

**ANNUAL FINANCIAL REPORT**  
**WILLIAMSON COUNTY, TENNESSEE**



**FOR THE YEAR ENDED JUNE 30, 2006**

**Comptroller of the Treasury  
Department of Audit  
Division of County Audit  
Nashville, Tennessee**

**ANNUAL FINANCIAL REPORT**  
**WILLIAMSON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2006**

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# ***Audit Highlights***

Annual Financial Report  
Williamson County, Tennessee  
For the Year Ended June 30, 2006

## ***Scope***

We have audited the basic financial statements of Williamson County as of and for the year ended June 30, 2006.

## ***Results***

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

Our audit resulted in four 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***

The following are summaries of the audit findings:

### **PARKS AND RECREATION DEPARTMENT**

- ◆ Collections of at least \$45,037.43 were not accounted for at the Fairview Recreation Center.

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### **OFFICE OF ACCOUNTS AND BUDGETS**

- ◆ The County Commission did not approve a \$181,075 budget amendment that was posted to the Highway/Public Works Fund.

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### **OFFICE OF JUVENILE COURT CLERK**

- ◆ The office did not have formal policies and procedures for computer operations.

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### **OTHER FINDING**

- ◆ Duties were not segregated adequately in the Offices of County Clerk, Juvenile Court Clerk, and Register.

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## INTRODUCTORY SECTION

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# Williamson County Officials

## June 30, 2006

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### **Officials**

Rogers Anderson, County Mayor  
Eddie Hood, Highway Superintendent  
Rebecca Sharber, Ed.D, 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  
Ricky Headley, Sheriff  
David Coleman, Director of Accounts and Budgets

### **Board of County Commissioners**

Houston Naron, Jr., Chairman	Cheryl Wilson	Jack Walton
Joe Hughes	Lewis Green, Jr.	Mary Brockman
Ricky Jones	Newt McCord	Ernie Williams
Betsy Hester	Arlene Cooke	Bob Barnwell
John Hancock	Jeff Ford	Mary Mills
Clyde Lynch	Bert Chalfant	Russell Little
Judy Hayes	Brandon Hulette	Steve Smith
Tom Moon	Greg Davis	Doug Langston

### **Board of Education**

Gary Anderson, Chairman	Edward Bailey	Barry Watkins
D'Wayne Greer	Mari Weller	Bill Peach
Janice Mills	Sina Miller	Mark Gregory
Ralph Ringstaff	Pat Anderson	James Bond

### **Highway Commission**

Rogers Anderson, Chairman	Dick Fowlkes
Renis Baker	Charlie Bennett
Stan Tyson	

### **Budget Committee**

Lewis Green Jr., Chairman	Steve Smith
Rogers Anderson, County Mayor	Judy Hayes
Jack Walton	

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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 37243-0269  
PHONE (615) 401-7841**

**INDEPENDENT AUDITOR'S REPORT**

November 13, 2006

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 business-type 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, 2006, 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 discretely presented Williamson County Hospital District's financial statements, which represent 31 percent and 38 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, and we did not audit the discretely presented Williamson County Emergency Communications District's financial statements, which represent .34 percent and .36 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, as of June 30, 2006, and for the year then ended. Those financial statements were audited by other auditors, whose reports 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 solely on the reports of the 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of June 30, 2006, 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 November 13, 2006, 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.

The management's discussion and analysis on pages 13 through 26 and budgetary comparison information on pages 101 through 107 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Williamson County's basic financial statements. 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 basic 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 have been subjected

to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on it.

Very truly yours,

A handwritten signature in black ink that reads "John G. Morgan". The signature is written in a cursive style with a long horizontal flourish at the end.

John G. Morgan  
Comptroller of the Treasury

JGM/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, 2006. This discussion and analysis focuses on the primary government only and does not include discussion of discretely presented component units.

### Financial Highlights

- The liabilities of Williamson County exceeded its assets at the close of the fiscal year by \$100,266,837 (net assets). Of this amount, \$229,882,312 is debt that is attributable to the Williamson County School Department.
- The government's total net assets increased by \$20,405,128.
- At June 30, 2006, Williamson County's governmental funds reported combined ending fund balances of \$72,600,981, an increase of \$8,698,098 in comparison with the prior year.
- At June 30, 2006, unreserved fund balance for the General Fund was \$22,241,586, or 44 percent of total General Fund expenditures.
- Williamson County's total debt decreased by \$7,101,397 during the current fiscal year. The net decrease was due to debt service payments of \$18,852,662, the issuance of internally financed notes for \$9,435,370 for various county and school capital projects, and a draw of \$2,315,895 against the Montgomery County Public Building Authority for public works projects.

### Overview of the Financial Statements

This discussion and analysis are 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 business-type activities of the county include a solid waste disposal facility. 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 ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Highway/Public Works Fund, General Debt Service Fund, Rural Debt Service Fund, and

the General Capital Projects Fund all of which are considered to be major funds. Data from the other five 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 Fund, the District Attorney General Fund, the Other Special Revenue Fund, and the Constitutional Officers – Fees Fund. 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 funds.** Williamson County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Williamson County uses an enterprise fund (Solid Waste Disposal Fund) to account for the operations of the county landfill. Internal service funds are an accounting device used to accumulate and allocate costs internally among the county's various functions. 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 Solid Waste Disposal 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 financial statements can be found on pages 45 through 98 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 (the General Fund and the Highway/Public Works Fund). 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 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 \$100,266,837 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, 2006, the county had outstanding debt totaling \$229,882,312 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 \$129,615,475 at June 30, 2006.

The largest portion of Williamson County Government's net assets (\$51,652,752) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) 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 its 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

	2005 Governmental activities	2005 Business-type activities	Total
Current and Other Assets	\$ 134,581,157	\$ 1,824,651	\$ 136,405,808
Capital Assets	164,517,089	2,621,663	167,138,752
Total Assets	<u>\$ 299,098,246</u>	<u>\$ 4,446,314</u>	<u>\$ 303,544,560</u>
Long-term Liabilities Outstanding	\$ 331,884,636	\$ 5,898,883	\$ 337,783,519
Other Liabilities	85,811,418	621,588	86,433,006
Total Liabilities	<u>\$ 417,696,054</u>	<u>\$ 6,520,471</u>	<u>\$ 424,216,525</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	\$ 47,132,427	\$ 1,619,443	\$ 48,751,870
Restricted	47,169,777	0	47,169,777
Unrestricted	<u>(212,900,012)</u>	<u>(3,693,600)</u>	<u>(216,593,612)</u>
Total Net Assets	<u>\$ (118,597,808)</u>	<u>\$ (2,074,157)</u>	<u>\$ (120,671,965)</u>

WILLIAMSON COUNTY'S Net Assets

	2006 Governmental activities	2006 Business-type activities	Total
Current and Other Assets	\$ 154,154,639	\$ 819,504	\$ 154,974,143
Capital Assets	162,844,573	2,612,536	165,457,109
Total Assets	<u>\$ 316,999,212</u>	<u>\$ 3,432,040</u>	<u>\$ 320,431,252</u>
Long-term Liabilities Outstanding	\$ 350,369,388	\$ 6,104,092	\$ 356,473,480
Other Liabilities	64,203,236	21,373	64,224,609
Total Liabilities	<u>\$ 414,572,624</u>	<u>\$ 6,125,465</u>	<u>\$ 420,698,089</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	\$ 50,034,145	\$ 1,618,607	\$ 51,652,752
Restricted	50,992,633	0	50,992,633
Unrestricted	(198,600,190)	(4,312,032)	(202,912,222)
Total Net Assets	<u>\$ (97,573,412)</u>	<u>\$ (2,693,425)</u>	<u>\$ (100,266,837)</u>

An additional portion of Williamson County's net assets (\$50,992,633) represents resources that are subject to external restrictions on how they may be used.

**Governmental activities.** Governmental activities increased Williamson County's net assets by \$21,024,396. Elements of this increase are noted in the table below:

WILLIAMSON COUNTY'S Changes in Net Assets

	2005 Governmental activities	2005 Business-type activities	Total
Revenues:			
Program Revenues:			
Charges for Services	\$ 38,459,600	\$ 1,574,168	\$ 40,033,768
Operating Grants and Contributions	4,090,787	669,500	4,760,287
Capital Grants and Contributions	2,127,269	0	2,127,269
Total Program Revenues	<u>\$ 44,677,656</u>	<u>\$ 2,243,668</u>	<u>\$ 46,921,324</u>
General Revenues:			
Property Taxes Levied for General Purposes	\$ 29,556,611	\$ 0	\$ 29,556,611
Property Taxes Levied for Debt Service	23,036,528	0	23,036,528
Local Option Sales Tax	1,047,420	0	1,047,420
Other Local Taxes	16,581,489	0	16,581,489

WILLIAMSON COUNTY'S Changes in Net Assets ( Cont.)

