1,862	393
<b>Total Assets</b>	<b>\$ 2,546,482</b>	<b>\$ 849,247</b>	<b>\$ 1,453,099</b>	<b>\$ 1,942,630</b>
<u>Liabilities</u>				
Due to Joint Venture	\$ 1,274,061	\$ 625,898	\$ 197,648	\$ 1,702,311
Due to Litigants, Heirs, and Others	1,272,421	223,349	1,255,451	240,319
<b>Total Liabilities</b>	<b>\$ 2,546,482</b>	<b>\$ 849,247</b>	<b>\$ 1,453,099</b>	<b>\$ 1,942,630</b>
<b>Constitutional Officers - Agency Fund</b>				
<u>Assets</u>				
Cash	\$ 7,346,761	\$ 48,109,459	\$ 48,398,841	\$ 7,057,379
Investments	11,094	14,353	11,094	14,353
Accounts Receivable	39,057	31,124	39,057	31,124
<b>Total Assets</b>	<b>\$ 7,396,912</b>	<b>\$ 48,154,936</b>	<b>\$ 48,448,992</b>	<b>\$ 7,102,856</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 7,396,912	\$ 48,154,936	\$ 48,448,992	\$ 7,102,856
<b>Total Liabilities</b>	<b>\$ 7,396,912</b>	<b>\$ 48,154,936</b>	<b>\$ 48,448,992</b>	<b>\$ 7,102,856</b>
<b>Other Agency Fund</b>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 30,083	\$ 34,079	\$ 30,083	\$ 34,079
<b>Total Assets</b>	<b>\$ 30,083</b>	<b>\$ 34,079</b>	<b>\$ 30,083</b>	<b>\$ 34,079</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 30,083	\$ 34,079	\$ 30,083	\$ 34,079
<b>Total Liabilities</b>	<b>\$ 30,083</b>	<b>\$ 34,079</b>	<b>\$ 30,083</b>	<b>\$ 34,079</b>
<b>Totals - All Agency Funds</b>				
<u>Assets</u>				
Cash	\$ 7,353,538	\$ 48,113,211	\$ 48,405,618	\$ 7,061,131
Equity in Pooled Cash and Investments	3,083,974	71,682,267	72,305,674	2,460,567
Investments	11,094	14,353	11,094	14,353
Due from Other Governments	6,068,550	7,100,907	6,068,550	7,100,907
Accounts Receivable	39,057	31,124	39,057	31,124
Taxes Receivable	10,288,094	10,382,841	10,288,094	10,382,841
Allowance for Uncollectible Taxes	(167,243)	(137,929)	(167,243)	(137,929)
<b>Total Assets</b>	<b>\$ 26,677,064</b>	<b>\$ 137,186,774</b>	<b>\$ 136,950,844</b>	<b>\$ 26,912,994</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 16,703,587	\$ 88,148,512	\$ 87,018,670	\$ 17,833,429
Due to Joint Venture	1,274,061	625,898	197,648	1,702,311
Due to Litigants, Heirs, and Others	8,699,416	48,412,364	49,734,526	7,377,254
<b>Total Liabilities</b>	<b>\$ 26,677,064</b>	<b>\$ 137,186,774</b>	<b>\$ 136,950,844</b>	<b>\$ 26,912,994</b>

# Williamson County School Department

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This section presents combining and individual fund financial statements for the Williamson County School Department, a discretely presented component unit. The Williamson County School Department uses a General Fund, three Special Revenue Funds, and one Capital Projects Fund.

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General Purpose School Fund – The General Purpose School Fund is used to account for general operations of the School Department.

School Federal Projects Fund – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – The Central Cafeteria Fund is used to account for the cafeteria operations in each of the schools.

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the after-school programs in the individual schools.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovations of the School Department.

Exhibit J-1

Williamson County, Tennessee  
Statement of Activities  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 177,736,118	\$ 559,342	\$ 15,144,869	\$ 7,534	\$ (162,024,373)
Support Services	88,384,023	75,611	218,194	34,959,187	(53,131,031)
Operation of Non-Instructional Services	11,622,428	9,063,768	3,030,620	0	471,960
Total Governmental Activities	\$ 277,742,569	\$ 9,698,721	\$ 18,393,683	\$ 34,966,721	\$ (214,683,444)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 88,986,370
Local Option Sales Taxes					33,789,369
Other Local Taxes					8,777
Grants and Contributions Not Restricted to Specific Programs					97,868,260
Unrestricted Investment Income					309,600
Miscellaneous					190,276
Total General Revenues					\$ 221,152,652
Change in Net Assets					\$ 6,469,208
Net Assets, July 1, 2010					362,941,916
Prior-period Adjustment					902,610
Net Assets, June 30, 2011					\$ 370,313,734

Exhibit J-2

Williamson County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2011

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	
	<u>School</u>	<u>Projects</u>	<u>Governmental</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 184,528	\$ 184,828
Equity in Pooled Cash and Investments	29,105,521	22,059,963	3,311,280	54,476,764
Accounts Receivable	211,041	0	11,178	222,219
Due from Other Governments	10,521,644	0	1,062,734	11,584,378
Due from Other Funds	24,208	0	0	24,208
Property Taxes Receivable	90,797,975	0	0	90,797,975
Allowance for Uncollectible Property Taxes	(1,206,195)	0	0	(1,206,195)
<b>Total Assets</b>	<b>\$ 129,454,494</b>	<b>\$ 22,059,963</b>	<b>\$ 4,569,720</b>	<b>\$ 156,084,177</b>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 492,844	\$ 0	\$ 526	\$ 493,370
Accrued Payroll	11,992,332	0	237,401	12,229,733
Payroll Deductions Payable	1,946,017	0	36,772	1,982,789
Contracts Payable	0	3,141,746	0	3,141,746
Retainage Payable	0	168,853	0	168,853
Claims and Judgments Payable	473,457	0	0	473,457
Due to Other Funds	0	0	24,208	24,208
<u>Current Liabilities Payable from Restricted Assets:</u>				
Customer Deposits Payable	0	0	148,209	148,209
Deferred Revenue - Current Property Taxes	87,940,625	0	0	87,940,625
Deferred Revenue - Delinquent Property Taxes	1,488,155	0	0	1,488,155
Other Deferred Revenues	2,916,787	0	0	2,916,787
<b>Total Liabilities</b>	<b>\$ 107,250,217</b>	<b>\$ 3,310,599</b>	<b>\$ 447,116</b>	<b>\$ 111,007,932</b>
<u>Fund Balances</u>				
<u>Restricted:</u>				
Restricted for Education	\$ 13,194	\$ 0	\$ 0	\$ 13,194
<u>Committed:</u>				
Committed for Education	0	0	1,116,370	1,116,370
Committed for Capital Outlay	0	18,749,364	0	18,749,364
<u>Assigned:</u>				
Assigned for Education	11,582,559	0	3,006,234	14,588,793
Unassigned	10,608,524	0	0	10,608,524
<b>Total Fund Balances</b>	<b>\$ 22,204,277</b>	<b>\$ 18,749,364</b>	<b>\$ 4,122,604</b>	<b>\$ 45,076,245</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 129,454,494</b>	<b>\$ 22,059,963</b>	<b>\$ 4,569,720</b>	<b>\$ 156,084,177</b>

Exhibit J-3

Williamson County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets  
Discretely Presented Williamson County School Department  
June 30, 2011

Amounts reported for governmental activities in the statement of net assets (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	45,076,245
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	30,252,967	
Add: construction in progress		65,524,235	
Add: buildings and improvements net of accumulated depreciation		267,094,740	
Add: other capital assets net of accumulated depreciation		<u>17,591,582</u>	380,463,524
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(1,118,534)	
Less: other postemployment benefits liability - state Medicare plan		(1,003,581)	
Less: other postemployment benefits liability - self-insurance plan		<u>(57,508,862)</u>	(59,630,977)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>4,404,942</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>370,313,734</u></u>

Exhibit J-4

Williamson County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 122,855,647	\$ 0	\$ 0	\$ 122,855,647
Licenses and Permits	10,080	0	0	10,080
Charges for Current Services	864,857	0	8,554,897	9,419,754
Other Local Revenues	762,392	101,971	26,493	890,856
State of Tennessee	99,102,355	0	89,991	99,192,346
Federal Government	1,148,197	0	15,694,439	16,842,636
Other Governments and Citizens Groups	0	34,921,077	0	34,921,077
<b>Total Revenues</b>	<b>\$ 224,743,528</b>	<b>\$ 35,023,048</b>	<b>\$ 24,365,820</b>	<b>\$ 284,132,396</b>
<u>Expenditures</u>				
Current:				
Instruction	\$ 143,946,884	\$ 0	\$ 10,050,667	\$ 153,997,551
Support Services	73,862,811	0	3,123,860	76,986,671
Operation of Non-Instructional Services	1,286,400	0	10,599,728	11,886,128
Capital Projects	0	44,762,008	0	44,762,008
<b>Total Expenditures</b>	<b>\$ 219,096,095</b>	<b>\$ 44,762,008</b>	<b>\$ 23,774,255</b>	<b>\$ 287,632,358</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,647,433	\$ (9,738,960)	\$ 591,565	\$ (3,499,962)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 234,922	\$ 0	\$ 0	\$ 234,922
Transfers Out	0	0	(234,922)	(234,922)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 234,922</b>	<b>\$ 0</b>	<b>\$ (234,922)</b>	<b>\$ 0</b>
Net Change in Fund Balances	\$ 5,882,355	\$ (9,738,960)	\$ 356,643	\$ (3,499,962)
Fund Balance, July 1, 2010	16,321,922	28,488,324	3,765,961	48,576,207
<b>Fund Balance, June 30, 2011</b>	<b>\$ 22,204,277</b>	<b>\$ 18,749,364</b>	<b>\$ 4,122,604</b>	<b>\$ 45,076,245</b>

Exhibit J-5

Williamson County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ (3,499,962)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 44,341,713	
Less: current-year depreciation expense	<u>(10,460,286)</u>	33,881,427
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: proceeds from the sale of capital assets	\$ (28,895)	
Less: loss on disposal of capital assets	(127,281)	
Add: assets donated and capitalized	<u>38,110</u>	(118,066)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2010	\$ (4,341,926)	
Add: deferred delinquent property taxes and other deferred June 30, 2011	<u>4,404,942</u>	63,016
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (135,836)	
Change in other postemployment benefits liability - state Medicare plan	(265,678)	
Change in other postemployment benefits liability - self-insurance plan	<u>(23,455,693)</u>	<u>(23,857,207)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 6,469,208</u>

Exhibit J-6

Williamson County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2011

	<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Extended School Program</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 100	\$ 184,428	\$ 184,528
Equity in Pooled Cash and Investments	352,017	2,651,949	307,314	3,311,280
Accounts Receivable	0	0	11,178	11,178
Due from Other Governments	1,062,734	0	0	1,062,734
<b>Total Assets</b>	<b>\$ 1,414,751</b>	<b>\$ 2,652,049</b>	<b>\$ 502,920</b>	<b>\$ 4,569,720</b>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 0	\$ 526	\$ 0	\$ 526
Accrued Payroll	237,401	0	0	237,401
Payroll Deductions Payable	36,772	0	0	36,772
Due to Other Funds	24,208	0	0	24,208
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	148,209	0	148,209
<b>Total Liabilities</b>	<b>\$ 298,381</b>	<b>\$ 148,735</b>	<b>\$ 0</b>	<b>\$ 447,116</b>
<u>Fund Balances</u>				
Committed:				
Committed for Education	\$ 1,116,370	\$ 0	\$ 0	\$ 1,116,370
Assigned:				
Assigned for Education	0	2,503,314	502,920	3,006,234
<b>Total Fund Balances</b>	<b>\$ 1,116,370</b>	<b>\$ 2,503,314</b>	<b>\$ 502,920</b>	<b>\$ 4,122,604</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,414,751</b>	<b>\$ 2,652,049</b>	<b>\$ 502,920</b>	<b>\$ 4,569,720</b>

Exhibit J-7

Williamson County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

	<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Extended School Program</u>	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 7,163,170	\$ 1,391,727	\$ 8,554,897
Other Local Revenues	0	25,567	926	26,493
State of Tennessee	0	89,991	0	89,991
Federal Government	13,236,508	2,457,931	0	15,694,439
Total Revenues	<u>\$ 13,236,508</u>	<u>\$ 9,736,659</u>	<u>\$ 1,392,653</u>	<u>\$ 24,365,820</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 10,050,667	\$ 0	\$ 0	\$ 10,050,667
Support Services	3,123,860	0	0	3,123,860
Operation of Non-Instructional Services	0	9,376,687	1,223,041	10,599,728
Total Expenditures	<u>\$ 13,174,527</u>	<u>\$ 9,376,687</u>	<u>\$ 1,223,041</u>	<u>\$ 23,774,255</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 61,981</u>	<u>\$ 359,972</u>	<u>\$ 169,612</u>	<u>\$ 591,565</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (204,939)	\$ 0	\$ (29,983)	\$ (234,922)
Total Other Financing Sources (Uses)	<u>\$ (204,939)</u>	<u>\$ 0</u>	<u>\$ (29,983)</u>	<u>\$ (234,922)</u>
Net Change in Fund Balances	\$ (142,958)	\$ 359,972	\$ 139,629	\$ 356,643
Fund Balance, July 1, 2010	1,259,328	2,143,342	363,291	3,765,961
Fund Balance, June 30, 2011	<u>\$ 1,116,370</u>	<u>\$ 2,503,314</u>	<u>\$ 502,920</u>	<u>\$ 4,122,604</u>

Exhibit J-8

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less:		Add: 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Encumbrances				Original	Final	
		7/1/2010	6/30/2011					
<u>Revenues</u>								
Local Taxes	\$ 122,855,647	\$ 0	\$ 0	\$ 122,855,647	\$ 116,166,428	\$ 116,366,430	\$ 6,489,217	
Licenses and Permits	10,080	0	0	10,080	8,500	8,500	1,580	
Charges for Current Services	864,857	0	0	864,857	1,068,178	1,068,178	(203,321)	
Other Local Revenues	762,392	0	0	762,392	1,055,500	1,088,525	(326,133)	
State of Tennessee	99,102,355	0	0	99,102,355	99,765,992	99,861,024	(758,669)	
Federal Government	1,148,197	0	0	1,148,197	854,500	1,246,083	(97,886)	
Total Revenues	\$ 224,743,528	\$ 0	\$ 0	\$ 224,743,528	\$ 218,919,098	\$ 219,638,740	\$ 5,104,788	
<u>Expenditures</u>								
<u>Instruction</u>								
Regular Instruction Program	\$ 112,778,084	\$ (1,018,069)	\$ 881,309	\$ 112,641,324	\$ 115,084,631	\$ 115,351,038	\$ 2,709,714	
Alternative Instruction Program	431,328	0	0	431,328	437,330	437,330	6,002	
Special Education Program	24,441,515	(21,352)	17,982	24,438,145	25,192,064	25,292,768	854,623	
Vocational Education Program	4,674,842	(39,665)	16,613	4,651,790	5,074,853	5,074,853	423,063	
Student Body Education Program	1,338,933	(23,279)	154,170	1,469,824	1,600,000	1,600,000	130,176	
Adult Education Program	282,182	(7,119)	3,036	278,099	250,566	353,738	75,639	
<u>Support Services</u>								
Attendance	133,043	0	0	133,043	132,535	135,035	1,992	
Health Services	2,544,389	0	0	2,544,389	2,672,874	2,672,874	128,485	
Other Student Support	6,712,794	(7,919)	24,348	6,729,223	6,751,755	6,826,760	97,537	
Regular Instruction Program	5,676,192	(16,473)	32,806	5,692,525	5,920,168	6,027,919	335,394	
Special Education Program	2,406,951	(1,498)	2,996	2,408,449	2,301,631	2,523,425	114,976	
Vocational Education Program	224,661	(1,511)	1,687	224,837	240,778	243,278	18,441	
Adult Programs	151,744	0	0	151,744	114,743	152,488	744	

(Continued)