	2005 Governmental activities	2005 Business-type activities	Total
General Revenues: (Cont.)			
Grants & Contributions Not			
Restricted to Specific Programs	\$ 3,704,163	\$ 0	\$ 3,704,163
Unrestricted Investment Earnings	2,094,927	54,719	2,149,646
Gain from Sale of Capital Assets	356,393	0	356,393
Miscellaneous	643,799	167,683	811,482
Total General Revenues	<u>\$ 77,021,330</u>	<u>\$ 222,402</u>	<u>\$ 77,243,732</u>
Total Revenues	<u>\$ 121,698,986</u>	<u>\$ 2,466,070</u>	<u>\$ 124,165,056</u>
Expenses:			
Governmental Activities:			
General Government	\$ 10,822,904	\$ 0	\$ 10,822,904
Finance	3,903,789	0	3,903,789
Administration of Justice	5,877,429	0	5,877,429
Public Safety	17,325,173	0	17,325,173
Public Health and Welfare	8,000,815	0	8,000,815
Social, Cultural, and Recreational Services	12,233,050	0	12,233,050
Agriculture and Natural Resources	439,795	0	439,795
Highway/Public Works	10,740,537	0	10,740,537
Education	59,483,686	0	59,483,686
Interest on Long-term Debt	14,844,183	0	14,844,183
Other Debt Service	781,222	0	781,222
Solid Waste Disposal	0	3,056,945	3,056,945
Total Expenses	<u>\$ 144,452,583</u>	<u>\$ 3,056,945</u>	<u>\$ 147,509,528</u>
Change in Net Assets	\$ (22,753,597)	\$ (590,875)	\$ (23,344,472)
Prior Period Adjustment	25,117,586	238,975	25,356,561
Net Assets - July 1	<u>(120,961,797)</u>	<u>(1,722,257)</u>	<u>(122,684,054)</u>
Net Assets - June 30	<u>\$ (118,597,808)</u>	<u>\$ (2,074,157)</u>	<u>\$ (120,671,965)</u>

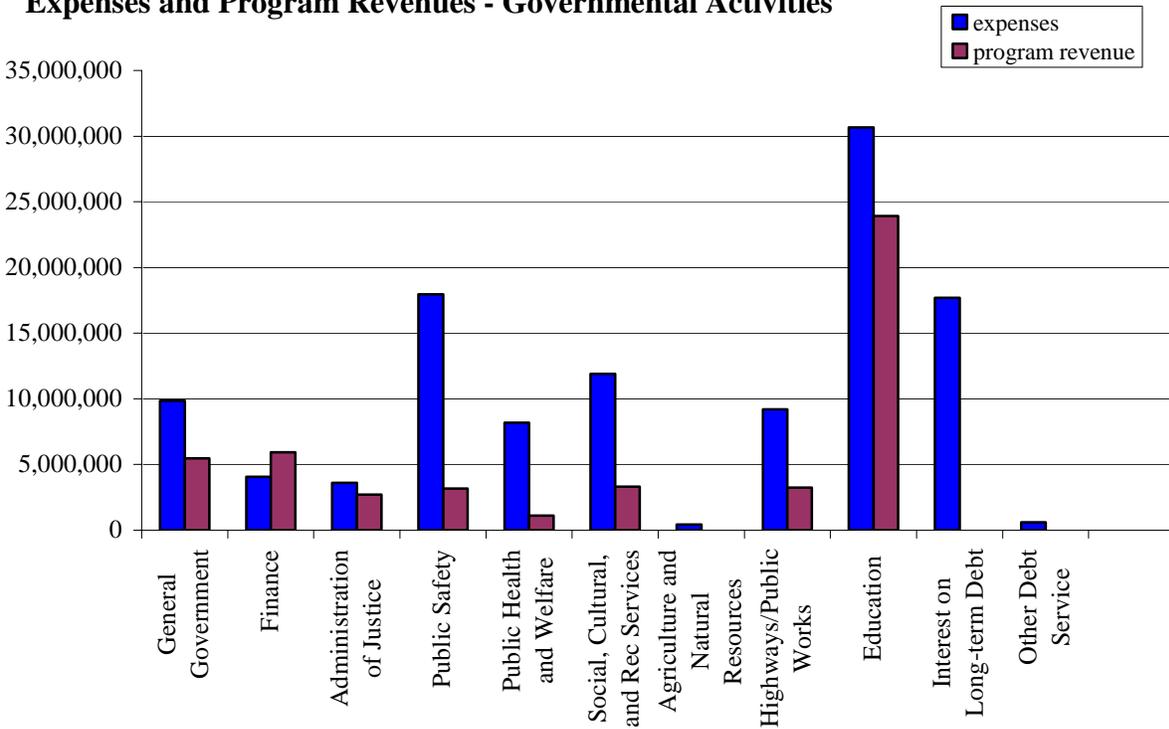
WILLIAMSON COUNTY'S Changes in Net Assets

	2006 Governmental activities	2006 Business-type activities	Total
Revenues:			
Program Revenues:			
Charges for Services	\$ 43,244,970	\$ 1,721,922	\$ 44,966,892
Operating Grants and Contributions	4,671,840	594,172	5,266,012
Capital Grants and Contributions	956,282	0	956,282
Total Program Revenues	<u>\$ 48,873,092</u>	<u>\$ 2,316,094</u>	<u>\$ 51,189,186</u>
General Revenues:			
Property taxes Levied for			
General Purposes	\$ 31,483,706	\$ 0	\$ 31,483,706
Property Taxes Levied for Debt Service	26,805,061	0	26,805,061
Local Option Sales Tax	1,105,166	0	1,105,166
Other Local Taxes	18,474,036	0	18,474,036
Grants & Contributions Not			
Restricted to Specific Programs	4,448,278	0	4,448,278
Unrestricted Investment Earnings	3,317,503	31,382	3,348,885
Gain from Sale of Capital Assets	14,218	0	14,218
Miscellaneous	663,372	58,156	721,528
Total General Revenues	<u>\$ 86,311,340</u>	<u>\$ 89,538</u>	<u>\$ 86,400,878</u>
Total Revenues	<u>\$ 135,184,432</u>	<u>\$ 2,405,632</u>	<u>\$ 137,590,064</u>
Expenses:			
Governmental Activities:			
General Government	\$ 9,851,260	\$ 0	\$ 9,851,260
Finance	4,056,503	0	4,056,503
Administration of Justice	3,607,222	0	3,607,222
Public Safety	17,967,700	0	17,967,700
Public Health and Welfare	8,184,589	0	8,184,589
Social, Cultural, and			
Recreational Services	11,911,603	0	11,911,603
Agriculture and Natural Resources	441,638	0	441,638
Highway/Public Works	9,194,228	0	9,194,228
Education	30,656,447	0	30,656,447
Interest on Long-term Debt	17,691,923	0	17,691,923
Other Debt Service	596,923	0	596,923
Solid Waste Disposal	0	3,024,900	3,024,900
Total Expenses	<u>\$ 114,160,036</u>	<u>\$ 3,024,900</u>	<u>\$ 117,184,936</u>

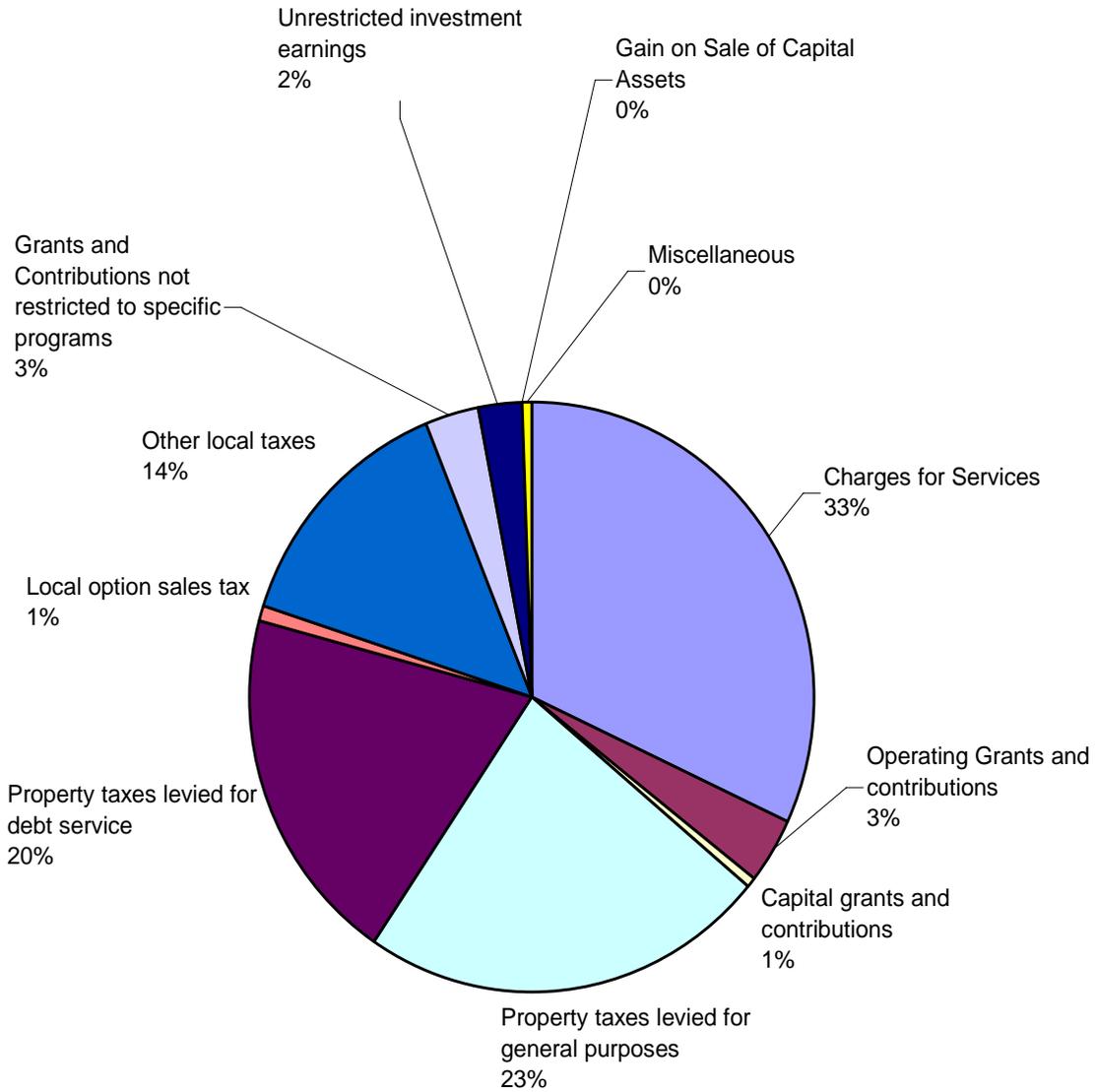
WILLIAMSON COUNTY'S Changes in Net Assets (Cont.)