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less:		Add: 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Encumbrances				Original	Final	
		7/1/2010	6/30/2011					
<u>Expenditures (Cont.)</u>								
<u>Support Services (Cont.)</u>								
Other Programs	\$ 13,162	\$ 0	\$ 0	\$ 0	\$ 13,162	\$ 0	\$ 13,162	\$ 0
Board of Education	4,058,971	(65,226)	46,578	4,040,323	3,957,865	4,178,865	4,178,865	138,542
Director of Schools	1,109,482	(6,099)	1,801	1,105,184	1,224,351	1,230,851	1,230,851	125,667
Office of the Principal	14,330,927	0	4,500	14,335,427	14,549,796	14,573,816	14,573,816	238,389
Fiscal Services	1,062,321	(10,602)	800	1,052,519	1,069,039	1,084,539	1,084,539	32,020
Human Services/Personnel	649,156	0	2,069	651,225	704,046	713,546	713,546	62,321
Operation of Plant	12,702,536	(79,991)	50,535	12,673,080	14,136,826	14,139,826	14,139,826	1,466,746
Maintenance of Plant	5,546,213	(414,060)	434,447	5,566,600	5,683,326	5,752,326	5,752,326	185,726
Transportation	13,308,503	(1,097,432)	666,089	12,877,160	11,332,761	13,279,061	13,279,061	401,901
Central and Other	3,231,766	(17,922)	95,697	3,309,541	3,411,973	3,444,973	3,444,973	135,432
<u>Operation of Non-Instructional Services</u>								
Community Services	537,972	(500)	458	537,930	595,801	601,801	601,801	63,871
Early Childhood Education	748,428	(579)	4,236	752,085	799,898	799,898	799,898	47,813
Total Expenditures	\$ 219,096,095	\$ (2,829,296)	\$ 2,442,157	\$ 218,708,956	\$ 223,239,610	\$ 226,504,170	\$ 226,504,170	\$ 7,795,214
<u>Excess (Deficiency) of Revenues Over Expenditures</u>								
	\$ 5,647,433	\$ 2,829,296	\$ (2,442,157)	\$ 6,034,572	\$ (4,320,512)	\$ (6,865,430)	\$ (6,865,430)	\$ 12,900,002
<u>Other Financing Sources (Uses)</u>								
Transfers In	\$ 234,922	\$ 0	\$ 0	\$ 234,922	\$ 150,000	\$ 150,000	\$ 150,000	\$ 84,922
Transfers Out	0	0	0	0	0	(1,928)	(1,928)	1,928
Total Other Financing Sources (Uses)	\$ 234,922	\$ 0	\$ 0	\$ 234,922	\$ 150,000	\$ 148,072	\$ 148,072	\$ 86,850
<u>Net Change in Fund Balance</u>								
Fund Balance, July 1, 2010	\$ 5,882,355	\$ 2,829,296	\$ (2,442,157)	\$ 6,269,494	\$ (4,170,512)	\$ (6,717,358)	\$ (6,717,358)	\$ 12,986,852
Fund Balance, July 1, 2011	16,321,922	(2,829,296)	0	13,492,626	13,396,252	13,396,252	13,396,252	96,374
Fund Balance, June 30, 2011	\$ 22,204,277	\$ 0	\$ (2,442,157)	\$ 19,762,120	\$ 9,225,740	\$ 6,678,894	\$ 6,678,894	\$ 13,083,226

Exhibit J-9

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 13,236,508	\$ 0	\$ 0	\$ 13,236,508	\$ 6,366,356	\$ 18,052,269	\$ (4,815,761)
Total Revenues	\$ 13,236,508	\$ 0	\$ 0	\$ 13,236,508	\$ 6,366,356	\$ 18,052,269	\$ (4,815,761)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 4,854,429	\$ 0	\$ 0	\$ 4,854,429	\$ 679,491	\$ 5,785,783	\$ 931,354
Special Education Program	4,997,454	(7,878)	43,664	5,033,240	3,934,484	7,135,965	2,102,725
Vocational Education Program	198,784	(52,887)	3,576	149,473	160,473	158,660	9,187
<u>Support Services</u>							
Health Services	589,150	0	0	589,150	631,732	906,141	316,991
Other Student Support	102,556	(4,752)	569	98,373	88,449	100,962	2,589
Regular Instruction Program	417,245	(14,248)	599	403,596	405,689	869,162	465,566
Special Education Program	836,618	(2,000)	28,350	862,968	313,011	1,424,894	561,926
Vocational Education Program	100	0	0	100	300	100	0
Office of the Principal	269,223	0	0	269,223	0	417,893	148,670
Transportation	908,968	(834,786)	820,398	894,580	0	1,127,853	233,273
Total Expenditures	\$ 13,174,527	\$ (916,551)	\$ 897,156	\$ 13,155,132	\$ 6,213,629	\$ 17,927,413	\$ 4,772,281
<u>Excess (Deficiency) of Revenues</u> <u>Over Expenditures</u>	\$ 61,981	\$ 916,551	\$ (897,156)	\$ 81,376	\$ 152,727	\$ 124,856	\$ (43,480)
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (204,939)	\$ 0	\$ 0	\$ (204,939)	\$ (152,727)	\$ (299,526)	\$ 94,587
Total Other Financing Sources (Uses)	\$ (204,939)	\$ 0	\$ 0	\$ (204,939)	\$ (152,727)	\$ (299,526)	\$ 94,587
Net Change in Fund Balance Fund Balance, July 1, 2010	\$ (142,958)	\$ 916,551	\$ (897,156)	\$ (123,563)	\$ 0	\$ (174,670)	\$ 51,107
	1,259,328	(916,551)	0	342,777	0	174,670	168,107
Fund Balance, June 30, 2011	\$ 1,116,370	\$ 0	\$ (897,156)	\$ 219,214	\$ 0	\$ 0	\$ 219,214

Exhibit J-10

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 7,163,170	\$ 0	\$ 0	\$ 7,163,170	\$ 7,466,600	\$ 7,466,600	\$ (303,430)
Other Local Revenues	25,567	0	0	25,567	10,000	10,000	15,567
State of Tennessee	89,991	0	0	89,991	97,723	97,723	(7,732)
Federal Government	2,457,931	0	0	2,457,931	1,712,200	2,363,970	93,961
Total Revenues	\$ 9,736,659	\$ 0	\$ 0	\$ 9,736,659	\$ 9,286,523	\$ 9,938,293	\$ (201,634)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 9,376,687	\$ (36,596)	\$ 193,524	\$ 9,533,615	\$ 9,224,233	\$ 10,379,611	\$ 845,996
Total Expenditures	\$ 9,376,687	\$ (36,596)	\$ 193,524	\$ 9,533,615	\$ 9,224,233	\$ 10,379,611	\$ 845,996
Excess (Deficiency) of Revenues Over Expenditures	\$ 359,972	\$ 36,596	\$ (193,524)	\$ 203,044	\$ 62,290	\$ (441,318)	\$ 644,362
Net Change in Fund Balance Fund Balance, July 1, 2010	\$ 359,972	\$ 36,596	\$ (193,524)	\$ 203,044	\$ 62,290	\$ (441,318)	\$ 644,362
	2,143,342	(36,596)	0	2,106,746	2,085,133	2,085,133	21,613
Fund Balance, June 30, 2011	\$ 2,503,314	\$ 0	\$ (193,524)	\$ 2,309,790	\$ 2,147,423	\$ 1,643,815	\$ 665,975

Exhibit J-11

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
Extended School Program Fund  
For the Year Ended June 30, 2011

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2010	Add: Encumbrances 6/30/2011	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,391,727 \$	0 \$	0 \$	1,391,727 \$	1,434,194 \$	1,434,194 \$	(42,467)
Other Local Revenues	926	0	0	926	1,500	1,500	(574)
Total Revenues	\$ 1,392,653 \$	0 \$	0 \$	1,392,653 \$	1,435,694 \$	1,435,694 \$	(43,041)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 1,223,041 \$	(9,345) \$	11,421 \$	1,225,117 \$	1,096,979 \$	1,291,091 \$	65,974
Total Expenditures	\$ 1,223,041 \$	(9,345) \$	11,421 \$	1,225,117 \$	1,096,979 \$	1,291,091 \$	65,974
Excess (Deficiency) of Revenues Over Expenditures	\$ 169,612 \$	9,345 \$	(11,421) \$	167,536 \$	338,715 \$	144,603 \$	22,933
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (29,983) \$	0 \$	0 \$	(29,983) \$	0 \$	(32,660) \$	2,677
Total Other Financing Sources (Uses)	\$ (29,983) \$	0 \$	0 \$	(29,983) \$	0 \$	(32,660) \$	2,677
Net Change in Fund Balance Fund Balance, July 1, 2010	\$ 139,629 \$	9,345 \$	(11,421) \$	137,553 \$	338,715 \$	111,943 \$	25,610
	363,291	(9,345)	0	353,946	349,241	349,241	4,705
Fund Balance, June 30, 2011	\$ 502,920 \$	0 \$	(11,421) \$	491,499 \$	687,956 \$	461,184 \$	30,315

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Williamson County, Tennessee  
 Schedule of Changes in Long-term Other Loans and Bonds  
 For the Year Ended June 30, 2011

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-10	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-11
<b>OTHER LOANS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Various Projects	\$ 8,490,000	Variable	8-24-98	8-24-18	\$ 4,586,000	\$ 0	\$ 476,000	\$ 0	\$ 4,110,000
Recreational Facilities	4,095,000	Variable	4-21-03	5-25-23	2,955,000	0	185,000	0	2,770,000
Various Projects	2,015,000	Variable	5-31-05	5-25-20	1,443,000	0	126,000	0	1,317,000
<b>Total Other Loans Payable</b>					<b>\$ 8,984,000</b>	<b>\$ 0</b>	<b>\$ 787,000</b>	<b>\$ 0</b>	<b>\$ 8,197,000</b>
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Refunding	34,110,000	4.5 to 5.5	8-1-1998	9-1-14	\$ 12,860,000	\$ 0	\$ 2,300,000	\$ 0	\$ 10,560,000
School Refunding	3,210,000	4 to 5	3-1-01	12-22-10	2,815,000	0	0	2,815,000	0
General Obligation Refunding	25,020,000	4 to 5	3-1-01	12-22-10	20,145,000	0	0	20,145,000	0
Landfill Refunding	2,625,000	4.4 to 5.4	3-1-01	12-22-10	2,530,000	0	0	2,530,000	0
General Obligation	21,490,000	3 to 4.75	11-1-01	4-1-12	2,465,000	0	1,205,000	0	1,260,000
School Improvements	31,880,000	3 to 4.75	11-1-01	4-1-12	3,660,000	0	1,790,000	0	1,870,000
Landfill Equipment and Repairs	1,290,000	3 to 4.75	11-14-01	4-1-12	150,000	0	75,000	0	75,000
General Obligation Refunding	9,220,000	3 to 5	7-1-02	3-1-20	9,030,000	0	710,000	0	8,320,000
General Obligation Refunding - Schools	20,805,000	3 to 5	7-1-02	3-1-20	20,375,000	0	1,600,000	0	18,775,000
General Obligation	25,595,000	3 to 5	12-1-02	4-1-12	2,580,000	0	1,265,000	0	1,315,000
Landfill Equipment and Closure	735,000	3.5 to 4	12-1-02	4-1-12	70,000	0	35,000	0	35,000
General Obligation	4,450,000	2.25 to 4.4	12-1-03	4-1-23	3,330,000	0	200,000	0	3,130,000
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	4,980,000	0	550,000	0	4,430,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-14	1,420,000	0	0	0	1,420,000
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	14,505,000	0	0	0	14,505,000
General Obligation Refunding - Schools	23,605,000	2 to 5	11-15-04	4-1-21	21,515,000	0	0	0	21,515,000
Landfill Refunding	955,000	2 to 5	11-15-04	4-1-21	865,000	0	0	0	865,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-25	7,750,000	0	850,000	0	6,900,000
General Obligation	16,075,000	4 to 4.75	7-1-06	4-1-16	4,055,000	0	0	0	4,055,000
School Improvements	8,300,000	4 to 4.75	7-1-06	4-1-16	1,250,000	0	0	0	1,250,000
Landfill Public Improvement	1,360,000	4 to 4.75	7-1-06	4-1-16	335,000	0	0	0	335,000
General Obligation Refunding	16,170,000	5	12-20-06	4-1-22	16,170,000	0	0	0	16,170,000
General Obligation Refunding - Schools	145,000	5	12-20-06	4-1-22	145,000	0	0	0	145,000
Landfill Refunding	440,000	5	12-20-06	4-1-22	440,000	0	0	0	440,000

(Continued)

Exhibit K-1

Williamson County, Tennessee  
Schedule of Changes in Long-term Other Loans and Bonds (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-10	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-11
<b>Payable through General Debt Service Fund (Cont.)</b>									
General Obligation	\$ 3,565,000	4 to 5	2-22-07	4-1-27	\$ 3,310,000	0	140,000	0	\$ 3,170,000
School Improvements	4,070,000	4 to 5	2-22-07	4-1-27	3,775,000	0	160,000	0	3,615,000
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	5-1-28	7,295,000	0	130,000	0	7,165,000
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	5-1-28	3,555,000	0	70,000	0	3,485,000
General Obligation Refunding	26,450,000	2.5 to 4.4	2-24-09	4-1-29	26,450,000	0	500,000	0	25,950,000
General Obligation - Build America Bonds	24,700,000	2.25 to 5.75	12-3-09	4-1-34	24,700,000	0	0	0	24,700,000
General Obligation Refunding	32,960,000	2.5 to 5	4-1-10	4-1-26	32,960,000	0	0	0	32,960,000
General Obligation - Build America Bonds	17,950,000	1 to 4.6	10-26-10	4-1-30	0	17,950,000	0	0	17,950,000
General Obligation Refunding	24,500,000	2 to 4	12-22-10	3-1-19	0	24,500,000	1,800,000	0	22,700,000
<b>Total Payable through General Debt Service Fund</b>					<b>\$ 255,485,000</b>	<b>\$ 42,450,000</b>	<b>\$ 13,380,000</b>	<b>\$ 25,490,000</b>	<b>\$ 259,065,000</b>
<b>Payable through Rural Debt Service Fund</b>									
Rural School Refunding	22,015,000	4.5 to 5.5	8-1-1998	9-1-15	\$ 7,170,000	0	1,655,000	0	\$ 5,515,000
Rural School Refunding	15,660,000	4 to 5	3-1-01	12-22-10	15,170,000	0	0	15,170,000	0
Rural School	3,720,000	4 to 4.75	11-1-01	4-1-12	190,000	0	0	0	190,000
Rural School Refunding	11,745,000	3 to 5	7-1-02	3-1-20	11,325,000	0	910,000	0	10,415,000
Rural School	9,525,000	3 to 5	12-1-02	4-1-12	500,000	0	0	0	500,000
Rural School	1,365,000	2 to 4.4	12-1-03	4-1-23	1,165,000	0	50,000	0	1,115,000
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	9,640,000	0	1,005,000	0	8,635,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-14	1,710,000	0	400,000	0	1,310,000
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-25	7,175,000	0	0	0	7,175,000
Rural School	20,045,000	4 to 4.75	7-1-06	4-1-16	4,870,000	0	0	0	4,870,000
Rural School	27,560,000	4 to 4.5	2-22-07	4-1-27	26,960,000	0	400,000	0	26,560,000
Rural School	19,250,000	3.5 to 4.25	2-28-08	5-1-28	19,000,000	0	200,000	0	18,800,000
Rural School Refunding	23,660,000	2.5 to 5	2-24-09	4-1-29	23,660,000	0	250,000	0	23,410,000
Rural School - Build America Bonds	39,000,000	2.25 to 5.75	12-31-09	4-1-34	39,000,000	0	0	0	39,000,000
Rural School Refunding	38,930,000	3 to 5	4-1-10	4-1-26	38,930,000	0	0	0	38,930,000
Rural School - Build America Bonds	18,000,000	.85 to 5	10-26-10	4-1-30	0	18,000,000	0	0	18,000,000
Rural School Refunding	14,500,000	2 to 4	12-22-10	3-1-19	0	14,500,000	0	0	14,500,000
<b>Total Payable through Rural Debt Service Fund</b>					<b>\$ 206,465,000</b>	<b>\$ 32,500,000</b>	<b>\$ 4,870,000</b>	<b>\$ 15,170,000</b>	<b>\$ 218,925,000</b>
<b>Total Bonds Payable</b>					<b>\$ 461,950,000</b>	<b>\$ 74,950,000</b>	<b>\$ 18,250,000</b>	<b>\$ 40,660,000</b>	<b>\$ 477,990,000</b>

Exhibit K-2

Williamson County, Tennessee  
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2012	\$ 823,000	\$ 26,242	\$ 32,154	\$ 881,396
2013	859,000	23,519	29,277	911,796
2014	896,000	20,672	26,276	942,948
2015	937,000	17,698	23,149	977,847
2016	979,000	14,585	19,880	1,013,465
2017	1,023,000	11,327	16,467	1,050,794
2018	1,069,000	7,918	12,818	1,089,736
2019	400,000	4,350	8,161	412,511
2020	413,000	3,270	6,642	422,912
2021	257,000	2,155	4,052	263,207
2022	266,000	1,461	3,076	270,537
2023	275,000	739	2,066	277,805
Total	\$ 8,197,000	\$ 133,936	\$ 184,018	\$ 8,514,954

Year Ending June 30	Bonds		Total
	Principal	Interest	
2012	\$ 26,900,000	\$ 21,344,859	\$ 48,244,859
2013	30,155,000	18,840,017	48,995,017
2014	31,105,000	17,712,788	48,817,788
2015	32,555,000	16,521,298	49,076,298
2016	31,115,000	15,383,874	46,498,874
2017	32,385,000	13,961,269	46,346,269
2018	32,545,000	12,789,919	45,334,919
2019	32,235,000	11,493,445	43,728,445
2020	29,720,000	10,799,400	40,519,400
2021	27,120,000	9,434,866	36,554,866
2022	23,385,000	8,195,299	31,580,299
2023	21,235,000	7,110,779	28,345,779
2024	21,645,000	6,129,729	27,774,729
2025	20,910,000	5,141,517	26,051,517
2026	18,510,000	4,201,041	22,711,041
2027	15,420,000	3,355,480	18,775,480
2028	13,350,000	2,657,125	16,007,125
2029	11,160,000	2,030,742	13,190,742
2030	7,570,000	1,484,875	9,054,875
2031	4,480,000	1,090,775	5,570,775
2032	4,640,000	833,175	5,473,175
2033	4,850,000	566,375	5,416,375
2034	5,000,000	287,500	5,287,500
Total	\$ 477,990,000	\$ 191,366,147	\$ 669,356,147