	2006 Governmental activities	2006 Business-type activities	Total
Change in Net Assets	\$ 21,024,396	\$ (619,268)	\$ 20,405,128
Prior Period Adjustment	0	0	0
Net Assets - July 1	(118,597,808)	(2,074,157)	(120,671,965)
Net Assets - June 30	\$ (97,573,412)	\$ (2,693,425)	\$ (100,266,837)

Expenses and Program Revenues - Governmental Activities

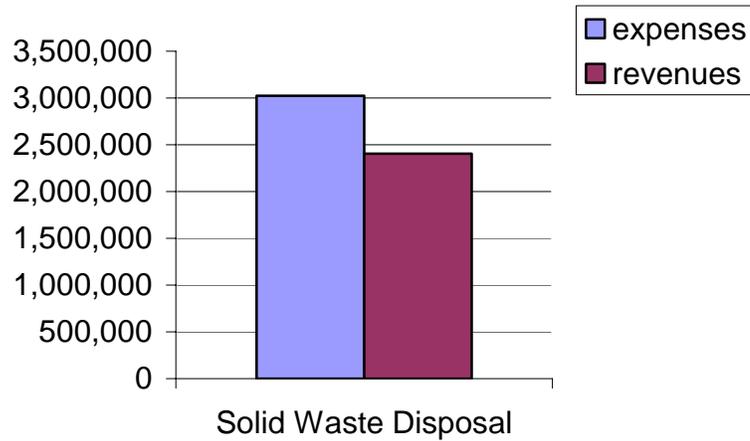


**Revenues by Source - Governmental Activities**



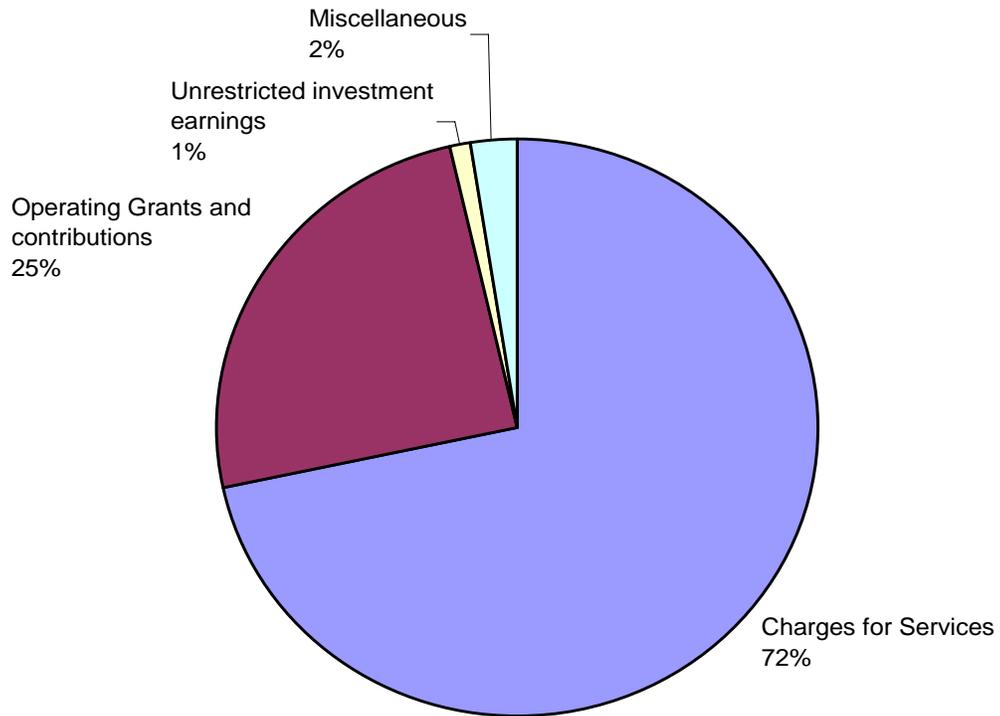
**Business-type activities.** Business-type activities decreased Williamson County’s net assets by \$619,268. This decrease resulted from a decrease in operating revenues.

### Expenses and Program Revenues – Business-type Activities



### Revenue by Source – Business-type 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 particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Williamson County’s governmental funds reported combined ending fund balances of \$72,600,981, an increase of \$8,698,098 in comparison with the prior year. Approximately 79 percent of this total amount (\$57,050,040) constitutes unreserved fund balance, which is available for spending at the government’s discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$22,241,586, while total fund balance was \$23,994,448. As a measure of the General Fund’s liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 44 percent of total General Fund expenditures, while total fund balance represents 47 percent of that same amount.

The fund balance of the General Fund had an increase of \$6,356,599 from the prior year. One factor of the increase is Williamson County budgets for a 92 percent collection rate of property taxes while the county had actual collections of 97.6 percent. Another factor was actual expenditures were 7.3 percent less than budgeted expenditures.

The fund balance of the Highway/Public Works Fund had an increase of \$828,825 during the current fiscal year due to revenues exceeding expenditures.

The fund balance of the General Debt Service Fund had a minimal increase of \$137,321 from the prior year.

The fund balance of the Rural Debt Service Fund had a minimal increase of \$124,780 from the prior year.

The fund balance of the General Capital Projects Fund increased \$1,263,342 from the prior year due to an increase in ongoing projects.

**Proprietary funds.** Williamson County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Solid Waste Disposal Fund at the end of the year were (\$4,312,032). Factors concerning the finances of this fund have already been addressed in the discussion of Williamson County’s business-type activities.

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

Differences between the original budget and the final amended budget for the General Fund expenditures equaled 5.5 percent of the original budget.

The Highway/Public Works Fund revenues exceeded budgetary estimates, and expenditures were less than budgetary estimates. As a result, there was an increase in fund balance for the fiscal year.

### Capital Asset and Debt Administration

**Capital assets.** Williamson County's investment in capital assets for its governmental and business-type activities as of June 30, 2006, amounted to \$165,457,109 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in Williamson County's investment in capital assets for the current fiscal year was \$5,112,982. This represents an increase of \$5,122,109 for the governmental activities and a decrease in the business-type activities of \$9,127. Construction in progress totaling \$1,268,969 reflects Williamson County's various ongoing construction and renovation projects for the parks and recreation department.

#### Williamson County's Capital Assets

As of June 30  
(net of depreciation)

	2005		2005		
	Governmental	Business-type	Governmental	Business-type	Total
	activities	activities	activities	activities	Total
Land	\$ 42,006,681	\$ 334,150	\$ 42,006,681	\$ 334,150	\$ 42,340,831
Construction in Progress	2,861,675	0	2,861,675	0	2,861,675
Buildings and Improvements	71,726,178	299,452	71,726,178	299,452	72,025,630
Other Capital Assets	14,300,395	1,988,061	14,300,395	1,988,061	16,288,456
Infrastructure	26,827,535	0	26,827,535	0	26,827,535
<b>Total</b>	<b>\$ 157,722,464</b>	<b>\$ 2,621,663</b>	<b>\$ 157,722,464</b>	<b>\$ 2,621,663</b>	<b>\$ 160,344,127</b>
	2006		2006		
	Governmental	Business-type	Governmental	Business-type	Total
	activities	activities	activities	activities	Total
Land	\$ 41,778,110	\$ 334,150	\$ 41,778,110	\$ 334,150	\$ 42,112,260
Construction in Progress	1,268,969	0	1,268,969	0	1,268,969
Buildings and Improvements	74,009,868	346,322	74,009,868	346,322	74,356,190
Other Capital Assets	17,959,185	1,932,064	17,959,185	1,932,064	19,891,249
Infrastructure	27,828,441	0	27,828,441	0	27,828,441
<b>Total</b>	<b>\$ 162,844,573</b>	<b>\$ 2,612,536</b>	<b>\$ 162,844,573</b>	<b>\$ 2,612,536</b>	<b>\$ 165,457,109</b>

**Long-term debt.** At the end of the current fiscal year, Williamson County had total bonded debt outstanding of \$323,605,000, notes payable of \$12,045,370, and other loans payable of \$11,236,616. All debt is backed by the full faith and credit of the county. Of the amount outstanding for governmental activities, \$229,882,312 reflects the balance of borrowings for education capital projects for the Williamson County Board of Education. The business-type activities had outstanding bonds of \$5,210,000 which reflect the balance of borrowings for capital projects of the Solid Waste Disposal Fund.

**Williamson County's Outstanding Debt**

As of June 30

	2005		2005	
	Governmental		Business-type	Total
	activities		activities	
Bonds payable	\$ 335,720,000	\$	5,440,000	\$ 341,160,000
Notes payable	3,220,000		56,662	3,276,662
Other loans payable	9,551,721		0	9,551,721
<b>Total</b>	<b>\$ 348,491,721</b>	<b>\$</b>	<b>5,496,662</b>	<b>\$ 353,988,383</b>

	2006		2006	
	Governmental		Business-type	Total
	activities		activities	
Bonds payable	\$ 318,395,000	\$	5,210,000	\$ 323,605,000
Notes payable	12,045,370		0	12,045,370
Other loans payable	11,236,616		0	11,236,616
<b>Total</b>	<b>\$ 341,676,986</b>	<b>\$</b>	<b>5,210,000</b>	<b>\$ 346,886,986</b>

For the fiscal year ended June 30, 2006, the county's total debt decreased by \$7.1 million. Debt service payments of \$18.8 million (including business-type activities of \$286,662) were made while the county issued new debt of \$11.7 million for school construction projects, public works projects, and equipment acquisition.

- In lieu of issuing debt with financial institutions, the county had internal financing activity of \$9,435,370 to fund various county and school capital projects.
- The county drew against the Montgomery County Public Building Authority Loan Program totaling \$2,315,895 to fund public works projects.

The county maintains an Aa1 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 through K-2 of this report.

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

- The unemployment rate for the county as of 2006 was 3.4 percent, which is a slight decrease from the 2005 rate of 3.7 percent. This compares favorably to the state's average unemployment rate of 5.5 percent and the national average rate of 4.8 percent.
- The occupancy rate of the government's central business district for the past three years was 83.1 percent for 2004, 88.3 percent for 2005, and 94.2 percent for 2006.
- Inflationary trends in the region compare favorably to national indices.
- Assessed value of property within the county is in excess of \$6.1 billion with an anticipated growth rate of five percent for 2006-2007.