Exhibit K-3

Williamson County, Tennessee  
Schedule of Investments  
June 30, 2011

Fund and Type	Date of Purchase	Date of Maturity	Interest Rates	Amount
<u>Constitutional Officers - Agency Fund</u> <u>Clerk and Master</u> Putnam Fund for Growth and Income	April 2001	various	varies	<u>\$ 14,353</u>

Exhibit K-4

Williamson County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

From Fund	To Fund	Purpose	Amount
<b><u>PRIMARY GOVERNMENT</u></b>			
General	General Capital Projects	Demolition of Fleming Hall	\$ 100,000
General	General Capital Projects	Laptop replacement for EMA	285,000
General	General Capital Projects	Local match of TDEC grant	19,175
General	General Capital Projects	Offsite media storage	55,000
General	General Capital Projects	Sheriff Department vehicles	285,720
General	General Capital Projects	Maintenance at Justice Center	450,000
General	General Capital Projects	Local match of Hazard Mitigation grant	117,000
General	Judicial District Drug	Salaries	68,715
Solid Waste/Sanitation	General Capital Projects	Equipment and repairs	349,500
Solid Waste/Sanitation	General Capital Projects	Tractor	400,000
Highway/Public Works	General Capital Projects	Highway equipment	650,000
General Capital Projects	General	Traffic shed methodology	40,000
General Capital Projects	Highway/Public Works	Paving expenses	100,000
General Capital Projects	Highway/Public Works	Close projects	165,457
General Capital Projects	General Debt Service	Capitalized interest	811,658
General Capital Projects	General Debt Service	Close projects	312,723
General Capital Projects	Rural Debt Service	Capitalized interest	636,217
General Capital Projects	Rural Debt Service	Allocation of school privilege tax	8,000,000
General Capital Projects	Rural Debt Service	Close projects	173,995
General Capital Projects	Cities Adequate Facilities Tax	Allocation of cities share of privilege tax	1,108,630
General Capital Projects	Special School District	Allocation of ADA share of privilege tax	336,236
General Capital Projects	Special School District	Allocation of ADA share of adequate facilities tax	265,449
Judicial District Drug	General	Salaries	63,801
Total Transfers Primary Government			<u>\$ 14,794,276</u>
<b><u>DISCRETELY PRESENTED WILLIAMSON COUNTY SCHOOL DEPARTMENT</u></b>			
School Federal Projects	General Purpose School	Indirect costs	\$ 204,939
Extended School Program	General Purpose School	Indirect costs	29,983
Total Transfers Discretely Presented Williamson County School Department			<u>\$ 234,922</u>

Exhibit K-5

Williamson County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, TCA	\$ 132,954	\$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, TCA	110,032	100,000	"
Director of Schools	State Board of Education and Williamson County Board of Education	172,360	100,000	(1)
Trustee	Section 8-24-102, TCA	100,069	5,000,000	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, TCA	100,069	4,740,065	Travelers Casualty and Surety Company of America
County Clerk	Section 8-24-102, TCA	100,069	10,000	Cincinnati Insurance Company
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	100,069	50,000	"
Clerk and Master	Section 8-24-102, TCA	100,069	50,000	"
Juvenile Court Clerk	Section 8-24-102, TCA	100,069	50,000	"
Register	Section 8-24-102, TCA	100,069	25,000	"
Sheriff	Section 8-24-102, TCA	110,032	25,000	"
Director of Accounts and Budgets	County Commission	96,952	15,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			100,000	Self-insured
Public Employee Dishonesty			100,001 to 3,990,000	Princeton Surplus Insurance Company

(1) Covered under county's employee blanket bond.

(2) Includes a career ladder supplement of \$1,000.

(3) Does not include a law enforcement training supplement of \$600.

Exhibit K-6

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 For the Year Ended June 30, 2011

	Special Revenue Funds						Highway / Public Works
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 33,146,151	\$ 2,759,752	\$ 0	\$ 0	\$ 0	\$ 0	792,465
Trustee's Collections - Prior Year	529,875	44,259	0	0	0	0	15,502
Circuit/Clerk & Master Collections - Prior Years	318,545	27,460	0	0	0	0	8,565
Interest and Penalty	117,517	9,485	0	0	0	0	3,353
Payments in-Lieu-of Taxes - T.V.A.	999	133	0	0	0	0	111
Payments in-Lieu-of Taxes - Other	48,504	6,467	0	0	0	0	2,128
<u>County Local Option Taxes</u>							
Local Option Sales Tax	0	0	0	0	0	0	0
Hotel/Motel Tax	2,708,939	0	0	0	0	0	0
Wheel Tax	226,733	0	0	0	0	0	3,500,000
Litigation Tax - General	44,559	0	0	0	0	0	0
Litigation Tax - Special Purpose	69,256	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	2,976	0	0	0	0	0	0
Litigation Tax - Courtroom Security	283,502	0	0	0	0	0	0
Business Tax	614,579	0	0	0	0	0	3,400,000
Mineral Severance Tax	0	0	0	0	0	0	193,189
Other County Local Option Taxes	0	0	0	0	0	0	0
<u>Statutory Local Taxes</u>							
Bank Excise Tax	189,662	0	0	0	0	0	0
Wholesale Beer Tax	500,483	0	0	0	0	0	0
Beer Privilege Tax	2,375	0	0	0	0	0	0
Interstate Telecommunications Tax	353	0	0	0	0	0	0
<u>Total Local Taxes</u>	\$ 38,805,008	\$ 2,847,556	\$ 0	\$ 0	\$ 0	\$ 0	7,915,313
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Animal Vaccination	\$ 138,723	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	673,466	0	0	0	0	0	0
<u>Permits</u>							
Beer Permits	1,188	0	0	0	0	0	0

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Building Permits	\$ 249,874	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Electrical Permits	255	0	0	0	0	0
Other Permits	16,800	0	0	0	0	0
Total Licenses and Permits	\$ 1,080,306	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 13,306	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	28,813	0	0	0	0	0
Drug Control Fines	0	0	5,327	0	0	0
Jail Fees	8,133	0	0	0	0	0
District Attorney General Fees	0	0	0	28,096	0	0
Judicial Commissioner Fees	543	0	0	0	0	0
DUI Treatment Fines	7,215	0	0	0	0	0
Data Entry Fee - Circuit Court	3,101	0	0	0	0	0
Courtroom Security Fee	842	0	0	0	0	0
<u>Criminal Court</u>						
Drug Control Fines	283	0	0	0	0	0
Drug Court Fees	4,277	0	0	0	0	0
District Attorney General Fees	0	0	0	29,895	0	0
Data Entry Fee - Criminal Court	14,060	0	0	0	0	0
Courtroom Security Fee	5,248	0	0	0	0	0
Victims Assistance Assessments	10,574	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	69,775	0	0	0	0	0
Officers Costs	159,699	0	0	0	0	0
Game and Fish Fines	610	0	0	0	0	0
Drug Control Fines	2,359	0	21,544	0	0	0
Drug Court Fees	29,027	0	0	0	0	0
Jail Fees	20,329	0	0	0	0	0

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 12,408	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DUI Treatment Fines	28,274	0	0	0	0	0
Data Entry Fee - General Sessions Court	7,481	0	0	0	0	0
Victims Assistance Assessments	58,879	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	51,833	0	0	0	0	0
Data Entry Fee - Juvenile Court	1,812	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	17,410	0	0	0	0	0
Data Entry Fee - Chancery Court	8,254	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	1,151	0	0	0	0	0
District Attorney General Fees	0	0	0	17,805	0	0
DUI Treatment Fines	1,598	0	0	0	0	0
<u>Courts in Other District Counties</u>						
District Attorney General Fees	0	0	0	4,630	0	0
<u>Judicial District Drug Program</u>						
Victims Assistance Assessments	2,293	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	1,576	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 569,587	\$ 0	\$ 28,447	\$ 80,426	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 950,469	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	15,200	0	0	0	0	0
Service Charges	90,036	0	0	0	0	0
<u>Fees</u>						
Engineer Review Fees	1,500	0	0	0	0	0
Recreation Fees	4,032,137	0	0	0	0	0

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Copy Fees	\$ 22,343	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Library Fees	65,648	0	0	0	0	0
Telephone Commissions	103,429	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	283	0
Data Processing Fee - Register	95,720	0	0	0	0	0
Probation Fees	516,257	0	0	0	0	0
Data Processing Fee - Sheriff	18,999	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	1,900	0	0	0	0	0
Data Processing Fee - County Clerk	20,316	0	0	0	0	0
<u>Education Charges</u>						
Transportation from Individuals	39,908	0	0	0	0	0
<u>Other Charges for Services</u>						
Other Charges for Services	93,141	0	0	0	0	0
Total Charges for Current Services	\$ 5,116,534	\$ 950,469	\$ 0	\$ 0	\$ 283	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 220,051	\$ 17,744	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	427,312	0	0	0	0	0
Sale of Materials and Supplies	1,018	192,128	0	0	0	12,537
Sale of Gasoline	0	0	0	0	0	34,348
Sale of Maps	38,462	0	0	0	0	0
Sale of Recycled Materials	506	297,533	0	0	0	0
Miscellaneous Refunds	132,138	0	0	0	0	28,556
<u>Nonrecurring Items</u>						
Sale of Equipment	19,567	63,094	4,335	0	0	2,501
Sale of Property	10,000	0	0	0	0	0
Damages Recovered from Individuals	5,856	0	0	0	0	4,267
<u>Other Local Revenues</u>						
Other Local Revenues	110,191	18,590	0	0	0	4,081
Total Other Local Revenues	\$ 965,101	\$ 589,089	\$ 4,335	\$ 0	\$ 0	\$ 86,290

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Special Revenue Funds						
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works	
<u>Fees Received from County Officials</u>							
<u>Fees in-Lieu-of Salary</u>							
County Clerk	\$ 2,106,011	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	1,110,392	0	0	0	0	0	0
Clerk and Master	673,157	0	0	0	0	0	0
Juvenile Court Clerk	44,867	0	0	0	0	0	0
Register	1,599,272	0	0	0	0	0	0
Sheriff	128,364	0	0	0	0	0	0
Trustee	5,013,449	0	0	0	0	0	0
<b>Total Fees Received from County Officials</b>	<b>\$ 10,675,512</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
Juvenile Services Program	\$ 4,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Solid Waste Grants	0	135,000	0	0	0	0	0
<u>Public Safety Grants</u>							
Law Enforcement Training Programs	60,000	0	0	0	0	0	0
Public Works Grants							
State Aid Program	0	0	0	0	0	0	473,844
Litter Program	58,353	0	0	0	0	0	0
<u>Other State Revenues</u>							
Income Tax	1,651,096	0	0	0	0	0	0
Beer Tax	18,724	0	0	0	0	0	0
Alcoholic Beverage Tax	79,968	0	0	0	0	0	79,968
Mixed Drink Tax	45,056	0	0	0	0	0	0
Contracted Prisoner Boarding	703,770	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0	2,681,177
Petroleum Special Tax	0	0	0	0	0	0	101,704
Registrar's Salary Supplement	15,468	0	0	0	0	0	0
Other State Grants	1,028,729	0	0	0	0	0	0
Other State Revenues	91,929	7,496	0	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 3,757,593</b>	<b>\$ 142,496</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>3,336,693</b>

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<b>Federal Government</b>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 1,010,714	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Disaster Relief	57,564	0	0	0	0	0
Homeland Security Grants	45,000	0	0	0	0	0
ARRA Grant No. 1	67,213	0	0	0	0	0
Other Federal through State	1,000,082	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	66,218	0	0	0	0	0
Tax Credit Bond Rebate	0	0	0	0	0	0
ARRA Grant No. 6	6,109	0	0	0	0	0
Other Direct Federal Revenue	0	0	0	0	0	39,971
<b>Total Federal Government</b>	<b>\$ 2,252,900</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 39,971</b>
<b>Other Governments and Citizens Groups</b>						
<u>Other Governments</u>						
Prisoner Board	\$ 3,018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	129,550
Contributions	0	0	0	0	0	0
Contracted Services	244,952	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	366,202	0	3,750	0	0	0
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 614,172</b>	<b>\$ 0</b>	<b>\$ 3,750</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 129,550</b>
<b>Total</b>	<b>\$ 63,836,713</b>	<b>\$ 4,529,610</b>	<b>\$ 36,532</b>	<b>\$ 80,426</b>	<b>\$ 283</b>	<b>\$ 11,507,817</b>

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service		General Capital Projects		
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 20,622,061	\$ 9,290,099	\$ 0	\$ 0	\$ 66,610,528	
Trustee's Collections - Prior Year	318,002	128,863	0	0	1,036,501	
Circuit/Clerk & Master Collections - Prior Years	198,205	80,230	0	0	633,005	
Interest and Penalty	73,154	28,774	0	0	232,283	
Payments in-Lieu-of Taxes - T.V.A.	622	355	0	0	2,220	
Payments in-Lieu-of Taxes - Other	30,180	17,246	0	0	104,525	
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	1,128,910	0	0	1,128,910	
Hotel/Motel Tax	0	0	0	0	2,708,939	
Wheel Tax	0	0	0	0	3,726,733	
Litigation Tax - General	0	0	0	0	44,559	
Litigation Tax - Special Purpose	0	0	0	0	69,256	
Litigation Tax - Jail, Workhouse, or Courthouse	402,688	0	0	0	405,664	
Litigation Tax - Courtroom Security	0	0	0	0	283,502	
Business Tax	0	0	0	0	4,014,579	
Mineral Severance Tax	0	0	0	0	193,189	
Other County Local Option Taxes	0	0	0	7,450,662	7,450,662	
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	189,662	
Wholesale Beer Tax	0	0	0	0	500,483	
Beer Privilege Tax	0	0	0	0	2,375	
Interstate Telecommunications Tax	0	0	0	0	353	
<b>Total Local Taxes</b>	<b>\$ 21,644,912</b>	<b>\$ 10,674,477</b>	<b>\$ 7,450,662</b>	<b>\$ 7,450,662</b>	<b>\$ 89,337,928</b>	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Vaccination	\$ 0	\$ 0	\$ 0	\$ 0	\$ 138,723	
Cable TV Franchise	0	0	0	0	673,466	
<u>Permits</u>						
Beer Permits	0	0	0	0	1,188	

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Debt Service Funds		Capital Projects Fund		Total
	General	Rural	General	Capital	
	Service	Debt Service	Projects	Projects	
<u>Licenses and Permits (Cont.)</u>					
<u>Permits (Cont.)</u>					
Building Permits	\$ 0	\$ 0	\$ 0	\$ 0	249,874
Electrical Permits	0	0	0	0	255
Other Permits	0	0	0	0	16,800
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	1,080,306
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	13,306
Officers Costs	0	0	0	0	28,813
Drug Control Fines	0	0	0	0	5,327
Jail Fees	0	0	0	0	8,133
District Attorney General Fees	0	0	0	0	28,096
Judicial Commissioner Fees	0	0	0	0	543
DUI Treatment Fines	0	0	0	0	7,215
Data Entry Fee - Circuit Court	0	0	0	0	3,101
Courtroom Security Fee	0	0	0	0	842
<u>Criminal Court</u>					
Drug Control Fines	0	0	0	0	283
Drug Court Fees	0	0	0	0	4,277
District Attorney General Fees	0	0	0	0	29,895
Data Entry Fee - Criminal Court	0	0	0	0	14,060
Courtroom Security Fee	0	0	0	0	5,248
Victims Assistance Assessments	0	0	0	0	10,574
<u>General Sessions Court</u>					
Fines	0	0	0	0	69,775
Officers Costs	0	0	0	0	159,699
Game and Fish Fines	0	0	0	0	610
Drug Control Fines	0	0	0	0	23,903
Drug Court Fees	0	0	0	0	29,027
Jail Fees	0	0	0	0	20,329

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service		General Capital Projects		
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12,408
DUI Treatment Fines	0	0	0	0	0	28,274
Data Entry Fee - General Sessions Court	0	0	0	0	0	7,481
Victims Assistance Assessments	0	0	0	0	0	58,879
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	51,833
Data Entry Fee - Juvenile Court	0	0	0	0	0	1,812
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	17,410
Data Entry Fee - Chancery Court	0	0	0	0	0	8,254
<u>Other Courts - In-county</u>						
Drug Court Fees	0	0	0	0	0	1,151
District Attorney General Fees	0	0	0	0	0	17,805
DUI Treatment Fines	0	0	0	0	0	1,598
<u>Courts in Other District Counties</u>						
District Attorney General Fees	0	0	0	0	0	4,630
Judicial District Drug Program	0	0	0	0	0	2,293
Victims Assistance Assessments	0	0	0	0	0	
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	1,576
Proceeds from Confiscated Property	0	0	0	0	0	678,460
<u>Total Fines, Forfeitures, and Penalties</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	950,469
Other General Service Charges	0	0	0	0	0	15,200
Service Charges	0	0	0	0	0	90,036
<u>Fees</u>						
Engineer Review Fees	0	0	0	0	0	1,500
Recreation Fees	0	0	0	0	0	4,032,137