All of these factors were considered in preparing the county's budget for the 2007 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 & 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, 2006

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Williamson County School Department	Williamson County Hospital District	Emergency Communications District
<u>ASSETS</u>						
Cash	\$ 10,767	\$ 450	\$ 11,217	\$ 59,507	\$ 4,546,385	\$ 969,864
Cash with Paying Agent	28,318	0	28,318	0	0	0
Equity in Pool Cash and Investments	80,326,348	750,476	81,076,824	29,694,265	0	0
Accounts Receivable	316,367	75,643	392,010	219,516	23,656,077	77,142
Allowance for Uncollectibles	0	0	0	0	(5,282,401)	0
Property Taxes Receivable	60,800,035	0	60,800,035	67,869,560	0	0
Allowance for Uncollectible Property Taxes	(618,736)	0	(618,736)	(651,549)	0	0
Accrued Interest Receivable	246,682	2,673	249,355	99,443	0	0
Due from Other Governments	3,332,980	8,787	3,341,767	10,167,448	0	34,016
Due from Component Units	807,299	0	807,299	0	0	0
Prepaid Items	0	0	0	0	320,254	0
Notes Receivable - Long Term	228,980	0	228,980	0	0	0
Deferred Charges - Debt Issuance Costs	1,862,449	0	1,862,449	0	302,378	0
Inventories	0	0	0	0	1,792,455	0
Internal Balances	18,525	(18,525)	0	0	0	0
Investment in Joint Venture	6,794,625	0	6,794,625	0	0	0
Other Receivable	0	0	0	0	3,567,496	0
Restricted Assets:						
Customer Deposits	0	0	0	0	692,886	0
Bond Reserves	0	0	0	0	34,619,596	0
Capital Assets:						
Assets Not Depreciated:						
Land	41,778,110	334,150	42,112,260	20,118,118	8,359,186	0
Construction in Progress	1,268,969	0	1,268,969	46,810,113	7,230,098	0
Assets Net of Accumulated Depreciation:						
Buildings and Improvements	74,009,868	346,322	74,356,190	178,468,554	0	0
Other Capital Assets	17,959,185	1,932,064	19,891,249	11,778,860	85,291,139	715,110
Infrastructure	27,828,441	0	27,828,441	0	0	0
Total Assets	\$ 316,999,212	\$ 3,432,040	\$ 320,431,252	\$ 364,633,835	\$ 165,095,549	\$ 1,796,132

(Continued)

Exhibit A

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

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Williamson County School Department	Williamson County Hospital District	Emergency Communications District
<b>LIABILITIES</b>						
Accounts Payable	\$ 133,107	\$ 21,373	\$ 154,480	\$ 773,656	\$ 4,315,754	\$ 90,810
Accrued Payroll	0	0	0	3,599,896	4,007,464	0
Payroll Deductions Payable	0	0	0	295,208	0	0
Contracts Payable	126,107	0	126,107	247,294	0	0
Retainage Payable	14,012	0	14,012	48,662	0	0
Accrued Interest Payable	4,108,097	0	4,108,097	0	297,279	0
Due to State of Tennessee	4,728	0	4,728	0	0	0
Other Accrued Expenses	0	0	0	0	2,385,248	0
Estimated Amounts Due to Third-party Payors	0	0	0	0	576,209	0
Customer Deposits Payable	887,650	0	887,650	0	0	0
Due to Primary Government	0	0	0	807,299	0	0
Deferred Revenue - Current Property Taxes	58,929,535	0	58,929,535	65,973,990	0	0
Other Current Liabilities	0	0	0	22,756	0	0
Noncurrent Liabilities:						
Due Within One Year	36,239,193	526,518	36,765,711	484,943	5,308,650	0
Due In More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	314,130,195	5,577,574	319,707,769	739,394	45,670,754	0
Total Liabilities	\$ 414,572,624	\$ 6,125,465	\$ 420,698,089	\$ 72,993,098	\$ 62,561,358	\$ 90,810
<b>NET ASSETS</b>						
Invested in Capital Assets, Net of Related Debt	\$ 50,034,145	\$ 1,618,607	\$ 51,652,752	\$ 0	\$ 49,901,019	\$ 631,056
Invested in Capital Assets Restricted for:	0	0	0	257,175,645	0	0
Capital Projects	12,789,812	0	12,789,812	10,552,085	0	0
Debt Service	23,776,474	0	23,776,474	0	0	0
Highway	12,874,350	0	12,874,350	0	0	0
Other Purposes	1,551,997	0	1,551,997	2,118,455	2,422,941	0
Unrestricted	(198,600,190)	(4,312,032)	(202,912,222)	21,794,552	50,210,231	1,074,266
Total Net Assets (Deficit)	\$ (97,573,412)	\$ (2,693,425)	\$ (100,266,837)	\$ 291,640,737	\$ 102,534,191	\$ 1,705,322

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, 2006

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Williamson County School Department	Williamson County Hospital District	Emergency Communications District
					Governmental Activities	Business-type Activities				
<b>Primary Government:</b>										
<b>Governmental Activities:</b>										
General Government	\$ 9,851,260	\$ 5,366,617	\$ 98,420	\$ 0	\$ (4,386,223)	\$ 0	\$ (4,386,223)	\$ 0	\$ 0	\$ 0
Finance	4,056,503	5,901,863	37,909	0	1,883,269	0	1,883,269	0	0	0
Administration of Justice	3,607,222	2,712,291	5,066	0	(889,865)	0	(889,865)	0	0	0
Public Safety	17,967,700	1,859,444	885,162	424,094	(14,799,000)	0	(14,799,000)	0	0	0
Public Health and Welfare	8,184,589	341,631	777,654	0	(7,065,304)	0	(7,065,304)	0	0	0
Social, Cultural, and Recreational Services	11,911,603	3,117,069	0	200,000	(8,594,534)	0	(8,594,534)	0	0	0
Agriculture and Natural Resources	441,638	0	0	0	(441,638)	0	(441,638)	0	0	0
Highways	9,194,228	40,819	2,867,629	332,188	(5,953,592)	0	(5,953,592)	0	0	0
Education	30,656,447	23,905,236	0	0	(6,751,211)	0	(6,751,211)	0	0	0
Interest on Long-term Debt	17,691,923	0	0	0	(17,691,923)	0	(17,691,923)	0	0	0
Debt Service	596,923	0	0	0	(596,923)	0	(596,923)	0	0	0
<b>Total Governmental Activities</b>	<b>\$ 114,160,036</b>	<b>\$ 43,244,970</b>	<b>\$ 4,671,840</b>	<b>\$ 956,282</b>	<b>\$ (65,286,944)</b>	<b>\$ 0</b>	<b>\$ (65,286,944)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Business-type Activities:</b>										
Solid Waste Disposal	\$ 3,024,900	\$ 1,721,922	\$ 594,172	\$ 0	\$ 0	\$ (708,806)	\$ (708,806)	\$ 0	\$ 0	\$ 0
<b>Total Business-type Activities</b>	<b>\$ 3,024,900</b>	<b>\$ 1,721,922</b>	<b>\$ 594,172</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (708,806)</b>	<b>\$ (708,806)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Primary Government</b>	<b>\$ 117,184,936</b>	<b>\$ 44,966,892</b>	<b>\$ 5,266,012</b>	<b>\$ 956,282</b>	<b>\$ (65,286,944)</b>	<b>\$ (708,806)</b>	<b>\$ (65,995,750)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Component Units:</b>										
Williamson County School Department	\$ 183,814,462	\$ 8,126,893	\$ 10,032,973	\$ 7,336,973	\$ 0	\$ 0	\$ 0	\$ (158,317,623)	\$ 0	\$ 0
Williamson County Hospital District	111,633,238	116,037,669	94,175	0	0	0	0	0	4,498,606	0
Emergency Communications District	1,105,932	1,052,904	0	49,954	0	0	0	0	0	(3,074)
<b>Total Component Units</b>	<b>\$ 296,553,632</b>	<b>\$ 125,217,466</b>	<b>\$ 10,127,148</b>	<b>\$ 7,386,927</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (158,317,623)</b>	<b>\$ 4,498,606</b>	<b>\$ (3,074)</b>

(Continued)

Exhibit B

Williamson County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	Williamson County School Department	Williamson County Hospital District	Emergency Communications District
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes		\$ 31,483,706	\$ 0	\$ 31,483,706	\$ 63,389,817	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes Levied for Debt Service		26,805,061	0	26,805,061	0	0	0	0	0	0
Local Option Sales Taxes		1,105,166	0	1,105,166	30,765,341	0	0	0	0	0
Other Local Taxes		18,474,036	0	18,474,036	19,174	0	0	0	0	0
Grants and Contributions Not Restricted to Specific Programs		4,448,278	0	4,448,278	69,923,359	0	0	0	0	0
Unrestricted Investment Income		3,317,503	31,382	3,348,885	1,376,996	1,640,964			26,792	
Gain on Disposal of Capital Assets		14,218	0	14,218	0	176,162			0	
Miscellaneous		663,372	58,156	721,528	175,863	866,303			0	
Total General Revenues		\$ 86,311,340	\$ 89,538	\$ 86,400,878	\$ 165,650,550	\$ 2,683,429	\$	\$	26,792	\$
Change in Net Assets		\$ 21,024,396	\$ (619,268)	\$ 20,405,128	\$ 7,332,927	\$ 7,182,035	\$	\$	23,718	\$
Net Assets, July 1, 2005		(118,597,808)	(2,074,157)	(120,671,965)	284,307,810	95,352,156			1,681,604	
Net Assets, June 30, 2006		\$ (97,573,412)	\$ (2,693,425)	\$ (100,266,837)	\$ 291,640,737	\$ 102,534,191	\$	\$	1,705,322	\$

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, 2006

	Major Funds					Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<b>ASSETS</b>							
Cash	\$ 7,980	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,787	\$ 10,767
Equity in Pooled Cash and Investments	22,560,526	12,672,711	16,308,122	4,961,745	14,375,706	747,928	71,626,738
Accounts Receivable	214,179	2,339	75,664	19,901	0	4,284	316,367
Due from Other Governments	2,328,482	595,752	0	0	273,955	134,791	3,332,980
Due from Other Funds	6,921	0	0	0	0	18,525	25,446
Property Taxes Receivable	30,642,555	757,483	18,775,771	8,229,780	0	2,394,446	60,800,035
Allowance for Uncollectible Property Taxes	(294,945)	(15,740)	(183,693)	(95,757)	0	(28,601)	(618,736)
Accrued Interest Receivable	98,088	43,947	82,370	19,140	0	3,137	246,682
Notes Receivable - Long-Term	0	0	0	0	228,980	0	228,980
<b>Total Assets</b>	<b>\$ 55,563,786</b>	<b>\$ 14,056,492</b>	<b>\$ 35,058,234</b>	<b>\$ 13,134,809</b>	<b>\$ 14,878,641</b>	<b>\$ 3,277,297</b>	<b>\$ 135,969,259</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts Payable	\$ 93,644	\$ 0	\$ 0	\$ 0	\$ 38,588	\$ 875	\$ 133,107
Contracts Payable	0	0	0	0	126,107	0	126,107
Retainage Payable	0	0	0	0	14,012	0	14,012
Claims and Judgements Payable	223,725	309,055	0	0	0	0	532,780
Due to Other Funds	0	0	0	0	0	6,921	6,921
Due to State of Tennessee	4,728	0	0	0	0	0	4,728
Current Liabilities Payable from Restricted Assets:							
Customer Deposits Payable	0	0	0	0	887,650	0	887,650
Deferred Revenue - Current Property Taxes	29,782,904	694,685	18,234,431	7,917,552	0	2,299,963	58,929,535
Deferred Revenue - Delinquent Property Taxes	323,132	45,586	204,802	133,734	0	60,538	767,792
Other Deferred Revenues	1,141,205	317,963	103,512	19,140	273,955	109,871	1,965,646
<b>Total Liabilities</b>	<b>\$ 31,569,338</b>	<b>\$ 1,367,289</b>	<b>\$ 18,542,745</b>	<b>\$ 8,070,426</b>	<b>\$ 1,340,312</b>	<b>\$ 2,478,168</b>	<b>\$ 63,368,278</b>
<b>Fund Balances</b>							
Reserved for Encumbrances	\$ 1,170,403	\$ 253,072	\$ 0	\$ 0	\$ 3,917,207	\$ 6,678	\$ 5,347,360
Reserved for Alcohol and Drug Treatment	75,945	0	0	0	0	0	75,945
Reserved for Litigation Tax - Jail, Workhouse, or Courthouse	153,417	0	0	0	0	0	153,417

(Continued)

Exhibit C-1

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

	Major Funds					Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<b>LIABILITIES AND FUND BALANCES (Cont.)</b>							
<b>Fund Balances (Cont.)</b>							
Reserved for Drug Court	\$ 49,526	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,526
Reserved for Sexual Offender Registration	2,300	0	0	0	0	0	2,300
Reserved for Courtroom Security	1,619	0	0	0	0	0	1,619
Reserved for Computer System - Register	224,779	0	0	0	0	0	224,779
Reserved for Automation Purposes - Circuit Court	1,772	0	0	0	0	0	1,772
Reserved for Automation Purposes - Criminal Court	26,214	0	0	0	0	0	26,214
Reserved for Automation Purposes - General Sessions Court	13,168	0	0	0	0	0	13,168
Reserved for Automation Purposes - Chancery Court	10,899	0	0	0	0	0	10,899
Reserved for Automation Purposes - Sheriff	22,820	0	0	0	0	0	22,820
Reserved for Long-Term Notes Receivable	0	0	0	0	228,980	0	228,980
Reserved for Other General Purposes	0	0	0	0	9,392,142	0	9,392,142
Unreserved, Reported In:							
General Fund	22,241,586	0	0	0	0	0	22,241,586
Special Revenue Funds	0	12,436,131	0	0	0	792,451	13,228,582
Debt Service Funds	0	0	16,515,489	5,064,383	0	0	21,579,872
<b>Total Fund Balances</b>	<b>\$ 23,994,448</b>	<b>\$ 12,689,203</b>	<b>\$ 16,515,489</b>	<b>\$ 5,064,383</b>	<b>\$ 13,538,329</b>	<b>\$ 799,129</b>	<b>\$ 72,600,981</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 55,563,786</b>	<b>\$ 14,056,492</b>	<b>\$ 35,058,234</b>	<b>\$ 13,134,809</b>	<b>\$ 14,878,641</b>	<b>\$ 3,277,297</b>	<b>\$ 135,969,259</b>

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, 2006

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)		\$ 72,600,981
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 41,778,110	
Add: construction in progress	1,268,969	
Add: infrastructure net of accumulated depreciation	27,828,441	
Add: buildings and improvements net of accumulated depreciation	74,009,868	
Add: other capital assets net of accumulated depreciation	<u>17,959,185</u>	162,844,573
(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) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		2,733,438
(4) Internal service funds are used by management to charge the cost of liability and workers' compensation insurance, and employee dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net assets.		4,854,876
(5) Debt issuance costs are expensed when paid in the governmental funds. The unamortized portion of these charges are reflected on the statement of net assets.		1,862,449
(6) Interest costs of long-term debt are expensed when due in the governmental funds. Interest costs incurred as of the balance sheet date are accrued in the statement of net assets.		(4,108,097)
(7) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (12,045,370)	
Add: deferred amount on refunded bonds	5,843,511	
Less: unamortized debt premiums	(7,900,090)	
Less: bonds payable	(318,395,000)	
Less: other loans payable	(11,236,616)	
Less: compensated absences payable	<u>(1,422,692)</u>	<u>(345,156,257)</u>
Net assets of governmental activities (Exhibit A)		<u>\$ (97,573,412)</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, 2006

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>							
Local Taxes	\$ 33,834,382	\$ 6,995,586	\$ 18,265,168	\$ 8,594,044	\$ 10,664,517	\$ 2,141,078	\$ 80,494,775
Licenses and Permits	1,584,546	0	0	0	0	0	1,584,546
Fines, Forfeitures, and Penalties	505,281	0	0	0	0	228,755	734,036
Charges for Current Services	4,335,726	0	0	0	0	473	4,336,199
Other Local Revenues	2,581,438	721,340	1,376,146	323,011	236,752	53,398	5,292,085
Fees Received from County Officials	10,064,662	0	0	0	0	0	10,064,662
State of Tennessee	3,982,644	2,982,724	0	0	200,000	22,000	7,187,368
Federal Government	1,006,550	0	0	0	154,705	0	1,161,255
Other Governments and Citizens Groups	230,091	125,390	34,595	57,347	1,178,980	400	1,626,803
<b>Total Revenues</b>	<b>\$ 58,125,320</b>	<b>\$ 10,825,040</b>	<b>\$ 19,675,909</b>	<b>\$ 8,974,402</b>	<b>\$ 12,434,954</b>	<b>\$ 2,446,104</b>	<b>\$ 112,481,729</b>
<u>Expenditures</u>							
Current:							
General Government	\$ 7,896,483	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,896,483
Finance	2,928,961	0	0	0	0	53	2,929,014
Administration of Justice	2,542,380	0	0	0	0	81,666	2,624,046
Public Safety	12,592,043	0	0	0	0	63,824	12,655,867
Public Health and Welfare	4,206,382	0	0	0	0	2,061,737	6,268,119
Social, Cultural, and Recreational Services	8,725,336	0	0	0	0	0	8,725,336
Agricultural and Natural Resources	333,656	0	0	0	0	0	333,656
Other Operations	11,765,561	0	0	0	0	251,593	12,017,154
Highways	0	10,177,290	0	0	0	0	10,177,290
Debt Service:							
Principal on Debt	0	0	11,271,000	7,295,000	0	0	18,566,000
Interest on Debt	0	0	10,920,686	5,375,558	0	0	16,296,244
Other Debt Service	0	0	417,859	179,064	0	0	596,923
Capital Projects	0	0	0	0	7,953,981	0	7,953,981
Capital Projects - Donated	0	0	0	0	7,325,000	0	7,325,000
<b>Total Expenditures</b>	<b>\$ 50,990,802</b>	<b>\$ 10,177,290</b>	<b>\$ 22,609,545</b>	<b>\$ 12,849,622</b>	<b>\$ 15,278,981</b>	<b>\$ 2,458,873</b>	<b>\$ 114,365,113</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 7,134,518	\$ 647,750	\$ (2,933,636)	\$ (3,875,220)	\$ (2,844,027)	\$ (12,769)	\$ (1,883,384)
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,435,370	\$ 0	\$ 9,435,370

(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 / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>Other Financing Sources (Uses) (Cont.)</u>							
Other Loans Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,315,895	\$ 0	\$ 2,315,895
Proceeds from Sale of Capital Assets	526,819	0	0	0	0	0	526,819
Transfers In	35,742	181,075	3,070,957	4,000,000	780,000	0	8,067,774
Transfers Out	(1,340,480)	0	0	0	(8,423,896)	0	(9,764,376)
Total Other Financing Sources (Uses)	<u>\$ (777,919)</u>	<u>\$ 181,075</u>	<u>\$ 3,070,957</u>	<u>\$ 4,000,000</u>	<u>\$ 4,107,369</u>	<u>\$ 0</u>	<u>\$ 10,581,482</u>
Net Change in Fund Balances	\$ 6,356,599	\$ 828,825	\$ 137,321	\$ 124,780	\$ 1,263,342	\$ (12,769)	\$ 8,698,098
Fund Balance, July 1, 2005	<u>17,637,849</u>	<u>11,860,378</u>	<u>16,378,168</u>	<u>4,939,603</u>	<u>12,274,987</u>	<u>811,898</u>	<u>63,902,883</u>
Fund Balance, June 30, 2006	<u>\$ 23,994,448</u>	<u>\$ 12,689,203</u>	<u>\$ 16,515,489</u>	<u>\$ 5,064,383</u>	<u>\$ 13,538,329</u>	<u>\$ 799,129</u>	<u>\$ 72,600,981</u>

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, 2006

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)		\$	8,698,098
(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 outlays in the current period	\$	12,489,436	
Less: current year depreciation		<u>(5,733,148)</u>	6,756,288
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.			(1,634,179)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2006	\$	2,733,438	
Less: deferred delinquent property taxes and other deferred June 30, 2005		<u>(2,302,699)</u>	430,739
(4) The issuance of long-term debt (e.g., notes, 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.			
Less: debt issued	\$	(11,751,265)	
Add: principal payment on notes		610,000	
Add: principal payment on loans		631,000	
Add: principal payment on bonds		<u>17,325,000</u>	6,814,735
(5) Governmental funds report the effect of issuance costs, premiums, discounts, and similar items related to long-term debt issuance when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This adjustment reflects debt issuance cost expensed during the year recorded in the statement of activities.			
Add: amortization of debt issuance premiums	\$	610,210	
Less: deferred charges on refunding amortized during the year		(707,876)	
Less: debt issuance cost amortized during the year		<u>(141,485)</u>	(239,151)
(6) 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.			
Less: change in accrued interest payable	\$	(546,318)	
Less: change in compensated absences		<u>(104,192)</u>	\$ (650,510)
(7) Internal service funds are used by management to charge the cost of liability and workers' compensation insurance, and employee dental benefits to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities in the statement of activities.			<u>848,376</u>
Change in net assets of governmental activities (Exhibit B)		\$	<u>21,024,396</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 Funds  
June 30, 2006