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service	0	0	0	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Copy Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	22,343
Library Fees	0	0	0	0	0	65,648
Telephone Commissions	0	0	0	0	0	103,429
Constitutional Officers' Fees and Commissions	0	0	0	0	0	283
Data Processing Fee - Register	0	0	0	0	0	95,720
Probation Fees	0	0	0	0	0	516,257
Data Processing Fee - Sheriff	0	0	0	0	0	18,999
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	1,900
Data Processing Fee - County Clerk	0	0	0	0	0	20,316
<u>Education Charges</u>						
Transportation from Individuals	0	0	0	0	0	39,908
<u>Other Charges for Services</u>						
Other Charges for Services	0	0	0	0	0	93,141
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6,067,286
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 248,260	\$ 0	\$ 0	\$ 29,617	\$ 0	515,672
Lease/Rentals	55,856	0	0	0	0	483,168
Sale of Materials and Supplies	0	0	0	0	0	205,683
Sale of Gasoline	0	0	0	0	0	34,348
Sale of Maps	0	0	0	0	0	38,462
Sale of Recycled Materials	0	0	0	0	0	298,039
Miscellaneous Refunds	0	0	0	0	0	160,694
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	89,497
Sale of Property	0	0	0	0	0	10,000
Damages Recovered from Individuals	0	0	0	0	0	10,123
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	45,000	0	177,862
Total Other Local Revenues	\$ 304,116	\$ 0	\$ 0	\$ 74,617	\$ 0	2,023,548

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Debt Service Funds		Capital Projects Fund		Total
	General Debt Service	Rural Debt Service	Fund		
			General Capital	Projects	
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	0	\$ 0	2,106,011
Circuit Court Clerk	0	0	0	0	1,110,392
Clerk and Master	0	0	0	0	673,157
Juvenile Court Clerk	0	0	0	0	44,867
Register	0	0	0	0	1,599,272
Sheriff	0	0	0	0	128,364
Trustee	0	0	0	0	5,013,449
<b>Total Fees Received from County Officials</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>10,675,512</b>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	0	\$ 0	4,500
Solid Waste Grants	0	0	0	0	135,000
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	60,000
<u>Public Works Grants</u>					
State Aid Program	0	0	0	0	473,844
Litter Program	0	0	0	0	58,353
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	1,651,096
Beer Tax	0	0	0	0	18,724
Alcoholic Beverage Tax	0	0	0	0	159,936
Mixed Drink Tax	0	0	0	0	45,056
Contracted Prisoner Boarding	0	0	0	0	703,770
Gasoline and Motor Fuel Tax	0	0	0	0	2,681,177
Petroleum Special Tax	0	0	0	0	101,704
Registrar's Salary Supplement	0	0	0	0	15,468
Other State Grants	0	0	0	0	1,028,729
Other State Revenues	0	0	0	0	99,425
<b>Total State of Tennessee</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>7,236,782</b>

(Continued)

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types (Cont.)

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service	Fund			
			General Capital Projects	General Capital Projects		
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,010,714
Disaster Relief	0	0	0	0	0	57,564
Homeland Security Grants	0	0	0	435,416	0	480,416
ARRA Grant No. 1	0	0	0	0	0	67,213
Other Federal through State	0	0	0	157,218	0	1,157,300
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	0	0	0	66,218
Tax Credit Bond Rebate	540,800	809,724	0	0	0	1,350,524
ARRA Grant No. 6	0	0	0	0	0	6,109
Other Direct Federal Revenue	0	0	0	0	0	39,971
<u>Total Federal Government</u>	\$ 540,800	\$ 809,724	\$ 592,634	\$ 0	\$ 0	4,236,029
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	0	0	0	0	0	3,018
Paving and Maintenance	0	0	0	0	0	129,550
Contributions	235,348	0	0	0	0	235,348
Contracted Services	0	0	0	0	0	244,952
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	369,952
<u>Total Other Governments and Citizens Groups</u>	\$ 235,348	\$ 0	\$ 0	\$ 0	\$ 0	982,820
<u>Total</u>	\$ 22,725,176	\$ 11,484,201	\$ 8,117,913	\$ 0	\$ 0	122,318,671

Exhibit K-7

Williamson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 86,492,178	\$ 0	\$ 0	\$ 0	\$ 0	\$ 86,492,178
Trustee's Collections - Prior Year	1,404,569	0	0	0	0	1,404,569
Circuit/Clerk & Master Collections - Prior Years	823,036	0	0	0	0	823,036
Interest and Penalty	308,398	0	0	0	0	308,398
Payments in-Lieu-of Taxes - T.V.A.	2,610	0	0	0	0	2,610
Payments in-Lieu-of Taxes - Local Utilities	126,710	0	0	0	0	126,710
<u>County Local Option Taxes</u>						
Local Option Sales Tax	33,689,369	0	0	0	0	33,689,369
Statutory Local Taxes	8,777	0	0	0	0	8,777
Interstate Telecommunications Tax	0	0	0	0	0	0
Total Local Taxes	\$ 122,855,647	\$ 0	\$ 0	\$ 0	\$ 0	\$ 122,855,647
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	10,080	0	0	0	0	10,080
Total Licenses and Permits	\$ 10,080	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,080
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 123,412	\$ 0	\$ 0	\$ 0	\$ 0	\$ 123,412
Tuition - Summer School	26,076	0	0	0	0	26,076
Lunch Payments - Children	0	0	6,323,307	0	0	6,323,307
Lunch Payments - Adults	0	0	300,670	0	0	300,670
Income from Breakfast	0	0	2,542	0	0	2,542
A la carte Sales	0	0	536,651	0	0	536,651
Contract for Instructional Services with Other LEAs	75,611	0	0	0	0	75,611
Receipts from Individual Schools	82,340	0	0	0	0	82,340
Community Service Fees - Children	234,731	0	0	1,391,727	0	1,626,458
<u>Other Charges for Services</u>						
Other Charges for Services	322,687	0	0	0	0	322,687
Total Charges for Current Services	\$ 864,857	\$ 0	\$ 7,163,170	\$ 1,391,727	\$ 0	\$ 9,419,754

(Continued)

Exhibit K-7

Williamson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 201,084	\$ 0	\$ 5,619	\$ 926	\$ 101,971	\$ 309,600
Lease/Rentals	274,140	0	0	0	0	274,140
Refund of Telecommunication and Internet Fees (E-Rate)	39,109	0	0	0	0	39,109
Commodity Rebates	46,731	0	0	0	0	46,731
Miscellaneous Refunds	13,609	0	19,948	0	0	33,557
<u>Nonrecurring Items</u>						
Sale of Equipment	53,332	0	0	0	0	53,332
Damages Recovered from Individuals	26,130	0	0	0	0	26,130
Contributions and Gifts	7,500	0	0	0	0	7,500
<u>Other Local Revenues</u>						
Other Local Revenues	100,757	0	0	0	0	100,757
Total Other Local Revenues	\$ 762,392	\$ 0	\$ 25,567	\$ 926	\$ 101,971	\$ 890,856
<u>State of Tennessee</u>						
General Government Grants						
On-Behalf Contributions for OPEB	\$ 13,162	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,162
<u>State Education Funds</u>						
Basic Education Program	88,726,128	0	0	0	0	88,726,128
Basic Education Program - ARRA	6,432,465	0	0	0	0	6,432,465
Early Childhood Education	482,698	0	0	0	0	482,698
School Food Service	0	0	89,991	0	0	89,991
Driver Education	18,835	0	0	0	0	18,835
Other State Education Funds	121,805	0	0	0	0	121,805
Coordinated School Health - ARRA	83,827	0	0	0	0	83,827
Family Resource Centers - ARRA	17,791	0	0	0	0	17,791
Career Ladder Program	875,956	0	0	0	0	875,956
Career Ladder - Extended Contract - ARRA	205,080	0	0	0	0	205,080
Other Vocational	7,000	0	0	0	0	7,000
<u>Other State Revenues</u>						
Mixed Drink Tax	583,702	0	0	0	0	583,702
State Revenue Sharing - T.V.A.	1,419,606	0	0	0	0	1,419,606
Safe Schools - ARRA	114,300	0	0	0	0	114,300
Total State of Tennessee	\$ 99,102,355	\$ 0	\$ 89,991	\$ 0	\$ 0	\$ 99,192,346

(Continued)

Exhibit K-7

Williamson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<b>Federal Government</b>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,669,780	\$ 0	\$ 0	\$ 1,669,780
USDA - Commodities	0	0	651,770	0	0	651,770
Breakfast	0	0	136,381	0	0	136,381
Adult Education State Grant Program	253,423	0	0	0	0	253,423
Vocational Education - Basic Grants to States	0	237,267	0	0	0	237,267
Title I Grants to Local Education Agencies	0	559,459	0	0	0	559,459
Special Education - Grants to States	451,612	7,530,791	0	0	0	7,982,403
Special Education Preschool Grants	20,093	131,567	0	0	0	151,660
English Language Acquisition Grants	0	66,810	0	0	0	66,810
Safe and Drug-Free Schools - State Grants	0	5,186	0	0	0	5,186
Education for Homeless Children and Youth	0	3,724	0	0	0	3,724
Eisenhower Professional Development State Grants	0	407,480	0	0	0	407,480
Race to the Top - ARRA	0	92,148	0	0	0	92,148
Other Federal through State	2,276	4,202,076	0	0	0	4,204,352
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	386,614	0	0	0	0	386,614
Other Direct Federal Revenue	34,179	0	0	0	0	34,179
<b>Total Federal Government</b>	<b>\$ 1,148,197</b>	<b>\$ 13,236,508</b>	<b>\$ 2,457,931</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 16,842,636</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	0	0	0	0	34,921,077	34,921,077
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 34,921,077</b>	<b>\$ 34,921,077</b>
<b>Total</b>	<b>\$ 224,743,528</b>	<b>\$ 13,236,508</b>	<b>\$ 9,736,659</b>	<b>\$ 1,392,653</b>	<b>\$ 35,023,048</b>	<b>\$ 284,132,396</b>

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2011

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	144,594	
Other Per Diem and Fees		4,650	
Audit Services		65,476	
Legal Notices, Recording, and Court Costs		362	
Maintenance and Repair Services - Office Equipment		8,425	
Postal Charges		2,000	
Printing, Stationery, and Forms		55	
Travel		1,298	
Other Contracted Services		880	
Refunds		20,048	
Tax Relief Program		489,926	
Other Charges		370	
Total County Commission			\$ 738,084

Board of Equalization

Board and Committee Members Fees	\$	7,054	
Total Board of Equalization			7,054

Beer Board

Board and Committee Members Fees	\$	1,725	
Total Beer Board			1,725

Other Boards and Committees

Board and Committee Members Fees	\$	1,500	
Total Other Boards and Committees			1,500

County Mayor/Executive

County Official/Administrative Officer	\$	132,954	
Supervisor/Director		72,030	
Secretary(ies)		102,606	
Longevity Pay		2,400	
Communication		2,669	
Consultants		6,760	
Dues and Memberships		1,438	
Operating Lease Payments		1,453	
Postal Charges		4,500	
Printing, Stationery, and Forms		744	
Travel		1,263	
Other Contracted Services		9,250	
Office Supplies		1,350	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Other Supplies and Materials	\$	683	
Premiums on Corporate Surety Bonds		113	
Other Charges		3,950	
Total County Mayor/Executive			\$ 344,163

Personnel Office

Assistant(s)	\$	81,141	
Supervisor/Director		90,896	
Longevity Pay		1,450	
Communication		451	
Data Processing Services		2,605	
Dues and Memberships		305	
Postal Charges		223	
Printing, Stationery, and Forms		3,332	
Travel		16	
Office Supplies		657	
Periodicals		225	
Total Personnel Office			181,301

County Attorney

Legal Services	\$	589,888	
Total County Attorney			589,888

Election Commission

County Official/Administrative Officer	\$	90,022	
Assistant(s)		112,200	
Temporary Personnel		81,170	
Part-time Personnel		20,962	
Longevity Pay		2,350	
Overtime Pay		16,112	
Election Commission		5,785	
Election Workers		101,215	
Advertising		9,155	
Communication		2,672	
Dues and Memberships		3,325	
Freight Expenses		11,920	
Operating Lease Payments		91,126	
Licenses		16,700	
Maintenance and Repair Services - Equipment		53,795	
Maintenance and Repair Services - Office Equipment		26,109	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Postal Charges	\$	16,019	
Printing, Stationery, and Forms		21,436	
Travel		5,132	
Office Supplies		6,226	
Periodicals		276	
Other Charges		652	
Total Election Commission			\$ 694,359

Register of Deeds

County Official/Administrative Officer	\$	100,069	
Deputy(ies)		381,809	
Part-time Personnel		295	
Longevity Pay		6,150	
Communication		1,934	
Dues and Memberships		1,016	
Operating Lease Payments		11,715	
Maintenance and Repair Services - Office Equipment		44,775	
Postal Charges		6,144	
Printing, Stationery, and Forms		20,545	
Premiums on Corporate Surety Bonds		75	
Data Processing Equipment		19,452	
Total Register of Deeds			593,979

Development

Assistant(s)	\$	1,157,866	
Supervisor/Director		97,386	
Deputy(ies)		355,347	
Secretary(ies)		281,928	
Longevity Pay		21,600	
Board and Committee Members Fees		13,073	
Communication		6,416	
Consultants		77,503	
Dues and Memberships		638	
Operating Lease Payments		3,592	
Maintenance and Repair Services - Office Equipment		3,127	
Postal Charges		4,941	
Travel		255	
Office Supplies		15,311	
In Service/Staff Development		210	
Other Charges		304	
Total Development			2,039,497

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Planning

Advertising	\$	423	
Dues and Memberships		1,266	
Evaluation and Testing		300	
Maintenance and Repair Services - Vehicles		169	
Travel		8	
Gasoline		601	
Instructional Supplies and Materials		945	
In Service/Staff Development		572	
Total Planning			\$ 4,284

Building

Communication	\$	1,748	
Dues and Memberships		380	
Maintenance and Repair Services - Vehicles		2,716	
Gasoline		7,730	
Uniforms		279	
In Service/Staff Development		3,258	
Total Building			16,111

Engineering

Board and Committee Members Fees	\$	1,317	
Dues and Memberships		1,160	
Evaluation and Testing		3,965	
Maintenance and Repair Services - Vehicles		2,527	
Permits		3,460	
Gasoline		3,816	
Instructional Supplies and Materials		453	
Uniforms		460	
In Service/Staff Development		1,055	
Total Engineering			18,213

Codes Compliance

Advertising	\$	314	
Communication		1,196	
Contracts with Private Agencies		31,697	
Maintenance and Repair Services - Vehicles		1,383	
Travel		813	
Gasoline		1,877	
Periodicals		119	
Uniforms		485	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

In Service/Staff Development	\$ 1,812	
Total Codes Compliance		\$ 39,696

Geographical Information Systems

Supervisor/Director	\$ 91,146	
Data Processing Personnel	528,798	
Secretary(ies)	30,285	
Part-time Personnel	20,116	
Longevity Pay	5,800	
Communication	147,838	
Consultants	162	
Dues and Memberships	1,500	
Licenses	215,065	
Maintenance and Repair Services - Vehicles	932	
Travel	146	
Other Contracted Services	10,723	
Gasoline	3,447	
Instructional Supplies and Materials	620	
Office Supplies	7,217	
Uniforms	2,349	
In Service/Staff Development	4,990	
Total Geographical Information Systems		1,071,134

County Buildings

Supervisor/Director	\$ 99,861
Deputy(ies)	64,792
Foremen	54,308
Mechanic(s)	580,368
Nightwatchmen	25,888
Clerical Personnel	35,942
Custodial Personnel	287,644
Part-time Personnel	179,284
Longevity Pay	11,350
Overtime Pay	30,458
Communication	35,657
Contracts with Private Agencies	66,024
Operating Lease Payments	1,403
Maintenance and Repair Services - Buildings	408,207
Maintenance and Repair Services - Vehicles	18,184
Custodial Supplies	68,078

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Electricity	\$	580,189	
Gasoline		49,321	
Natural Gas		49,701	
Office Supplies		1,950	
Uniforms		9,221	
Water and Sewer		39,548	
In Service/Staff Development		320	
Other Charges		3	
Total County Buildings			\$ 2,697,701

Other Facilities

Assistant(s)	\$	30,576	
Supervisor/Director		47,258	
Part-time Personnel		11,250	
Longevity Pay		350	
Communication		298	
Maintenance and Repair Services - Office Equipment		225	
Travel		397	
Gasoline		533	
Office Supplies		2,267	
Other Supplies and Materials		2,680	
Total Other Facilities			95,834

Preservation of Records

County Official/Administrative Officer	\$	52,062	
Assistant(s)		93,131	
Temporary Personnel		9,025	
Longevity Pay		2,800	
Communication		1,122	
Operating Lease Payments		2,763	
Licenses		3,455	
Maintenance and Repair Services - Office Equipment		2,935	
Postal Charges		202	
Office Supplies		4,602	
Other Supplies and Materials		14,957	
Total Preservation of Records			187,054

Risk Management

County Official/Administrative Officer	\$	79,768
Assistant(s)		71,858

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Risk Management (Cont.)