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Self - Insurance Fund
	<hr/>	<hr/>
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 450	\$ 0
Cash with Paying Agents	0	28,318
Equity in Pooled Cash and Investments	750,476	8,699,610
Accounts Receivable	75,643	0
Due From Other Governments	8,787	0
Due From Component Units	0	807,299
Accrued Interest Receivable	2,673	0
Total Current Assets	<hr/> \$ 838,029	<hr/> \$ 9,535,227
Noncurrent Assets:		
Capital Assets (Net of Accumulated Depreciation):		
Land	\$ 334,150	\$ 0
Buildings and Improvements	346,322	0
Machinery and Equipment	1,932,064	0
Total Noncurrent Assets	<hr/> \$ 2,612,536	<hr/> \$ 0
Total Assets	<hr/> \$ 3,450,565	<hr/> \$ 9,535,227
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 21,373	\$ 0
Due to Other Funds	18,525	0
Accrued Liability for Landfill Closure/Postclosure Care Cost	250,000	0
Claims and Judgments Payable	7,048	4,680,351
Compensated Absences Payable	24,470	0
Current Portion of Long-term Debt	245,000	0
Total Current Liabilities	<hr/> \$ 566,416	<hr/> \$ 4,680,351
Noncurrent Liabilities:		
Accrued Liability for Landfill Closure/Postclosure Care Cost	\$ 607,325	\$ 0
Compensated Absences Payable Long-term	5,249	0
Bonds Payable and Other Long-term Debt	4,965,000	0
Total Noncurrent Liabilities	<hr/> \$ 5,577,574	<hr/> \$ 0
Total Liabilities	<hr/> \$ 6,143,990	<hr/> \$ 4,680,351
<u>NET ASSETS</u>		
Investment in Capital Assets, Net of Related Debt Unrestricted	\$ 1,618,607 <hr/> (4,312,032)	\$ 0 <hr/> 4,854,876
Net Assets	<hr/> \$ (2,693,425)	<hr/> \$ 4,854,876

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 Funds  
For the Year Ended June 30, 2006

	Business-type Activities - Enterprise Fund <hr/> Solid Waste Disposal Funds <hr/>	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>Operating Revenues</u>		
Charges for Current Services	\$ 1,721,922	\$ 29,745,432
Other Local Revenues	56,896	568,691
Total Operating Revenues	<u>\$ 1,778,818</u>	<u>\$ 30,314,123</u>
<u>Operating Expenses</u>		
Handling Charges & Administrative Costs	\$ 0	\$ 1,663,996
Life Insurance	0	140,078
Dental Insurance	0	2,026,404
Medical Claims	0	25,635,269
Landfill Operation and Maintenance	2,127,442	0
Other Charges	115,073	0
Employee Benefits	163,894	0
Depreciation and Expense	350,655	0
Total Operating Expenses	<u>\$ 2,757,064</u>	<u>\$ 29,465,747</u>
Operating Income (Loss)	<u>\$ (978,246)</u>	<u>\$ 848,376</u>
<u>Nonoperating Revenues (Expenses)</u>		
Interest on Capital Debt	\$ (267,836)	\$ 0
Sale of Equipment	1,260	0
Investment Income	31,382	0
Solid Waste Grants	94,172	0
Total Nonoperating Revenues (Expenses)	<u>\$ (141,022)</u>	<u>\$ 0</u>
Income (Loss) Before Operating Transfers	\$ (1,119,268)	\$ 0
Operating Transfers In (Out)	<u>500,000</u>	<u>0</u>
Change in Net Assets	\$ (619,268)	\$ 848,376
Net Assets, July 1, 2005	<u>(2,074,157)</u>	<u>4,006,500</u>
Net Assets, June 30, 2006	<u><u>\$ (2,693,425)</u></u>	<u><u>\$ 4,854,876</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 Funds  
For the Year Ended June 30, 2006

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Self - Insurance Fund
	<hr/>	<hr/>
<u>Cash Flows from Operating Activities</u>		
Receipts from Interfund Services Provided	\$ 0	\$ 30,339,924
Receipts from Customers and Users	1,991,154	568,691
Other Cash Receipts (Payments)	56,896	0
Payments to Suppliers	0	(28,710,090)
Waste Collection and Disposal Activity - Uses	(2,496,228)	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ (448,178)</u>	<u>\$ 2,198,525</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Acquisition and Construction of Capital Assets	\$ (341,528)	\$ 0
Proceeds from Sale of Equipment	1,260	0
Principal Paid on Notes	(56,662)	0
Principal Paid on Bonds	(230,000)	0
Interest Paid on Notes	(541)	0
Interest Paid on Bonds	(267,295)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (894,766)</u>	<u>\$ 0</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
Grants Received	\$ 94,172	\$ 0
Transfers from Other Funds	500,000	0
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 594,172</u>	<u>\$ 0</u>
<u>Cash Flows from Investing Activities</u>		
Interest on Investments	\$ 31,382	\$ 0
Net Cash Provided By (Used In) Investing Activities	<u>\$ 31,382</u>	<u>\$ 0</u>
Increase (Decrease) in Cash	\$ (717,390)	\$ 2,198,525
Cash, July 1, 2005	<u>1,468,316</u>	<u>6,529,403</u>
Cash, June 30, 2006	<u>\$ 750,926</u>	<u>\$ 8,727,928</u>

(Continued)

Exhibit D-3

Williamson County, Tennessee  
Combining Statement of Cash Flows  
Proprietary Funds (Cont.)

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Self - Insurance Fund
	<u>                    </u>	<u>                    </u>
<u>Reconciliation of Net Operating Income (Loss)</u>		
<u>to Net Cash Provided By (Used In) Operating Activities</u>		
Operating Income (Loss)	\$ (978,246)	\$ 848,376
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	350,655	0
(Increase) Decrease in Accounts Receivable	248,996	0
(Increase) Decrease in Due from Other Governments	15,554	0
(Increase) Decrease in Due from Other Funds	6,354	0
(Increase) Decrease in Due from Component Units	0	594,492
(Increase) Decrease in Accrued Interest Receivable	(1,672)	0
Increase (Decrease) in Accounts Payable	(26,484)	0
Increase (Decrease) in Due to Other Funds	18,525	0
Increase (Decrease) in Claims and Judgments Payable	(2,052)	755,657
Increase (Decrease) in Accrued Closure/Postclosure Costs	(81,558)	0
Increase (Decrease) in Accrued Expenses	1,750	0
	<u>                    </u>	<u>                    </u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (448,178)</u>	<u>\$ 2,198,525</u>
<u>Reconciliation of Cash with Statement of Net Assets</u>		
Cash per Net Assets	\$ 450	\$ 0
Cash with Paying Agent	0	28,318
Equity in Pooled Cash and Investments Per Net Assets	<u>750,476</u>	<u>8,699,610</u>
Cash, June 30, 2006	<u>\$ 750,926</u>	<u>\$ 8,727,928</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, 2006

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 9,833,900
Equity in Pooled Cash and Investments	2,269,773
Investments	19,858
Accounts Receivable	27,490
Accrued Interest Receivable	7,628
Due from Other Governments	6,507,567
Taxes Receivable	9,664,930
Allowance for Uncollectible Taxes	(92,783)
Other Restricted Assets	<u>236,490</u>
Total Assets	<u>\$ 28,474,853</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 16,571,469
Due to Joint Ventures	1,816,219
Due to Litigants, Heirs, and Others	9,850,675
Other Payables from Restricted Assets	<u>236,490</u>
Total Liabilities	<u>\$ 28,474,853</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, 2006**

**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.

**Blended Component Units** – There are no legally separate component units of Williamson County that meet the criteria for being reported as part of the primary government by the blending method.

**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 cost 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 Williamson County 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  
2021 Carothers Road  
Franklin, TN 37064

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

**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. 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 (\$7,325,000) were contributed by the county to the School Department during the year ended June 30, 2006.

Separate financial statements are provided for governmental funds, proprietary funds (one enterprise fund and one internal service fund), and fiduciary funds. The Self-Insurance Fund (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 funds 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 and proprietary categories. Williamson County reports two proprietary funds (one enterprise fund and one internal service fund).

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and the enterprise fund 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. 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 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 fund accounts for transactions of the county’s Highway Department.

**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 (other than those financed by Proprietary Funds).

Williamson County reports the following major proprietary fund:

**Solid Waste Disposal Fund** – This fund accounts for solid waste disposal operations of the Williamson County landfill.

Additionally, Williamson County reports the following fund types:

**Internal Service Fund** – The Self-Insurance Fund is used to account for the county's and 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, 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 the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

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. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to the same

limitations. Williamson County has elected not to follow subsequent private-sector guidance.

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 two proprietary funds, an enterprise fund used to account for the county's solid waste disposal program and an internal service fund used to account for the county and School Department employees' self-insurance health programs. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for services. 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.

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

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

**1. Deposits and Investments**

For purposes of the statement of cash flows, cash includes cash on hand, demand deposits, cash on deposit with the county trustee, and cash with paying agent.

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; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; the county's own legally issued bonds or notes; the State Treasurer's Investment Pool; and repurchase agreements.

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 Schools Funds. In addition, investments are held separately by the Constitutional Officers – Agency Fund of the county.

Williamson County and the Williamson County 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. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to one-half 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 building codes certificates of occupancy (\$887,650) and (other payables from restricted assets) is explained in Note I.D.(3) Restricted Assets. Claims and judgments payable are discussed in Note V.A. Risk Management.

Retainage payable in the primary government's General Capital Projects Fund and the School Department's Education Capital Project 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. Restricted Assets**

Other restricted assets in the primary government's Judicial District Drug Fund represent cash seizures awaiting disposition from the State Department of Safety at fiscal year-end. These assets are offset by current liabilities payable from restricted assets (other payables from restricted assets).

### **4. 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 and the business-type column in the government-wide financial statements. Capital assets are defined by the primary government as assets with an initial, individual cost of

\$5,000 (buildings/improvements \$50,000 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 \$5,000 (buildings/improvements \$20,000 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. Interest incurred during the construction phase of capital assets of the enterprise fund is included as part of the capitalized value of the assets 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
Other Capital Assets	5-20
Infrastructure:	
Roads	20-50
Bridges	30-50

**5. Compensated Absences**

It is the policy of Williamson County and the discretely presented Williamson County School Department to permit employees to accumulate a limited amount of earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since their policies do not pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide 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.