Longevity Pay	\$	700	
Communication		1,378	
Dues and Memberships		112	
Postal Charges		950	
Travel		362	
Instructional Supplies and Materials		813	
Office Supplies		1,122	
Total Risk Management			\$ 157,063

Other Risk Management

Paraprofessionals	\$	68,890	
Clerical Personnel		154,084	
Longevity Pay		1,200	
Communication		2,413	
Operating Lease Payments		1,862	
Postal Charges		8,224	
Printing, Stationery, and Forms		4,250	
Travel		391	
Office Supplies		1,032	
In Service/Staff Development		151	
Total Other Risk Management			242,497

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	96,952	
Assistant(s)		70,325	
Accountants/Bookkeepers		289,692	
Purchasing Personnel		91,446	
Longevity Pay		4,500	
Communication		2,546	
Operating Lease Payments		1,492	
Maintenance and Repair Services - Office Equipment		8,427	
Postal Charges		5,922	
Printing, Stationery, and Forms		6,448	
Office Supplies		7,053	
Premiums on Corporate Surety Bonds		150	
In Service/Staff Development		3,198	
Other Charges		150	
Data Processing Equipment		177,709	
Furniture and Fixtures		60,110	
Total Accounting and Budgeting			826,120

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office

County Official/Administrative Officer	\$	100,069	
Deputy(ies)		1,004,745	
Salary Supplements		8,750	
Part-time Personnel		22,451	
Longevity Pay		11,650	
Overtime Pay		57,595	
Advertising		79	
Communication		11,727	
Consultants		190,508	
Data Processing Services		20,326	
Dues and Memberships		2,247	
Operating Lease Payments		14,266	
Maintenance and Repair Services - Office Equipment		6,809	
Maintenance and Repair Services - Vehicles		1,204	
Postal Charges		28,252	
Printing, Stationery, and Forms		2,771	
Travel		1,434	
Gasoline		1,917	
Office Supplies		10,198	
Periodicals		585	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		2,356	
Other Charges		5,922	
Total Property Assessor's Office			\$ 1,505,936

County Trustee's Office

County Official/Administrative Officer	\$	100,069
Assistant(s)		251,430
Part-time Personnel		19,555
Longevity Pay		2,850
Overtime Pay		2,886
Advertising		978
Communication		1,412
Data Processing Services		7,376
Dues and Memberships		851
Maintenance and Repair Services - Office Equipment		18,248
Postal Charges		24,539
Printing, Stationery, and Forms		15,520
Travel		1,098
Premiums on Corporate Surety Bonds		5,600

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

In Service/Staff Development	\$	2,205	
Other Charges		175	
Total County Trustee's Office			\$ 454,792

County Clerk's Office

County Official/Administrative Officer	\$	100,069	
Assistant(s)		617,937	
Temporary Personnel		14,889	
Part-time Personnel		27,086	
Longevity Pay		8,100	
Advertising		988	
Communication		3,785	
Dues and Memberships		766	
Operating Lease Payments		4,397	
Maintenance and Repair Services - Office Equipment		16,457	
Postal Charges		35,449	
Printing, Stationery, and Forms		7,800	
Other Supplies and Materials		4,000	
Premiums on Corporate Surety Bonds		163	
Other Charges		12	
Data Processing Equipment		6,814	
Total County Clerk's Office			848,712

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	100,069	
Deputy(ies)		970,855	
Part-time Personnel		75,309	
Longevity Pay		17,050	
Jury and Witness Expense		28,042	
Communication		4,807	
Dues and Memberships		986	
Operating Lease Payments		40,912	
Legal Notices, Recording, and Court Costs		9,896	
Maintenance and Repair Services - Office Equipment		546	
Postal Charges		15,933	
Printing, Stationery, and Forms		10,670	
Travel		173	
Food Supplies		1,000	
Office Supplies		15,805	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Premiums on Corporate Surety Bonds	\$	113	
Office Equipment		10,677	
Total Circuit Court			\$ 1,302,843

General Sessions Court

Judge(s)	\$	291,990	
Assistant(s)		154,024	
Probation Officer(s)		113,464	
Secretary(ies)		79,295	
Clerical Personnel		26,645	
Temporary Personnel		1,978	
Longevity Pay		4,200	
Communication		2,489	
Contracts with Government Agencies		66,905	
Dues and Memberships		730	
Evaluation and Testing		3,535	
Operating Lease Payments		2,513	
Postal Charges		1,848	
Printing, Stationery, and Forms		756	
Rentals		783	
Travel		1,725	
Office Supplies		5,594	
Periodicals		1,756	
In Service/Staff Development		40	
Total General Sessions Court			760,270

Drug Court

Drug Treatment	\$	83,093	
Total Drug Court			83,093

Chancery Court

County Official/Administrative Officer	\$	100,069	
Assistant(s)		246,432	
Part-time Personnel		5,160	
Longevity Pay		3,900	
Communication		2,075	
Dues and Memberships		836	
Maintenance and Repair Services - Office Equipment		11,175	
Postal Charges		14,266	
Printing, Stationery, and Forms		4,167	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Office Supplies	\$	3,358	
Periodicals		549	
Other Supplies and Materials		561	
Premiums on Corporate Surety Bonds		235	
In Service/Staff Development		800	
Office Equipment		1,761	
Total Chancery Court			\$ 395,344

Juvenile Court

County Official/Administrative Officer	\$	100,069	
Assistant(s)		228,883	
Part-time Personnel		21,210	
Longevity Pay		4,050	
Communication		3,518	
Dues and Memberships		821	
Operating Lease Payments		5,410	
Maintenance and Repair Services - Office Equipment		4,000	
Postal Charges		4,000	
Printing, Stationery, and Forms		4,542	
Travel		417	
Other Contracted Services		8,100	
Office Supplies		1,762	
Premiums on Corporate Surety Bonds		163	
In Service/Staff Development		800	
Other Charges		200	
Data Processing Equipment		1,045	
Total Juvenile Court			388,990

Other Administration of Justice

County Official/Administrative Officer	\$	59,347	
Assistant(s)		75,462	
Part-time Personnel		12,337	
Total Other Administration of Justice			147,146

Victims Assistance Programs

Contributions	\$	87,661	
Total Victims Assistance Programs			87,661

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	110,032	
Deputy(ies)		4,119,658	
Accountants/Bookkeepers		53,810	
Salary Supplements		60,000	
Clerical Personnel		377,808	
Longevity Pay		50,550	
Overtime Pay		246,503	
Communication		26,969	
Contracts with Private Agencies		78,506	
Evaluation and Testing		1,760	
Operating Lease Payments		9,044	
Maintenance and Repair Services - Vehicles		114,381	
Postal Charges		5,687	
Transportation - Other than Students		19,715	
Data Processing Supplies		16,318	
Gasoline		357,936	
Law Enforcement Supplies		13,466	
Office Supplies		24,403	
Periodicals		1,117	
Tires and Tubes		34,298	
Uniforms		75,275	
Other Supplies and Materials		5,684	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		64,076	
Other Charges		25,173	
Administration Equipment		5,839	
Data Processing Equipment		15,169	
Law Enforcement Equipment		103,346	
Other Capital Outlay		2,369	
Total Sheriff's Department			\$ 6,018,967

Traffic Control

Guards	\$	61,643	
Advertising		120	
Uniforms		580	
Total Traffic Control			62,343

Jail

Guards	\$	2,870,045
Longevity Pay		13,250

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Overtime Pay	\$	76,700	
Communication		22,702	
Evaluation and Testing		10,100	
Laundry Service		51,007	
Operating Lease Payments		5,157	
Maintenance and Repair Services - Buildings		69,816	
Maintenance and Repair Services - Equipment		13,607	
Maintenance and Repair Services - Vehicles		11,654	
Medical and Dental Services		829,734	
Postal Charges		778	
Drugs and Medical Supplies		7,735	
Electricity		232,417	
Food Supplies		341,560	
Gasoline		14,112	
Natural Gas		46,270	
Office Supplies		17,124	
Periodicals		319	
Prisoners Clothing		11,152	
Uniforms		29,830	
Water and Sewer		113,280	
Other Supplies and Materials		26,363	
In Service/Staff Development		12,967	
Other Capital Outlay		8,700	
Total Jail			\$ 4,836,379

Workhouse

Deputy(ies)	\$	116,441	
Longevity Pay		1,700	
Maintenance and Repair Services - Vehicles		5,589	
Gasoline		15,907	
Instructional Supplies and Materials		14,773	
Office Supplies		1,895	
Other Road Supplies		5,482	
Small Tools		1,925	
Uniforms		1,509	
Other Supplies and Materials		3,813	
Total Workhouse			169,034

Juvenile Services

Judge(s)	\$	96,491	
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(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Assistant(s)	\$	1,082,071	
Teachers		124,331	
Part-time Personnel		88,095	
Longevity Pay		13,550	
Overtime Pay		2,155	
Communication		7,195	
Dues and Memberships		1,700	
Operating Lease Payments		7,901	
Legal Services		34,062	
Maintenance and Repair Services - Office Equipment		6,405	
Medical and Dental Services		484	
Postal Charges		1,419	
Printing, Stationery, and Forms		3,009	
Transportation - Other than Students		3,549	
Travel		5,305	
Other Contracted Services		5,040	
Food Supplies		14,833	
Instructional Supplies and Materials		377	
Office Supplies		13,088	
Other Supplies and Materials		32,262	
In Service/Staff Development		4,655	
Other Charges		260	
Total Juvenile Services			\$ 1,548,237

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Contributions		474,684	
Total Fire Prevention and Control			476,684

Civil Defense

Supervisor/Director	\$	60,703	
Dispatchers/Radio Operators		620,730	
Secretary(ies)		29,829	
Part-time Personnel		37,177	
Longevity Pay		5,600	
Overtime Pay		60,068	
Communication		24,346	
Contracts with Government Agencies		39,714	
Dues and Memberships		426	
Evaluation and Testing		796	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Operating Lease Payments	\$	19,087	
Maintenance and Repair Services - Equipment		9,904	
Maintenance and Repair Services - Vehicles		882	
Postal Charges		100	
Travel		504	
Other Contracted Services		7,968	
Electricity		6,935	
Office Supplies		3,376	
Uniforms		5,484	
In Service/Staff Development		296,486	
Total Civil Defense			\$ 1,230,115

Rescue Squad

Assistant(s)	\$	36,919	
Supervisor/Director		67,026	
Secretary(ies)		18,267	
Longevity Pay		1,550	
Advertising		56	
Communication		3,403	
Dues and Memberships		685	
Operating Lease Payments		2,658	
Maintenance Agreements		21,004	
Maintenance and Repair Services - Office Equipment		432	
Maintenance and Repair Services - Vehicles		1,832	
Travel		60	
Other Contracted Services		2,958	
Gasoline		1,695	
Office Supplies		1,519	
Uniforms		580	
Other Charges		43	
Total Rescue Squad			160,687

Other Emergency Management

In Service/Staff Development	\$	2,393	
Total Other Emergency Management			2,393

County Coroner/Medical Examiner

Contracts with Private Agencies	\$	74,160	
Medical and Dental Services		30,000	
Other Contracted Services		44,250	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner (Cont.)

Drugs and Medical Supplies	\$ 38,350	
Total County Coroner/Medical Examiner		\$ 186,760

Public Health and Welfare

Local Health Center

Medical Personnel	\$ 147,586	
Secretary(ies)	30,389	
Clerical Personnel	25,605	
Custodial Personnel	23,421	
Part-time Personnel	14,487	
Longevity Pay	2,850	
Board and Committee Members Fees	3,074	
Communication	7,444	
Contracts with Government Agencies	621,708	
Contributions	1,695	
Laundry Service	287	
Maintenance and Repair Services - Buildings	2,176	
Postal Charges	9	
Travel	3,165	
Drugs and Medical Supplies	23,448	
Office Supplies	8,057	
Utilities	29,278	
Liability Insurance	1,408	
Other Charges	254	
Total Local Health Center		946,341

Rabies and Animal Control

Assistant(s)	\$ 50,649
Supervisor/Director	68,468
Paraprofessionals	60,751
Attendants	250,507
Custodial Personnel	27,094
Part-time Personnel	65,473
Longevity Pay	2,600
Overtime Pay	17,411
Advertising	1,724
Communication	4,937
Contracts with Private Agencies	4,308
Operating Lease Payments	1,620
Maintenance and Repair Services - Buildings	5,120

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Maintenance and Repair Services - Office Equipment	\$	240	
Maintenance and Repair Services - Vehicles		7,562	
Postal Charges		182	
Printing, Stationery, and Forms		1,181	
Veterinary Services		31,732	
Other Contracted Services		4,695	
Animal Food and Supplies		35,857	
Custodial Supplies		4,543	
Drugs and Medical Supplies		58,966	
Electricity		21,576	
Equipment Parts - Light		282	
Gasoline		18,891	
Instructional Supplies and Materials		682	
Natural Gas		7,621	
Office Supplies		4,365	
Periodicals		59	
Uniforms		2,505	
Water and Sewer		9,627	
Other Supplies and Materials		47,524	
Refunds		372	
In Service/Staff Development		4,252	
Total Rabies and Animal Control			\$ 823,376

Ambulance/Emergency Medical Services

Contracts with Government Agencies	\$	1,943,624	
Total Ambulance/Emergency Medical Services			1,943,624

Other Local Health Services

Contributions	\$	9,576	
Total Other Local Health Services			9,576

Regional Mental Health Center

Contributions	\$	21,780	
Total Regional Mental Health Center			21,780

Appropriation to State

Contributions	\$	103,816	
Total Appropriation to State			103,816

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

General Welfare Assistance

Contributions	\$ 17,617	
Total General Welfare Assistance		\$ 17,617

Aid to Dependent Children

Contributions	\$ 9,140	
Total Aid to Dependent Children		9,140

Other Public Health and Welfare

Communication	\$ 5,237	
Dues and Memberships	1,395	
Operating Lease Payments	6,784	
Maintenance and Repair Services - Vehicles	1,877	
Postal Charges	584	
Printing, Stationery, and Forms	1,579	
Travel	5,357	
Data Processing Supplies	4,429	
Gasoline	9,638	
Office Supplies	5,634	
Periodicals	286	
Uniforms	3,526	
Other Supplies and Materials	3,725	
Premiums on Corporate Surety Bonds	60	
In Service/Staff Development	2,880	
Total Other Public Health and Welfare		52,991

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$ 45,464	
Total Adult Activities		45,464

Senior Citizens Assistance

Contributions	\$ 83,530	
Total Senior Citizens Assistance		83,530

Libraries

County Official/Administrative Officer	\$ 59,234	
Librarians	1,035,128	
Temporary Personnel	7,193	
Part-time Personnel	191,421	
Longevity Pay	13,150	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Communication	\$	3,839	
Contributions		98,115	
Dues and Memberships		705	
Operating Lease Payments		11,634	
Maintenance and Repair Services - Office Equipment		4,828	
Postal Charges		5,443	
Printing, Stationery, and Forms		331	
Travel		801	
Other Contracted Services		27,550	
Data Processing Supplies		84,591	
Library Books/Media		211,148	
Office Supplies		13,996	
Periodicals		7,500	
Utilities		122,024	
Other Supplies and Materials		25,497	
In Service/Staff Development		997	
Total Libraries			\$ 1,925,125

Parks and Fair Boards

County Official/Administrative Officer	\$	100,027
Assistant(s)		1,402,817
Supervisor/Director		390,971
Mechanic(s)		34,128
Clerical Personnel		206,956
Custodial Personnel		228,055
Maintenance Personnel		366,932
Temporary Personnel		417,056
Part-time Personnel		2,638,060
Longevity Pay		25,250
Overtime Pay		4,018
Other Per Diem and Fees		9,075
Advertising		8,016
Communication		70,929
Contracts with Private Agencies		116,245
Dues and Memberships		3,426
Maintenance and Repair Services - Buildings		196,434
Maintenance and Repair Services - Equipment		65,673
Maintenance and Repair Services - Office Equipment		23,329
Maintenance and Repair Services - Vehicles		15,341
Pest Control		4,965

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Postal Charges	\$	11,689	
Printing, Stationery, and Forms		70,417	
Rentals		4,825	
Disposal Fees		25,758	
Permits		2,555	
Other Contracted Services		27,823	
Custodial Supplies		112,702	
Drugs and Medical Supplies		3,764	
Electricity		917,140	
Fertilizer, Lime, and Seed		21,373	
Food Supplies		6,247	
Fuel Oil		1,628	
Gasoline		75,802	
Instructional Supplies and Materials		73,545	
Natural Gas		181,111	
Office Supplies		12,996	
Periodicals		779	
Uniforms		15,371	
Water and Sewer		160,562	
Clay		18,487	
Chemicals		58,955	
Other Supplies and Materials		154,688	
Refunds		34,287	
Surcharge		15,207	
In Service/Staff Development		925	
Other Charges		89,396	
Total Parks and Fair Boards			\$ 8,425,735

Other Social, Cultural, and Recreational

Supervisor/Director	\$	65,000
Foremen		40,852
Clerical Personnel		69,160
Cafeteria Personnel		33,614
Maintenance Personnel		204,046
Temporary Personnel		64,279
Longevity Pay		3,250
Overtime Pay		7,140
Communication		10,752
Dues and Memberships		821
Operating Lease Payments		2,750

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational (Cont.)

Maintenance and Repair Services - Buildings	\$	15,100	
Maintenance and Repair Services - Equipment		8,210	
Maintenance and Repair Services - Vehicles		2,048	
Postal Charges		249	
Rentals		17,039	
Travel		204	
Disposal Fees		111,921	
Other Contracted Services		7,446	
Custodial Supplies		14,681	
Electricity		162,676	
Food Supplies		64,707	
Gasoline		6,554	
Natural Gas		34,108	
Office Supplies		1,172	
Periodicals		225	
Small Tools		3,246	
Uniforms		5,437	
Water and Sewer		23,142	
Other Supplies and Materials		45,497	
Other Capital Outlay		7,060	
Total Other Social, Cultural, and Recreational			\$ 1,032,386

Agriculture and Natural Resources

Agriculture Extension Service

Assistant(s)	\$	78,437
Salary Supplements		131,756
Secretary(ies)		29,801
Longevity Pay		1,250
Board and Committee Members Fees		450
Social Security		4,602
Extension Service Medicare		2,343
State Retirement		14,181
Communication		2,699
Dues and Memberships		635
Janitorial Services		6,504
Operating Lease Payments		2,123
Maintenance and Repair Services - Equipment		2,110
Maintenance and Repair Services - Vehicles		432
Postal Charges		496
Travel		2,477

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Gasoline	\$ 1,348	
Total Agriculture Extension Service		\$ 281,644

Soil Conservation

Secretary(ies)	\$ 39,187	
Longevity Pay	1,300	
Other Charges	5,263	
Total Soil Conservation		45,750

Other Operations

Other Economic and Community Development

Supervisor/Director	\$ 83,527	
Secretary(ies)	36,194	
Part-time Personnel	20,562	
Advertising	8,950	
Communication	2,261	
Dues and Memberships	3,948	
Maintenance and Repair Services - Office Equipment	3,472	
Postal Charges	843	
Printing, Stationery, and Forms	704	
Travel	14,369	
Other Contracted Services	55,515	
Office Supplies	770	
Periodicals	1,142	
In Service/Staff Development	2,614	
Total Other Economic and Community Development		234,871

Public Transportation

Other Contracted Services	\$ 518,846	
Total Public Transportation		518,846

Veterans' Services

Supervisor/Director	\$ 13,042	
Communication	49	
Dues and Memberships	25	
Office Supplies	75	
Other Supplies and Materials	1,789	
Total Veterans' Services		14,980

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Other Operations (Cont.)

Other Charges

Dues and Memberships	\$	43,990	
Building and Contents Insurance		110,789	
Excess Risk Insurance		822,681	
Trustee's Commission		873,858	
Vehicle and Equipment Insurance		74,235	
Workers' Compensation Insurance		492,421	
Total Other Charges			\$ 2,417,974

Employee Benefits

Social Security	\$	1,901,024	
State Retirement		2,166,472	
Life Insurance		38,000	
Medical Insurance		7,181,880	
Disability Insurance		19,081	
Unemployment Compensation		51,913	
Local Retirement		100,000	
Employer Medicare		446,176	
Total Employee Benefits			11,904,546

ARRA Grant No. 1

Deputy(ies)	\$	45,286	
Clerical Personnel		2,381	
Other Fringe Benefits		18,120	
Communication		603	
Office Supplies		231	
In Service/Staff Development		550	
Total ARRA Grant No. 1			67,171

ARRA Grant No. 6

Contracts with Private Agencies	\$	6,749	
Total ARRA Grant No. 6			6,749

Miscellaneous

Contracts with Government Agencies	\$	1,375	
Contracts with Private Agencies		52,210	
Contributions		616,377	
Duplicating Supplies		34,983	
Total Miscellaneous			704,945

Total General Fund \$ 62,851,620

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	80,335	
Deputy(ies)		155,344	
Laborers		555,934	
Guards		420,705	
Clerical Personnel		97,660	
Longevity Pay		11,150	
Overtime Pay		57,020	
Advertising		4,098	
Communication		19,200	
Dues and Memberships		479	
Evaluation and Testing		735	
Maintenance and Repair Services - Buildings		16,790	
Maintenance and Repair Services - Equipment		146,417	
Maintenance and Repair Services - Office Equipment		1,416	
Maintenance and Repair Services - Vehicles		84,391	
Postal Charges		358	
Printing, Stationery, and Forms		1,670	
Rentals		7,784	
Travel		1,783	
Other Contracted Services		1,245,111	
Diesel Fuel		317,689	
Electricity		28,622	
Gasoline		9,524	
Lubricants		6,105	
Natural Gas		2,214	
Office Supplies		2,618	
Periodicals		229	
Tires and Tubes		55,596	
Uniforms		10,498	
Water and Sewer		1,799	
Other Supplies and Materials		27,817	
In Service/Staff Development		1,070	
Other Charges		58,956	
Total Sanitation Management			\$ 3,431,117

Other Operations

Other Charges

Excess Risk Insurance	\$	90,375	
Trustee's Commission		67,208	
Workers' Compensation Insurance		41,087	
Total Other Charges			198,670

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)

Other Operations (Cont.)

Employee Benefits

Social Security	\$	82,702	
State Retirement		75,756	
Life Insurance		1,350	
Medical Insurance		250,000	
Employer Medicare		19,342	
Total Employee Benefits		<u>429,150</u>	\$ 429,150

Total Solid Waste/Sanitation Fund \$ 4,058,937

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	958	
Confidential Drug Enforcement Payments		2,000	
Maintenance and Repair Services - Vehicles		459	
Tow-in Services		725	
Travel		65	
Other Supplies and Materials		3,782	
Trustee's Commission		270	
In Service/Staff Development		3,643	
Other Capital Outlay		59,550	
Total Drug Enforcement		<u>71,452</u>	\$ 71,452

Total Drug Control Fund 71,452

District Attorney General Fund

Administration of Justice

District Attorney General

Other Salaries and Wages	\$	21,516	
Jury and Witness Expense		4,265	
Communication		7,404	
Dues and Memberships		645	
Postal Charges		223	
Rentals		2,460	
Travel		3,244	
Other Contracted Services		139	
Law Enforcement Supplies		1,057	
Office Supplies		2,270	
Other Supplies and Materials		203	
Trustee's Commission		955	

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

District Attorney General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General (Cont.)

In Service/Staff Development	\$	4,575	
Other Charges		5,367	
Data Processing Equipment		262	
Total District Attorney General			\$ 54,585

Total District Attorney General Fund \$ 54,585

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Bank Charges	\$	283	
Total County Trustee's Office			\$ 283

Total Constitutional Officers - Fees Fund 283

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	110,032	
Accountants/Bookkeepers		56,846	
Dispatchers/Radio Operators		44,715	
Secretary(ies)		41,122	
Longevity Pay		43,650	
Board and Committee Members Fees		5,850	
Advertising		310	
Communication		8,926	
Engineering Services		208,611	
Evaluation and Testing		3,605	
Operating Lease Payments		1,519	
Legal Services		20,452	
Legal Notices, Recording, and Court Costs		28	
Maintenance and Repair Services - Office Equipment		799	
Postal Charges		1,136	
Electricity		50,217	
Natural Gas		13,634	
Office Supplies		3,486	
Periodicals		132	
Water and Sewer		15,381	
Other Charges		5,077	
Total Administration			\$ 635,528

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance

Foremen	\$	161,262	
Equipment Operators		1,920,523	
Part-time Personnel		95,498	
Overtime Pay		75,851	
Contracts with Private Agencies		35,909	
Rentals		75,092	
Other Contracted Services		13	
Asphalt - Cold Mix		30,597	
Asphalt - Hot Mix		1,357,728	
Asphalt - Liquid		240,186	
Other Road Supplies		19,834	
Pipe		76,665	
Road Signs		47,844	
Salt		135,737	
Uniforms		21,352	
Wood Products		2,505	
Other Charges		3,143	
Total Highway and Bridge Maintenance			\$ 4,299,739

Operation and Maintenance of Equipment

Foremen	\$	54,018	
Mechanic(s)		137,493	
Nightwatchmen		103,036	
Part-time Personnel		8,114	
Diesel Fuel		404,091	
Equipment Parts - Heavy		651,454	
Equipment and Machinery Parts		2,288	
Garage Supplies		42,606	
Gasoline		165,320	
Lubricants		13,204	
Tires and Tubes		120,209	
Total Operation and Maintenance of Equipment			1,701,833

Quarry Operations

Equipment Operators	\$	296,866	
Overtime Pay		18,223	
Explosive and Drilling Services		60,903	
Maintenance and Repair Services - Vehicles		202,520	
Electricity		51,524	
Other Supplies and Materials		3,850	
Total Quarry Operations			633,886

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges

Excess Risk Insurance	\$ 203,292	
Trustee's Commission	124,874	
Vehicle and Equipment Insurance	12,364	
Workers' Compensation Insurance	109,127	
Total Other Charges		\$ 449,657

Employee Benefits

Social Security	\$ 188,582	
State Retirement	242,244	
Life Insurance	4,200	
Medical Insurance	780,000	
Disability Insurance	7,422	
Employer Medicare	44,128	
Total Employee Benefits		1,266,576

Capital Outlay

Bridge Construction	\$ 93,557	
Highway Construction	409,158	
Highway Equipment	122,612	
Site Development	3,466	
Total Capital Outlay		628,793

Total Highway/Public Works Fund \$ 9,616,012

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 6,478,400	
Principal on Other Loans	627,492	
Total General Government		\$ 7,105,892

Highways and Streets

Principal on Bonds	\$ 156,600	
Total Highways and Streets		156,600

Education

Principal on Bonds	\$ 6,745,000	
Principal on Other Loans	159,508	
Total Education		6,904,508

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	\$ 5,114,400	
Interest on Other Loans	30,372	
Total General Government		\$ 5,144,772

Highways and Streets

Interest on Bonds	\$ 52,075	
Total Highways and Streets		52,075

Education

Interest on Bonds	\$ 6,434,135	
Interest on Other Loans	7,074	
Total Education		6,441,209

Other Debt Service

General Government

Fiscal Agent Charges	\$ 7,907	
Trustee's Commission	436,098	
Other Charges	35,019	
Underwriter's Discount	104,640	
Other Debt Issuance Charges	22,218	
Total General Government		605,882

Education

Underwriter's Discount	\$ 12,960	
Other Debt Issuance Charges	2,536	
Total Education		15,496

Total General Debt Service Fund \$ 26,426,434

Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 4,870,000	
Total Education		\$ 4,870,000

Interest on Debt

Education

Interest on Bonds	\$ 9,420,020	
Total Education		9,420,020

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Rural Debt Service Fund (Cont.)

Other Debt Service

Education

Fiscal Agent Charges	\$	5,820	
Trustee's Commission		202,866	
Underwriter's Discount		69,600	
Other Debt Issuance Charges		14,391	
Total Education			\$ 292,677

Total Rural Debt Service Fund \$ 14,582,697

General Capital Projects Fund

Capital Projects

General Administration Projects

Building Improvements	\$	249,500	
Heating and Air Conditioning Equipment		23,017	
Land		219,807	
Motor Vehicles		104,054	
Other Equipment		120,260	
Total General Administration Projects			\$ 716,638

Administration of Justice Projects

Building Improvements	\$	147,802	
Total Administration of Justice Projects			147,802

Public Safety Projects

Trustee's Commission	\$	105	
Building Improvements		119,308	
Data Processing Equipment		277,830	
Motor Vehicles		161,880	
Other Equipment		719,477	
Other Capital Outlay		162,764	
Total Public Safety Projects			1,441,364

Public Health and Welfare Projects

Landfill Closure/Postclosure Care Costs	\$	80,612	
Building Improvements		159,027	
Solid Waste Equipment		536,209	
Other Equipment		19,902	
Other Construction		213,596	
Total Public Health and Welfare Projects			1,009,346

(Continued)

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Social, Cultural, and Recreation Projects

Trustee's Commission	\$	2,978	
Building Construction		5,089	
Land		8,400	
Site Development		18,761	
Other Equipment		119,826	
Other Construction		209,710	
Other Capital Outlay		<u>50,219</u>	
Total Social, Cultural, and Recreation Projects	\$		414,983

Public Utility Projects

Other Construction	\$	<u>366,495</u>	
Total Public Utility Projects			366,495

Other General Government Projects

Other Capital Outlay	\$	<u>157,218</u>	
Total Other General Government Projects			157,218

Highway and Street Capital Projects

Consultants	\$	20,709	
Trustee's Commission		1,152	
Highway Construction		251,195	
Other Capital Outlay		<u>17,723</u>	
Total Highway and Street Capital Projects			290,779

Education Capital Projects

Trustee's Commission	\$	70,568	
Underwriter's Discount		214,716	
Other Debt Issuance Charges		125,000	
Other Debt Service		<u>2</u>	
Total Education Capital Projects			410,286

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$	<u>34,921,077</u>	
Total Capital Projects Donated to School Department			<u>34,921,077</u>

Total General Capital Projects Fund \$ 39,875,988

Total Governmental Funds - Primary Government \$ 157,538,008

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2011

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 74,951,479	
Career Ladder Program	530,939	
Career Ladder Extended Contracts	175,732	
Homebound Teachers	111,230	
Educational Assistants	1,507,457	
Longevity Pay	30,670	
Certified Substitute Teachers	734,889	
Non-certified Substitute Teachers	1,353,018	
Social Security	4,744,991	
State Retirement	6,918,156	
Life Insurance	85,055	
Medical Insurance	14,423,575	
Dental Insurance	848,500	
Unemployment Compensation	102,023	
Employer Medicare	1,113,688	
Maintenance and Repair Services - Equipment	48,661	
Other Contracted Services	730,087	
Instructional Supplies and Materials	1,026,082	
Textbooks	2,247,853	
Other Charges	991,316	
Regular Instruction Equipment	102,683	
Total Regular Instruction Program		\$ 112,778,084

Alternative Instruction Program

Teachers	\$ 240,115	
Career Ladder Program	2,000	
Educational Assistants	55,028	
Longevity Pay	600	
Social Security	17,032	
State Retirement	25,199	
Life Insurance	459	
Medical Insurance	76,500	
Dental Insurance	4,500	
Employer Medicare	4,220	
Other Supplies and Materials	4,502	
Other Equipment	1,173	
Total Alternative Instruction Program		431,328

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 10,713,597	
Career Ladder Program	87,000	
Educational Assistants	3,751,440	
Speech Pathologist	1,606,912	
Longevity Pay	39,800	
Other Salaries and Wages	115,567	
Social Security	962,532	
State Retirement	1,419,402	
Life Insurance	25,325	
Medical Insurance	4,432,850	
Dental Insurance	260,400	
Employer Medicare	225,698	
Contracts with Other Public Agencies	48,742	
Contracts with Private Agencies	483,670	
Maintenance and Repair Services - Equipment	7,580	
Other Contracted Services	70,406	
Instructional Supplies and Materials	106,384	
Textbooks	5,489	
Special Education Equipment	78,721	
Total Special Education Program		\$ 24,441,515

Vocational Education Program

Teachers	\$ 2,766,467	
Career Ladder Program	21,801	
Educational Assistants	251,998	
Longevity Pay	2,800	
Other Salaries and Wages	79,137	
Social Security	184,582	
State Retirement	263,780	
Life Insurance	3,596	
Medical Insurance	663,000	
Dental Insurance	41,500	
Employer Medicare	43,168	
Maintenance and Repair Services - Equipment	7,909	
Other Contracted Services	69,496	
Instructional Supplies and Materials	150,395	
Other Supplies and Materials	176	
Other Charges	2,469	
Vocational Instruction Equipment	122,568	
Total Vocational Education Program		4,674,842

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Student Body Education Program

Other Salaries and Wages	\$	40,186	
Certified Substitute Teachers		53,202	
In-Service Training		3,688	
Travel		99	
Other Contracted Services		2,591	
Instructional Supplies and Materials		336,746	
Library Books/Media		160,088	
Other Supplies and Materials		67,328	
In Service/Staff Development		56,673	
Fee Waivers		24,712	
Other Charges		314,185	
Regular Instruction Equipment		279,435	
Total Student Body Education Program			\$ 1,338,933

Adult Education Program

Teachers	\$	172,669	
Longevity Pay		650	
Other Salaries and Wages		16,313	
Social Security		11,406	
State Retirement		3,900	
Life Insurance		55	
Medical Insurance		17,000	
Dental Insurance		1,000	
Employer Medicare		3,096	
Instructional Supplies and Materials		14,387	
Other Supplies and Materials		5,942	
Other Charges		7,376	
Other Equipment		28,388	
Total Adult Education Program			282,182

Support Services

Attendance

Longevity Pay	\$	750	
Other Salaries and Wages		97,623	
Social Security		6,070	
State Retirement		6,578	
Life Insurance		102	
Medical Insurance		19,500	
Dental Insurance		1,000	