**6. 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 statements 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 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, and landfill closure/postclosure care costs are recognized to the extent that the liabilities have matured (come due for payment) each period.

#### **7. 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.

On the government-wide statement of net assets (Exhibit A), the account balance in Restricted for Other Purposes for the primary government consists of various restrictions totaling \$1,551,997, with the primary restrictions being for: (1) computer systems for various offices (\$299,652); (2) solid waste/sanitation operations (\$430,084); (3) District Attorney General (\$255,281); and (4) litigation tax for jail,

workhouse, and courthouse purposes (\$153,417). For the discretely presented School Department, the account balance in Restricted for Other Purposes consists of various restrictions totaling \$2,118,455, with the primary restrictions being for: (1) school lunch and breakfast programs (\$1,249,352); (2) career ladder program (\$348,010); and (3) Title I program (\$126,597).

As of June 30, 2006, Williamson County had \$229,882,312 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 Williamson County 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 reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The following table reflects designations on June 30, 2006:

<u>Fund/Type</u>	<u>Amount</u>
General:	
Water Tap Fees	\$ 21,523
Hillsboro Scholarship	1,472
Unclaimed Property	27,451
General Purpose School:	
Academic Excellence Foundation	7,798

## **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), the Other Special Revenue Fund, and the Constitutional Officers – Fees Fund (special revenue fund) which are not budgeted, and the 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 State 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, County Mayor/Executive, County Attorney, 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.

**B. Net Assets Deficit**

The Solid Waste Disposal Fund (enterprise fund) had a net assets deficit of \$2,693,425 at June 30, 2006. This net assets deficit primarily resulted from the recognition of long-term debt.

**C. Expenditures Exceeded Appropriations**

Expenditures exceeded appropriations approved by the County Commission in the Highway and Bridge Maintenance major category (the legal level of control) of the Highway/Public Works Fund by \$102,898. Such overexpenditures are a violation of state statutes. These overexpenditures were funded by greater than anticipated revenues.

**D. Unaccounted Funds**

Collections of at least \$45,037.43 were not accounted for at the Fairview Recreation Center. At the date of this report the investigation into this matter is ongoing.

**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. Public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk exposure.

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; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; 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 director of Local Finance 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 market value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2006, 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.

<u>Investment</u>	<u>Maturities</u>	<u>Cost</u>
<u>Pooled:</u>		
State Treasurer's Investment Pool	Daily	\$ 8,514,303

**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, 2006, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

**B. Notes Receivable**

Notes receivable in the General Capital Projects Fund (\$228,980) resulted from an agreement with the City of Spring Hill to help finance the purchase of land for recreational purposes and are offset by a reservation of fund balance.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2006, 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:**

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Capital Assets Not Depreciated:				
Land	\$ 42,006,681	\$ 817,933	\$ (1,046,504)	\$ 41,778,110
Construction in Progress	2,861,675	1,268,970	(2,861,676)	1,268,969
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 44,868,356</b>	<b>\$ 2,086,903</b>	<b>\$ (3,908,180)</b>	<b>\$ 43,047,079</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 88,386,691	\$ 4,576,949	\$ 0	\$ 92,963,640
Invest. in Joint Venture Infrastructure	6,794,625	0	(6,794,625)	0
Other Capital Assets	53,522,670	2,840,576	(762,895)	55,600,351
<b>Total Capital Assets Depreciated</b>	<b>\$ 148,703,986</b>	<b>\$ 7,417,521</b>	<b>\$ (7,557,520)</b>	<b>\$ 148,563,987</b>

**Governmental Activities: (Cont.)**

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 16,660,513	\$ 2,293,259	\$ 0	\$ 18,953,772
Infrastructure	26,695,135	1,363,238	(286,463)	27,771,910
Other Capital Assets	15,749,122	2,076,651	(999,947)	16,825,826
Total Accumulated Depreciation	<u>\$ 59,104,770</u>	<u>\$ 5,733,148</u>	<u>\$ (1,286,410)</u>	<u>\$ 63,551,508</u>
Total Capital Assets Depreciated, Net	<u>\$ 119,648,733</u>	<u>\$ 7,531,061</u>	<u>\$ (7,382,300)</u>	<u>\$ 119,797,494</u>
Governmental Activities Capital Assets, Net	<u>\$ 164,517,089</u>	<u>\$ 9,617,964</u>	<u>\$ (11,290,480)</u>	<u>\$ 162,844,573</u>

**Business-type Activities:**

	Balance 7-1-05	Increases	Balance 6-30-06
Capital Assets Not Depreciated:			
Land	\$ 334,150	\$ 0	\$ 334,150
Total Capital Assets Not Depreciated	<u>\$ 334,150</u>	<u>\$ 0</u>	<u>\$ 334,150</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 382,403	\$ 61,350	\$ 443,753
Other Capital Assets	4,044,757	280,178	4,324,935
Total Capital Assets Depreciated	<u>\$ 4,427,160</u>	<u>\$ 341,528</u>	<u>\$ 4,768,688</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 82,951	\$ 14,480	\$ 97,431
Other Capital Assets	2,056,696	336,175	2,392,871
Total Accumulated Depreciation	<u>\$ 2,139,647</u>	<u>\$ 350,655</u>	<u>\$ 2,490,302</u>
Total Capital Assets Depreciated, Net	<u>\$ 2,287,513</u>	<u>\$ (9,127)</u>	<u>\$ 2,278,386</u>
Business-type Activities Capital Assets, Net	<u>\$ 2,621,663</u>	<u>\$ (9,127)</u>	<u>\$ 2,612,536</u>

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

Governmental Activities:

General Government	\$ 768,354
Finance	7,263
Public Safety	1,075,860
Public Health and Welfare	314,805
Social, Cultural, and Recreational Services	1,559,823
Agriculture & Natural Resources	3,564
Other Operations	28,592
Highways/Public Works	<u>1,974,887</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 5,733,148</u>

Business-type Activities:

Solid Waste Disposal	<u>\$ 350,655</u>
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Discretely Presented Williamson County School Department

**Governmental Activities:**

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Capital Assets Not Depreciated:				
Land	\$ 19,123,618	\$ 994,500	\$ 0	\$ 20,118,118
Construction in Progress	<u>27,971,164</u>	20,009,946	(1,170,997)	<u>46,810,113</u>
Total Capital Assets Not Depreciated	<u>\$ 47,094,782</u>	\$ 21,004,446	\$ (1,170,997)	<u>\$ 66,928,231</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 240,964,983	\$ 1,228,363	\$ (2,538,438)	\$ 239,654,908
Other Capital Assets	<u>20,413,564</u>	3,452,758	(250,692)	<u>23,615,630</u>
Total Capital Assets Depreciated	<u>\$ 261,378,547</u>	\$ 4,681,121	\$ (2,789,130)	<u>\$ 263,270,538</u>

**Governmental Activities: (Cont.)**

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Less Accumulated Depreciation For: Buildings and Improvements	\$ 56,725,512	\$ 5,996,555	\$ (1,535,713)	\$ 61,186,354
Other Capital Assets	10,522,935	1,532,298	(218,463)	11,836,770
Total Accumulated Depreciation	<u>\$ 67,248,447</u>	<u>\$ 7,528,853</u>	<u>\$ (1,754,176)</u>	<u>\$ 73,023,124</u>
Total Capital Assets Depreciated, Net	<u>\$ 194,130,100</u>	<u>\$ (2,847,732)</u>	<u>\$ (1,034,954)</u>	<u>\$ 190,247,414</u>
Governmental Activities Capital Assets, Net	<u>\$ 241,224,882</u>	<u>\$ 18,156,714</u>	<u>\$ (2,205,951)</u>	<u>\$ 257,175,645</u>

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

Governmental Activities:

Instruction	\$ 35,236
Support Services	7,224,952
Operation of Non-Instructional Services	<u>254,067</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 7,514,255</u></u>

**D. Construction Commitments**

At June 30, 2006, Williamson County had uncompleted construction contracts of approximately \$3,917,207 in the General Capital Projects Fund for agricultural exposition center improvements, main library renovations, and parks/recreation projects. Funding has been provided for these future expenditures.

At June 30, 2006, the School Department had uncompleted construction contracts of approximately \$7,616,650 in the Education Capital Projects Fund for the school building program. Funding has been provided for these future expenditures.

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

The composition of interfund balances as of June 30, 2006, is as follows:

**Due to/from other funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 6,921
Nonmajor governmental	Solid Waste Disposal	18,525
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	491

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.

**Due to/from primary government and component units:**

Receivable Fund	Payable Fund	Amount
Primary government:		
Self-Insurance	Component unit: School Department: General Purpose School	\$ 723,159
"	Nonmajor governmental	84,140

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2006, 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	\$ 1,296	\$ 181,075	\$ 3,070,957
Fiduciary funds	34,446	0	0
<b>Total</b>	<b>\$ 35,742</b>	<b>\$ 181,075</b>	<b>\$ 3,070,957</b>

Transfers Out	Transfers In			
	Rural Debt Service Fund	General Capital Projects Fund	Solid Waste Disposal Fund	Fiduciary Funds
General Fund	\$ 0	\$ 780,000	\$ 500,000	\$ 60,480
General Capital Projects Fund	4,000,000	0	0	1,170,568
Total	\$ 4,000,000	\$ 780,000	\$ 500,000	\$ 1,231,048

### Discretely Presented Williamson County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Education Capital Projects Fund
General Purpose School Fund	\$ 0	\$ 10,395,066
Nonmajor governmental funds	55,973	0
Total	\$ 55,973	\$ 10,395,066

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, Notes, 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. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 20 years for bonds, up to seven years for notes, 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, notes, and other loans included in long-term debt as of June 30, 2006, will be retired from the debt service funds.

General obligation bonds, capital outlay notes, and other loans outstanding as of June 30, 2006, are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-06
General Obligation Bonds	2.25 to 5.875%	\$ 180,240,000	\$ 81,030,000
General Obligation Bonds - Refunding	2 to 6	170,315,000	128,755,000
Rural School Bonds	2 to 5.875	100,210,000	52,125,000
Rural School Bonds - Refunding	2 to 6	78,630,000	56,485,000
Capital Outlay Notes	2 to 4.6	13,830,370	12,045,370
Other Loans	variable	14,023,616	11,236,616

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, 2006, the variable interest rate was 3.52 percent, and other fees amounted to approximately .2 percent (letter of credit fee), .06 percent (remarketing fee), and \$100 per month (trustee fee) of the outstanding loan principal.