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Employer Medicare	\$ 1,420	
Total Attendance		\$ 133,043

Health Services

Medical Personnel	\$ 1,764,453	
Longevity Pay	7,800	
Social Security	102,592	
State Retirement	111,189	
Life Insurance	2,282	
Medical Insurance	467,500	
Dental Insurance	27,500	
Employer Medicare	24,286	
Travel	8,393	
Other Contracted Services	3,480	
Drugs and Medical Supplies	17,716	
Other Supplies and Materials	2,910	
In Service/Staff Development	360	
Health Equipment	3,928	
Total Health Services		2,544,389

Other Student Support

Career Ladder Program	\$ 24,001	
Guidance Personnel	3,899,443	
Social Workers	182,893	
Secretary(ies)	194,801	
Longevity Pay	3,125	
Other Salaries and Wages	69,020	
Social Security	258,725	
State Retirement	384,483	
Life Insurance	4,437	
Medical Insurance	788,250	
Dental Insurance	46,000	
Employer Medicare	60,958	
Contracts with Government Agencies	297,818	
Travel	543	
Other Contracted Services	347,555	
Other Supplies and Materials	138,323	
Other Charges	2,488	
Regular Instruction Equipment	9,931	
Total Other Student Support		6,712,794

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	276,710	
Career Ladder Program		31,237	
Librarians		2,256,709	
Secretary(ies)		230,382	
Clerical Personnel		589,678	
Longevity Pay		14,100	
Other Salaries and Wages		453,683	
In-Service Training		25,413	
Social Security		224,249	
State Retirement		328,638	
Life Insurance		4,909	
Medical Insurance		871,950	
Dental Insurance		50,250	
Employer Medicare		53,824	
Consultants		2,150	
Travel		14,184	
Other Contracted Services		73,997	
Other Supplies and Materials		68,994	
In Service/Staff Development		101,501	
Regular Instruction Equipment		2,923	
Other Equipment		711	
Total Regular Instruction Program			\$ 5,676,192

Special Education Program

Supervisor/Director	\$	95,685
Career Ladder Program		5,000
Psychological Personnel		1,037,145
Secretary(ies)		80,221
Longevity Pay		2,150
Other Salaries and Wages		285,670
In-Service Training		34,080
Social Security		86,353
State Retirement		135,257
Life Insurance		1,211
Medical Insurance		235,500
Dental Insurance		13,500
Employer Medicare		21,617
Travel		50,485
Other Contracted Services		271,270

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$	47,284	
In Service/Staff Development		4,008	
Other Equipment		515	
Total Special Education Program			\$ 2,406,951

Vocational Education Program

Career Ladder Program	\$	1,000	
Secretary(ies)		20,034	
Longevity Pay		650	
Other Salaries and Wages		127,522	
In-Service Training		2,682	
Social Security		8,873	
State Retirement		13,412	
Life Insurance		153	
Medical Insurance		28,000	
Dental Insurance		1,500	
Employer Medicare		2,075	
Travel		2,466	
Other Contracted Services		5,564	
Other Supplies and Materials		2,088	
In Service/Staff Development		8,642	
Total Vocational Education Program			224,661

Adult Programs

Career Ladder Program	\$	3,000	
Secretary(ies)		24,706	
Other Salaries and Wages		86,268	
Social Security		7,055	
State Retirement		10,041	
Life Insurance		102	
Medical Insurance		18,000	
Dental Insurance		1,000	
Employer Medicare		1,293	
Travel		279	
Total Adult Programs			151,744

Other Programs

On-Behalf Payments to OPEB	\$	13,162	
Total Other Programs			13,162

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Other Salaries and Wages	\$	98,269	
Board and Committee Members Fees		72,600	
Social Security		9,477	
State Retirement		7,912	
Life Insurance		51	
Medical Insurance		9,500	
Dental Insurance		500	
Employer Medicare		2,216	
Audit Services		43,000	
Dues and Memberships		30,386	
Legal Services		1,843	
Other Contracted Services		29,444	
Other Supplies and Materials		5,051	
Liability Insurance		508,470	
Trustee's Commission		2,240,846	
Workers' Compensation Insurance		957,021	
In Service/Staff Development		371	
Criminal Investigation of Applicants - TBI		42,014	
Total Board of Education			\$ 4,058,971

Director of Schools

County Official/Administrative Officer	\$	172,360	
Assistant(s)		230,893	
Secretary(ies)		145,763	
Longevity Pay		2,500	
Social Security		27,731	
State Retirement		46,926	
Life Insurance		550	
Medical Insurance		66,000	
Dental Insurance		3,500	
Employer Medicare		7,865	
Communication		302,064	
Travel		309	
Other Contracted Services		70,379	
Office Supplies		28,150	
In Service/Staff Development		4,492	
Total Director of Schools			1,109,482

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal

Principals	\$ 3,772,287	
Career Ladder Program	63,581	
Accountants/Bookkeepers	1,215,235	
Assistant Principals	3,903,560	
Secretary(ies)	1,434,335	
Longevity Pay	39,025	
Other Salaries and Wages	27,070	
Social Security	624,665	
State Retirement	908,561	
Life Insurance	9,665	
Medical Insurance	1,628,750	
Dental Insurance	95,750	
Employer Medicare	146,312	
Other Contracted Services	462,131	
Total Office of the Principal		\$ 14,330,927

Fiscal Services

Supervisor/Director	\$ 100,521	
Accountants/Bookkeepers	422,147	
Purchasing Personnel	143,777	
Longevity Pay	7,750	
Overtime Pay	1,151	
Other Salaries and Wages	80,421	
Social Security	44,692	
State Retirement	58,406	
Life Insurance	765	
Medical Insurance	143,000	
Dental Insurance	7,500	
Employer Medicare	10,452	
Travel	916	
Other Contracted Services	13,564	
In Service/Staff Development	7,453	
Administration Equipment	19,806	
Total Fiscal Services		1,062,321

Human Services/Personnel

Supervisor/Director	\$ 95,682
Secretary(ies)	248,067
Longevity Pay	1,750

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel (Cont.)

Other Salaries and Wages	\$	82,477	
Social Security		25,682	
State Retirement		33,493	
Life Insurance		459	
Medical Insurance		86,000	
Dental Insurance		4,500	
Employer Medicare		6,006	
Travel		917	
Other Contracted Services		49,398	
Other Supplies and Materials		12,569	
In Service/Staff Development		2,156	
Total Human Services/Personnel			\$ 649,156

Operation of Plant

Supervisor/Director	\$	97,437	
Secretary(ies)		30,067	
Custodial Personnel		135,910	
Longevity Pay		6,400	
Other Salaries and Wages		66,477	
Social Security		20,255	
State Retirement		26,001	
Life Insurance		357	
Medical Insurance		62,500	
Dental Insurance		4,000	
Employer Medicare		4,734	
Janitorial Services		4,545,072	
Disposal Fees		105,053	
Other Contracted Services		54,763	
Electricity		5,921,908	
Natural Gas		475,476	
Water and Sewer		884,708	
Other Supplies and Materials		32,649	
Building and Contents Insurance		228,769	
Total Operation of Plant			12,702,536

Maintenance of Plant

Supervisor/Director	\$	78,795
Secretary(ies)		69,990
Maintenance Personnel		2,071,656

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Longevity Pay	\$	21,450	
Overtime Pay		31,810	
Other Salaries and Wages		60,515	
Social Security		139,941	
State Retirement		186,629	
Life Insurance		3,358	
Medical Insurance		655,500	
Dental Insurance		34,500	
Employer Medicare		32,728	
Maintenance and Repair Services - Buildings		315,432	
Maintenance and Repair Services - Equipment		213,453	
Travel		2,937	
Other Contracted Services		824,117	
General Construction Materials		715,132	
Other Supplies and Materials		12,520	
In Service/Staff Development		8,889	
Other Charges		31,105	
Plant Operation Equipment		35,756	
Total Maintenance of Plant			\$ 5,546,213

Transportation

Supervisor/Director	\$	76,055
Mechanic(s)		416,013
Bus Drivers		4,151,906
Clerical Personnel		30,192
Longevity Pay		101,900
Overtime Pay		8,662
Other Salaries and Wages		694,908
Social Security		316,690
State Retirement		431,571
Life Insurance		13,574
Medical Insurance		2,362,000
Dental Insurance		138,000
Employer Medicare		74,236
Contracts with Parents		170
Maintenance and Repair Services - Buildings		258
Maintenance and Repair Services - Vehicles		45,067
Other Contracted Services		23,893
Gasoline		1,400,330

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Lubricants	\$	37,853	
Tires and Tubes		228,790	
Vehicle Parts		293,446	
Other Supplies and Materials		19,717	
Vehicle and Equipment Insurance		235,938	
In Service/Staff Development		4,245	
Other Charges		15,638	
Transportation Equipment		2,187,451	
Total Transportation			\$ 13,308,503

Central and Other

Supervisor/Director	\$	174,800	
Data Processing Personnel		1,488,997	
Longevity Pay		13,550	
Social Security		99,668	
State Retirement		133,809	
Life Insurance		1,670	
Medical Insurance		313,500	
Dental Insurance		16,500	
Employer Medicare		23,309	
Travel		14,099	
Other Contracted Services		818,103	
Other Supplies and Materials		91,738	
In Service/Staff Development		8,494	
Data Processing Equipment		33,529	
Total Central and Other			3,231,766

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	76,203	
Clerical Personnel		40,069	
Longevity Pay		1,650	
Other Salaries and Wages		184,238	
Social Security		17,975	
State Retirement		25,014	
Life Insurance		306	
Medical Insurance		57,000	
Dental Insurance		3,000	
Employer Medicare		4,206	

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Travel	\$	2,831	
Other Contracted Services		101,790	
Other Supplies and Materials		14,068	
In Service/Staff Development		4,507	
Other Equipment		5,115	
Total Community Services			\$ 537,972

Early Childhood Education

Teachers	\$	449,565	
Career Ladder Program		2,959	
Educational Assistants		95,175	
Longevity Pay		680	
Social Security		32,992	
State Retirement		40,493	
Life Insurance		463	
Medical Insurance		76,500	
Dental Insurance		4,500	
Employer Medicare		7,716	
Travel		705	
Instructional Supplies and Materials		14,781	
Other Supplies and Materials		17,322	
In Service/Staff Development		1,035	
Regular Instruction Equipment		3,542	
Total Early Childhood Education			<u>748,428</u>

Total General Purpose School Fund \$ 219,096,095

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	1,079,583
Educational Assistants		14,448
Other Salaries and Wages		219,095
Certified Substitute Teachers		34,812
Non-certified Substitute Teachers		19,338
Social Security		81,077
State Retirement		91,305
Life Insurance		1,004
Medical Insurance		3,199,016

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Dental Insurance	\$	9,834	
Employer Medicare		19,651	
Instructional Supplies and Materials		77,812	
Other Charges		4,484	
Regular Instruction Equipment		2,970	
Total Regular Instruction Program			\$ 4,854,429

Special Education Program

Teachers	\$	332,291	
Educational Assistants		2,145,885	
Other Salaries and Wages		231,559	
Certified Substitute Teachers		10,748	
Non-certified Substitute Teachers		16,944	
Social Security		155,791	
State Retirement		202,495	
Life Insurance		7,420	
Medical Insurance		1,387,473	
Dental Insurance		72,752	
Employer Medicare		36,899	
Other Contracted Services		204,718	
Instructional Supplies and Materials		92,128	
Other Supplies and Materials		31,609	
Special Education Equipment		68,742	
Total Special Education Program			4,997,454

Vocational Education Program

Clerical Personnel	\$	20,034	
Social Security		1,220	
State Retirement		1,591	
Life Insurance		26	
Medical Insurance		4,426	
Dental Insurance		250	
Employer Medicare		285	
Instructional Supplies and Materials		13,950	
Vocational Instruction Equipment		157,002	
Total Vocational Education Program			198,784

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Health Services

Medical Personnel	\$	433,382	
Social Security		25,796	
State Retirement		28,385	
Life Insurance		474	
Medical Insurance		88,850	
Dental Insurance		4,650	
Employer Medicare		6,033	
Travel		1,580	
Total Health Services			\$ 589,150

Other Student Support

Other Salaries and Wages	\$	5,188	
Social Security		315	
State Retirement		442	
Employer Medicare		74	
Travel		53,788	
Other Contracted Services		4,725	
In Service/Staff Development		29,408	
Other Charges		8,616	
Total Other Student Support			102,556

Regular Instruction Program

Secretary(ies)	\$	15,034	
Other Salaries and Wages		94,896	
In-Service Training		111,320	
Social Security		13,218	
State Retirement		19,615	
Life Insurance		98	
Medical Insurance		18,292	
Dental Insurance		958	
Employer Medicare		3,117	
Travel		1,547	
Other Contracted Services		5,394	
Other Supplies and Materials		4,176	
In Service/Staff Development		128,226	
Other Charges		1,354	
Total Regular Instruction Program			417,245

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Psychological Personnel	\$	116,438	
Secretary(ies)		38,802	
Other Salaries and Wages		171,732	
In-Service Training		17,554	
Social Security		20,540	
State Retirement		30,726	
Life Insurance		306	
Medical Insurance		57,000	
Dental Insurance		3,000	
Employer Medicare		4,780	
Travel		6,597	
Other Contracted Services		146,849	
Other Supplies and Materials		82,016	
In Service/Staff Development		114,608	
Other Equipment		25,670	
Total Special Education Program			\$ 836,618

Vocational Education Program

In Service/Staff Development	\$	100	
Total Vocational Education Program			100

Office of the Principal

Assistant Principals	\$	205,246	
Social Security		12,359	
State Retirement		18,575	
Life Insurance		153	
Medical Insurance		28,500	
Dental Insurance		1,500	
Employer Medicare		2,890	
Total Office of the Principal			269,223

Transportation

Contracts with Public Carriers	\$	4,867	
Maintenance and Repair Services - Vehicles		3,926	
Gasoline		64,541	
Tires and Tubes		100	
Other Supplies and Materials		1,178	
Transportation Equipment		834,356	
Total Transportation			908,968

Total School Federal Projects Fund \$ 13,174,527

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	76,055	
Clerical Personnel		67,714	
Cafeteria Personnel		2,633,746	
Longevity Pay		46,300	
Overtime Pay		5,360	
Other Salaries and Wages		184,531	
Social Security		177,773	
State Retirement		164,932	
Life Insurance		5,528	
Medical Insurance		1,075,250	
Dental Insurance		50,550	
Unemployment Compensation		9,200	
Employer Medicare		41,600	
Communication		27,240	
Maintenance and Repair Services - Equipment		18,960	
Transportation - Other than Students		60,724	
Travel		4,714	
Other Contracted Services		59,487	
Equipment and Machinery Parts		60,542	
Food Supplies		3,327,103	
Uniforms		7,534	
USDA - Commodities		651,770	
Other Supplies and Materials		370,026	
In Service/Staff Development		13,935	
Other Charges		3,213	
Food Service Equipment		232,900	
Total Food Service			\$ 9,376,687

Total Central Cafeteria Fund \$ 9,376,687

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Accountants/Bookkeepers	\$	30,005
Secretary(ies)		30,022
Attendants		611,369
Longevity Pay		1,350
Other Salaries and Wages		224,414
Social Security		52,413

(Continued)

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department (Cont.)

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

State Retirement	\$	31,880	
Life Insurance		531	
Medical Insurance		96,539	
Dental Insurance		5,208	
Unemployment Compensation		616	
Employer Medicare		12,258	
Communication		2,390	
Travel		4,484	
Other Contracted Services		35,144	
Food Supplies		36,208	
Other Supplies and Materials		31,873	
Refunds		2,257	
In Service/Staff Development		3,425	
Other Equipment		10,655	
Total Community Services			\$ 1,223,041

Total Extended School Program Fund \$ 1,223,041

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$	721,267	
Engineering Services		67,077	
Legal Services		840	
Other Contracted Services		226,594	
T&I Construction Materials		22,939	
Building Construction		32,055,577	
Building Improvements		3,200,362	
Data Processing Equipment		5,468,959	
Furniture and Fixtures		1,474,280	
Land		1,236,637	
Site Development		126,197	
Other Equipment		27,412	
Other Capital Outlay		133,867	
Total Education Capital Projects			\$ 44,762,008

Total Education Capital Projects Fund 44,762,008

Total Governmental Funds - Williamson County School Department \$ 287,632,358

Exhibit K-10

Williamson County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2011

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Self-Insurance Premiums/Contributions	\$ 43,613,723
Other Employee Benefits Charges/Contributions	5,334,182
Total Charges for Current Services	<hr/> \$ 48,947,905 <hr/>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Retirees' Insurance Payments	\$ 1,186,532
Cobra Insurance Payments	106,749
Miscellaneous Refunds	1,133,779
Total Other Local Revenues	<hr/> \$ 2,427,060 <hr/>
<u>Federal Government</u>	
<u>Federal through State</u>	
On-Behalf Contributions for OPEB	\$ 208,525
Total Federal Government	<hr/> \$ 208,525 <hr/>
Total Revenues	<hr/> \$ 51,583,490 <hr/>
<u>Expenses</u>	
<u>Other Operations</u>	
<u>Employee Benefits</u>	
Handling Charges and Administrative Costs	\$ 2,532,163
Life Insurance	196,884
Dental Insurance	2,736,931
Medical Claims	36,092,326
Other Self-Insured Claims	10,105,537
Total Other General Government	<hr/> \$ 51,663,841 <hr/>
Total Expenses	<hr/> \$ 51,663,841 <hr/>

Exhibit K-11

Williamson County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balances - City Agency Funds  
For the Year Ended June 30, 2011

	Cities - Sales Tax Fund	Cities - Property Tax Fund	Cities Adequate Facilities Tax Fund	Special School District Fund	Total
<u>Cash Receipts</u>					
<u>County Property Taxes</u>					
Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 9,888,502	\$ 9,888,502
Trustee's Collections - Prior Year	0	0	0	178,620	178,620
Circuit/Clerk & Master Collections - Prior Years	0	0	0	95,158	95,158
Interest and Penalty	0	0	0	35,084	35,084
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	298	298
Payments in-Lieu-of Taxes - Other	0	0	0	14,489	14,489
Local Option Sales Tax	36,163,050	0	0	3,825,903	39,988,953
Interstate Telecommunications Tax	0	0	0	1,048	1,048
<u>City/School District Property Taxes</u>					
Current Property Taxes	0	340,454	0	17,718,914	18,059,368
Trustee's Collections - Prior Year	0	3,393	0	444,696	448,089
Interest and Penalty	0	736	0	79,550	80,286
Pick-up Taxes	0	0	0	235,337	235,337
Marriage Licenses	0	0	0	1,063	1,063
Other Local Revenues	0	0	0	198	198
Mixed Drink Tax	0	0	0	66,278	66,278
Transfers In	0	0	1,108,630	601,685	1,710,315
Total Cash Receipts	\$ 36,163,050	\$ 344,583	\$ 1,108,630	\$ 33,186,823	\$ 70,803,086
<u>Cash Disbursements</u>					
Remittance of Revenues Collected	\$ 35,801,419	\$ 336,455	\$ 1,108,630	\$ 32,603,528	\$ 69,850,032
Trustee's Commission	361,631	8,086	0	611,382	981,099
Total Cash Disbursements	\$ 36,163,050	\$ 344,541	\$ 1,108,630	\$ 33,214,910	\$ 70,831,131
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0	\$ 42	\$ 0	\$ (28,087)	\$ (28,045)
Cash Balance, July 1, 2010	0	1,268	0	514,780	516,048
Cash Balance, June 30, 2011	\$ 0	\$ 1,310	\$ 0	\$ 486,693	\$ 488,003

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## **SINGLE AUDIT SECTION**

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STATE OF TENNESSEE

**COMPTROLLER OF THE TREASURY**

**DEPARTMENT OF AUDIT**

**DIVISION OF COUNTY AUDIT**

**SUITE 1500**

**JAMES K. POLK STATE OFFICE BUILDING**

**NASHVILLE, TENNESSEE 37243-1402**

**PHONE (615) 401-7841**

**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***

December 13, 2011

Williamson County Mayor and  
Board of County Commissioners  
Williamson County, Tennessee

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2011, which collectively comprise Williamson County's basic financial statements and have issued our report thereon dated December 13, 2011. Our report includes references to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing 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 discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District as described in our report on Williamson 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 Williamson 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 Williamson County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Williamson 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 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. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies in internal control over financial reporting: 11.03, 11.04, 11.05, 1106, and 11.07. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Williamson 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items 11.01 and 11.02.

We also noted certain matters that we reported to management of Williamson County in separate communications.

Williamson County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Williamson County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway superintendent, County Commission, Board of Education, others within Williamson County, 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.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent vertical stroke on the left side.

Justin P. Wilson  
Comptroller of the Treasury

JPW/sb



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF COUNTY AUDIT  
SUITE 1500  
JAMES K. POLK STATE OFFICE BUILDING  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7841

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

December 13, 2011

Williamson County Mayor and  
Board of County Commissioners  
Williamson County, Tennessee

To the County Mayor and Board of County Commissioners:

Compliance

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and

material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Williamson 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 Williamson County's compliance with those requirements.

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

#### Internal Control Over Compliance

The management of Williamson 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 Williamson County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our 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 Williamson 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.

#### Schedule of Expenditures of Federal Awards

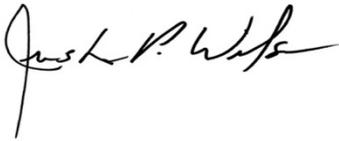
We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County as of and for the year ended June 30, 2011, and have issued our report thereon dated December 13, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates 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.

Williamson County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Williamson County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway superintendent, County Commission, Board of Education, others within Williamson County, 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.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a long vertical stroke extending downwards from the end.

Justin P. Wilson  
Comptroller of the Treasury

JPW/sb

Williamson County, Tennessee  
 Schedule of Expenditures of Federal Awards and State Grants (1)  
 For the Year Ended June 30, 2011

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Program:			
Emergency Watershed Protection Program	10.923	N/A	\$ 39,971
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	651,770 (7)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	136,381
National School Lunch Program	10.555	N/A	1,669,780 (7)
Total U.S. Department of Agriculture			\$ 2,497,902
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
Home Investment Partnerships Program	14.239	HM-09-46	\$ 157,218
Total U.S. Department of Housing and Urban Development			\$ 157,218
U.S. Department of Justice:			
Direct Program:			
Federal Asset Forfeiture Program	16.XXX	N/A	\$ 66,218
JAG Program Cluster:			
Direct Program:			
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government	16.804	N/A	6,109
Passed-through the City of Franklin:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	4,795
Passed-through State Department of Finance and Administration:			
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	16.803	(2)	67,213
Total U.S. Department of Justice			\$ 144,335
U.S. Department of Labor:			
Passed-through State Department of Education:			
WIA Dislocated Workers, Recovery Act	17.260	(2)	\$ 2,276
Total U.S. Department of Labor			\$ 2,276
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(2)	\$ 555,175
Highway Safety Cluster:			
State and Community Highway Safety	20.600	(2)	16,372
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	(3)	78,818
Total U.S. Department of Transportation			\$ 650,365
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(2)	\$ 13,053
Total Institute of Museum and Library Services			\$ 13,053
U.S. Department of Education:			
Direct Program:			
Funds for the Improvement of Education	84.215	N/A	\$ 34,179
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(4)	253,423
Passed-through State Department of Education:			
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	N/A	553,768
Title I Grants to Local Educational Agencies, Recovery Act	84.389	N/A	4,522
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	5,139,094
Special Education - Preschool Grants	84.173	N/A	82,376
Special Education - Grants to States, Recovery Act	84.391	N/A	2,995,041

(Continued)

Williamson County, Tennessee  
 Schedule of Expenditures of Federal Awards and State Grants (1) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education (Cont.):			
Special Education Cluster (Cont.):			
Special Education - Preschool Grants, Recovery Act	84.392	N/A	\$ 32,667
Career and Technical Education - Basic Grants to States	84.048	N/A	291,350
Safe and Drug-free Schools and Communities - State Grants	84.186	(2)	5,186
Education Technology State Grants Cluster:			
Education Technology State Grants	84.318	(2)	3,196
Education Technology State Grants, Recovery Act	84.386	N/A	1,422
English Language Acquisition Grants	84.365	N/A	66,913
Improving Teacher Quality State Grants	84.367	N/A	385,922
Education for Homeless Children and Youth, Recovery Act	84.387	N/A	4,014
State Fiscal Stabilization Fund: Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	91,448
State Fiscal Stabilization Cluster:			
State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394	N/A	6,432,465
State Fiscal Stabilization Fund - Government Services, Recovery Act	84.397	N/A	420,997
Education Jobs Fund	84.410	N/A	4,194,252
Total U.S. Department of Education			<u>\$ 20,992,235</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(2)	\$ 87,100
Total U.S. Election Assistance Commission			<u>\$ 87,100</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Public Safety Interoperable Communications Grant Program	97.001	(5)	\$ 288,258
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(2)	1,096,766
Hazard Mitigation Grant	97.039	GG-11-36686	219,807
Emergency Management Performance Grants	97.042	(2)	45,000
Homeland Security Grant Program	97.067	(2)	435,416
Total U.S. Department of Homeland Security			<u>\$ 2,085,247</u>
Total Expenditures of Federal Awards			<u>\$ 26,629,731</u>

		Contract Number	
<u>State Grants</u>			
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	\$ 135,000
Litter Program - State Department of Transportation	N/A	(2)	69,185
Juvenile Justice State Supplement Funds - State Commission on			
Children and Youth	N/A	(2)	4,500
High Schools That Work Competitive Grant - State Department of Education	N/A	(2)	7,000
Adult Education - State Department of Education	N/A	(6)	84,474
Early Childhood Education Lottery - State Department of Education	N/A	(2)	482,698
Economic Development Three Star Grant Program - State Department of			
Economic and Community Development	N/A	GG-11-33843	138,000
Development and Coordination of Rural Health Services - State Department of Health	N/A	GG-11-32235	890,729
Total State Grants			<u>\$ 1,811,586</u>

CFDA - Catalog of Federal Domestic Assistance  
 N/A - Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) DG-10-28723-00: \$32,816; Z-11-GHS036: \$46,002.
- (4) Z-10-2184580: \$47,317; No contract number available: \$206,106.
- (5) GG-09-29790-00: \$245,437; No contract number available: \$42,821.
- (6) Z-10-2184580-00: \$15,772; No contract number available: \$68,702.
- (7) Total for CFDA No. 10.555 is \$2,321,550.

Williamson County, Tennessee  
Schedule of Audit Findings Not Corrected  
June 30, 2011

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. Presented below are findings from the Annual Financial Report for Williamson County, Tennessee, for the year ended June 30, 2010, which have not been corrected.

**OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
10.01	223	The Self-Insurance Fund had a deficit in unrestricted net assets
10.02	223	Some funds were not deposited within three days of collection at various general government departments

**OFFICE OF JUVENILE COURT CLERK**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
10.05	225	The court software did not have adequate application controls

**OTHER FINDING**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
10.06	225	Duties were not segregated adequately in the Office of County Clerk

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**WILLIAMSON COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2011**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

1. Our report on the financial statements of Williamson County is unqualified.
2. The audit of the financial statements of Williamson County disclosed significant deficiencies in internal control. None of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of Williamson County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Title I, Part A Cluster: Title I Grants to Local Educational Agencies, and Title I Grants to Local Educational Agencies, Recovery Act (CFDA Nos. 84.010 and 84.389); the Special Education Cluster: Special Education – Grants to States, Special Education – Preschool Grants, Special Education – Grants to States, Recovery Act, and Special Education – Preschool Grants, Recovery Act (CFDA Nos. 84.027, 84.173, 84.391, and 84.392); the State Fiscal Stabilization Fund Cluster: State Fiscal Stabilization Fund – Education State Grants, Recovery Act and State Fiscal Stabilization Fund – Government Services, Recovery Act (CFDA Nos. 84.394 and 84.397); the Education Jobs Fund (CFDA No. 84.410); and the Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA No. 97.036) were determined to be major programs.
8. A \$798,892 threshold was used to distinguish between Type A and Type B federal programs.
9. Williamson County did qualify as a low-risk auditee.

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The director of accounts and budgets, the director of schools, and the register provided written responses on certain findings, which are paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

### **OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS**

#### **FINDING 11.01      **THE SELF-INSURANCE FUND HAD A DEFICIT IN UNRESTRICTED NET ASSETS****

(Noncompliance Under *Government Auditing Standards*)

The Self-Insurance Fund had a deficit of \$4,986,235 in unrestricted net assets at June 30, 2011. This deficit resulted from the recognition of liabilities in the financial statements for claims and judgments totaling \$5,448,526 at year-end. This deficit in net assets resulted from estimated/actual claims exceeding available resources. This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

#### **RECOMMENDATION**

County officials should develop a plan to address the deficit in net assets and should closely review and monitor this fund.

### **MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

Two steps have been taken to help reduce the deficit in the Self-Insurance Fund. First, the budgeted amount per employee was increased from \$9,000 in 2010-11 to \$10,000 in 2011-12. Secondly, a request for proposals for medical and prescription coverage was completed, and the county has changed its third-party administrator to Cigna Insurance Company with anticipated reductions in overall costs.

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#### **FINDING 11.02      **SOME FUNDS WERE NOT DEPOSITED WITHIN THREE DAYS OF COLLECTION AT VARIOUS GENERAL GOVERNMENT DEPARTMENTS****

(Noncompliance Under *Government Auditing Standards*)

The Office of Property Assessor, Office of Juvenile Services, and the Building Codes Department did not deposit some funds within three days of collection. Section 5-8-207, *Tennessee Code Annotated*, requires county officials to deposit public funds to the office bank account within three days of collection. This deficiency is the result of management's decisions and management's failure to correct the deficiency noted in the prior-year audit report. The delay in depositing the funds increases the risks of fraud and abuse.

RECOMMENDATION

Management should ensure that all funds are deposited to the office bank accounts within three days of collection as required by state statute.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The county has made significant strides in this area. The three departments included in this finding will receive written notification of the finding and will be required to respond as to how the finding will be addressed.

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FINDING 11.03      **TIME RECORDS WERE NOT SIGNED BY EMPLOYEES**  
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Employees did not sign their time records as evidence of review and approval. Sound business practices dictate that payroll time records should be reviewed and approved. This deficiency is due to a lack of management oversight. If employees do not review and approve their time records, improper payments could result.

RECOMMENDATION

Employees should sign their time records as evidence of review and approval.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The departments included in this finding will receive written notification of the finding and will be required to respond as to how the finding will be addressed.

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OFFICE OF DIRECTOR OF SCHOOLS

FINDING 11.04      **THE BILLING SOFTWARE USED BY THE SCHOOL AGE CHILD CARE OFFICE DID NOT HAVE ADEQUATE APPLICATION CONTROLS**  
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The following control deficiencies relating to the School Age Child Care Office's software were identified:

- A. The application allowed users to alter/delete customer accounts without leaving an audit trail.
- B. The application allowed users to alter/delete charges and payments without leaving an audit trail.

- C. Users could receipt collections to a previous date. Backdated receipts do not show up on the current day's collection report.

Sound business practices dictate that proper application controls be implemented. Since the software did not have the proper controls, inappropriate system activity could occur.

**RECOMMENDATION**

Management should contact their software vendor and have the ability to alter/delete customer accounts, charges, and payments removed from the application. Management should have the vendor remove the ability to backdate receipts.

**MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS**

I am committing to three enhancements you have requested to be in production by December 31, 2011: (1) new permission to stop users from changing the date when entering payments, (2) a sequential receipt number for payments that is generated at the location level, and (3) ability to view all user activity without having to view each individual user's activity.

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**OFFICE OF COUNTY CLERK**

**FINDING 11.05**      **DUTIES WERE NOT SEGREGATED ADEQUATELY**  
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Duties were not segregated adequately among the official and employees in the Office of County Clerk. Employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions. Also, this deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

**RECOMMENDATION**

The county clerk should segregate duties to the extent possible using available resources.

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## **OFFICE OF JUVENILE COURT CLERK**

### **FINDING 11.06      **THE COURT SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS****

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The following deficiencies relating to the office's software were identified:

- A. The application allowed users to alter current day's receipts and disbursements without leaving an audit trail.
- B. The application allowed users to alter current month's general ledger entries without leaving an audit trail.
- C. The application did not require journal entries to balance.

Sound business practices dictate that proper controls be implemented. Because the software developer did not design the system with proper controls, inappropriate system activity could occur. Controls addressing these deficiencies were implemented in July 2011.

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## **OFFICES OF JUVENILE COURT CLERK AND REGISTER**

### **FINDING 11.07      **MULTIPLE EMPLOYEES OPERATED FROM THE SAME CASH DRAWER****

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Multiple employees operated from the same cash drawer in the Offices of Juvenile Court Clerk and Register. Good internal controls dictate that each employee have their own cash drawer, start the day with a standard fixed amount of cash, and remove all but that beginning amount at the end of the day. This amount should be verified to the employee's receipts at the end of each day. Failure to adhere to this control regimen greatly increases the risk that a cash shortage may not be detected in a timely manner. Furthermore, in the event of a cash shortage, the official would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer. This deficiency in internal controls was the result of a lack of management oversight over risks related to safeguarding assets.

### **RECOMMENDATION**

The juvenile court clerk and register should assign each employee their own cash drawer.

### **MANAGEMENT'S RESPONSE – REGISTER**

The register of deeds will take steps to improve the internal controls and oversight by implementing the recommendations of the auditors.

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## **BEST PRACTICE**

### **WILLIAMSON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Williamson County does not have a central system of accounting, budgeting, and purchasing for all departments. Williamson County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and highway superintendent, but exclude the School Department. Sound business practices dictate that establishing a central system for all departments would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

**PART III, FINDINGS AND QUESTIONED  
COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs for federal awards.

**WILLIAMSON COUNTY, TENNESSEE  
AUDITEE REPORTING RESPONSIBILITIES  
For the Year Ended June 30, 2011**

There were no audit findings relative to federal awards presented in the prior- or current-years' Schedules of Findings and Questioned Costs.