Also, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. This loan agreement provided for the authority to make \$4,095,000 available for loan on an as-needed basis. As of June 30, 2006, Williamson County had borrowed \$3,518,616. 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, 2006, the variable interest rate was 3.7 percent, and other fees amounted to approximately .21 percent (letter of credit fee), .07 percent (remarketing fee), and \$100 per month (trustee fee) 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, 2006, the variable interest rate was 3.7 percent, and other fees amounted to approximately .15 percent (letter of credit fee), .08 percent (remarketing fee), and \$100 per month (trustee fee) of the outstanding loan principal.

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2006, including interest payments and other fees, are presented in the following table:

Year Ending June 30	Bonds		Notes	
	Principal	Interest	Principal	Interest
2007	\$ 18,880,000	\$ 14,916,359	\$ 10,060,370	\$ 278,196
2008	19,715,000	14,057,503	640,000	64,624
2009	19,925,000	13,161,026	660,000	45,424
2010	19,465,000	12,283,277	685,000	23,974
2011	20,325,000	11,395,321	0	0
2012-2016	110,195,000	42,066,616	0	0
2017-2021	90,205,000	16,636,221	0	0
2022-2025	19,685,000	1,974,541	0	0
<b>Total</b>	<b>\$ 318,395,000</b>	<b>\$ 126,490,864</b>	<b>\$ 12,045,370</b>	<b>\$ 412,218</b>

Year Ending June 30	Other Loans (\$8,490,000)			Total
	Principal	Interest	Other Fees	
2007	\$ 388,000	\$ 220,493	\$ 17,425	\$ 625,918
2008	408,000	206,835	16,420	631,255
2009	430,000	192,474	15,363	637,837
2010	452,000	177,338	14,250	643,588
2011	476,000	161,427	13,079	650,506
2012-2016	2,782,000	537,539	45,556	3,365,095
2017-2018	1,328,000	70,716	7,504	1,406,220
<b>Total</b>	<b>\$ 6,264,000</b>	<b>\$ 1,566,822</b>	<b>\$ 129,597</b>	<b>\$ 7,960,419</b>

Year Ending June 30	Other Loans (\$4,095,000 authorized)			Total
	Principal	Interest	Other Fees	
2007	\$ 163,000	\$ 134,643	\$ 11,444	\$ 309,087
2008	168,000	128,612	10,985	307,597
2009	174,000	122,396	10,512	306,908
2010	179,000	115,958	10,022	304,980
2011	185,000	109,335	9,518	303,853
2012-2016	1,023,000	439,153	39,410	1,501,563
2017-2021	1,206,000	236,837	24,019	1,466,856
2022-2023	541,000	30,192	4,597	575,789
<b>Total</b>	<b>\$ 3,639,000</b>	<b>\$ 1,317,126</b>	<b>\$ 120,507</b>	<b>\$ 5,076,633</b>

Year Ending June 30	Other Loans (\$2,015,000)			Total
	Principal	Interest	Other Fees	
2007	\$ 112,000	\$ 70,670	\$ 5,513	\$ 188,183
2008	115,000	66,526	5,260	186,786
2009	118,000	62,271	5,001	185,272
2010	122,000	57,905	4,734	184,639
2011	126,000	53,391	4,459	183,850
2012-2016	689,000	194,139	17,850	900,989
2017-2020	628,000	40,922	4,797	673,719
<b>Total</b>	<b>\$ 1,910,000</b>	<b>\$ 545,824</b>	<b>\$ 47,614</b>	<b>\$ 2,503,438</b>

There is \$21,579,872 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$2,514, based on the 2000 federal census. Debt per capita, including bonds, notes, and other loans totaled \$2,698, based on the 2000 federal census.

#### Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2006, was as follows:

Governmental Activities:	Other		
	Bonds	Notes	Loans
Balance, July 1, 2005	\$ 335,720,000	\$ 3,220,000	\$ 9,551,721
Additions	0	9,435,370	2,315,895
Deductions	(17,325,000)	(610,000)	(631,000)
<b>Balance, June 30, 2006</b>	<b>\$ 318,395,000</b>	<b>\$ 12,045,370</b>	<b>\$ 11,236,616</b>
<b>Balance Due Within One Year</b>	<b>\$ 18,880,000</b>	<b>\$ 10,060,370</b>	<b>\$ 663,000</b>

	Compensated Absences	Claims and Judgments
Balance, July 1, 2005	\$ 1,318,500	\$ 4,300,142
Additions	1,447,630	29,409,509
Deductions	(1,343,437)	(28,496,520)
	<hr/>	<hr/>
Balance, June 30, 2006	\$ 1,422,693	\$ 5,213,131
	<hr/> <hr/>	<hr/> <hr/>
Balance Due Within One Year	\$ 1,422,693	\$ 5,213,131
	<hr/> <hr/>	<hr/> <hr/>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2006	\$ 348,312,809
Less: Due Within One Year	(36,239,193)
Add: Unamortized Premium on Debt	7,900,090
Less: Deferred Amount on Refunding	(5,843,511)
	<hr/>
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	<u>\$ 314,130,195</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, \$4,680,351 of claims and judgments is included in the above amounts. Compensated absences payable will be paid from the employing funds, primarily the General and Highway/Public Works Funds.

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, 2006, the following outstanding bonds are considered defeased:

	<u>Amount</u>
1998 General Obligation	\$ 5,750,000
1998 Rural School	11,685,000
1999 Public Improvements	14,235,000
1999 Rural School	14,355,000
2000 General Obligation	9,015,000
2000 School Construction	20,320,000
2000 Rural School	11,260,000

Williamson County Solid Waste Disposal Fund (enterprise fund)

General obligation bonds of Solid Waste Disposal Fund as of June 30, 2006, are as follows:

Type	Original Amount of Issue	Interest Rate	Last Maturity Date	Balance 6-30-06
Landfill Equipment, Transfer Station and Closure	\$ 3,705,000	4.25 to 5.875 %	3-1-19	\$ 760,000
Landfill Refunding Bonds	2,625,000	4.4 to 5.4	3-1-19	2,585,000
Landfill Equipment and Repairs	1,290,000	3 to 4.75	4-1-12	280,000
Landfill Equipment and Closure	735,000	3 to 5	4-1-22	650,000
Landfill Refunding Bonds	955,000	2 to 5	4-1-21	935,000

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2006, including interest payments, are presented in the following table:

Year Ending June 30	Bonds	
	Principal	Interest
2007	\$ 245,000	\$ 257,096
2008	270,000	245,595
2009	300,000	232,795
2010	325,000	218,501
2011	340,000	201,251
2012-2016	1,950,000	742,003
2017-2021	1,725,000	225,439
2022	55,000	2,604
Total	<u>\$ 5,210,000</u>	<u>\$ 2,125,284</u>

Changes in Long-term Liabilities

Long-term liability activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2006, was as follows:

Business-type Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2005	\$ 5,440,000	\$ 56,662
Additions	0	0
Deductions	<u>(230,000)</u>	<u>(56,662)</u>
Balance, June 30, 2006	<u>\$ 5,210,000</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 245,000</u>	<u>\$ 0</u>

	<u>Compensated Absences</u>	<u>Closure/ Postclosure Care Costs</u>	<u>Claims and Judgments</u>
Balance, July 1, 2005	\$ 27,969	\$ 938,883	\$ 9,100
Additions	26,220	695,897	97,955
Deductions	<u>(24,470)</u>	<u>(777,455)</u>	<u>(100,007)</u>
Balance, June 30, 2006	<u>\$ 29,719</u>	<u>\$ 857,325</u>	<u>\$ 7,048</u>
Balance Due Within One Year	<u>\$ 24,470</u>	<u>\$ 250,000</u>	<u>\$ 7,048</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2006	\$ 6,104,092
Less: Due Within One Year	<u>(526,518)</u>
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	<u>\$ 5,577,574</u>

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, 2006, was as follows:

Governmental Activities:

	Compensated Absences	Claims and Judgments	Energy System Liabilities
Balance, July 1, 2005	\$ 688,697	\$ 279,800	\$ 121,211
Additions	715,448	1,051,794	0
Deductions	(617,718)	(964,615)	(50,280)
Balance, June 30, 2006	<u>\$ 786,427</u>	<u>\$ 366,979</u>	<u>\$ 70,931</u>
Balance Due Within One Year	<u>\$ 117,964</u>	<u>\$ 366,979</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2006	\$ 1,224,337
Less: Due Within One Year	<u>(484,943)</u>
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	<u><u>\$ 739,394</u></u>

**G. Internal Financing**

In-lieu-of issuing debt with financial institutions, Williamson County often chooses to internally finance various projects with idle county funds. These debt issues that will be repaid from the same fund in which the loan was obtained are reflected as operating transfers (not notes receivable) in the financial statements of this report. Internal financing activity for the year ended June 30, 2006, was as follows:

Internally Reported Interfund Notes Receivable/Payable  
through the General Debt Service Fund

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
County Capital Projects	\$ 2,110,370	3.07 %	8-1-05	6-29-06
School Capital Projects	7,325,000	3.97	1-24-06	6-29-06
	Outstanding 7-1-05	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-06
County Capital Projects	\$ 0	\$ 2,110,370	\$ 2,110,370	\$ 0
School Capital Projects	0	7,325,000	7,325,000	0
Total	<u>\$ 0</u>	<u>\$ 9,435,370</u>	<u>\$ 9,435,370</u>	<u>\$ 0</u>

V. **OTHER INFORMATION**

A. **Risk Management**

Williamson County (governmental and business-type funds) 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 \$175,000 on PPO plans and \$150,000 on HMO plans, per specific loss and \$1,000,000 on the HMO plans in aggregate. The PPO plans do not carry aggregate reinsurance.

All full-time and 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 expenditure/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
2004-05	\$ 1,916,798	\$ 23,631,063	\$ (21,623,167)	\$ 3,924,694
2005-06	3,924,694	27,801,751	(27,046,094)	4,680,351

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 and aggregate losses from \$850,000 to \$3,000,000 in a given year. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste Disposal, and the discretely presented General Purpose School Funds.

## **B. Accounting Changes**

The provisions of Governmental Accounting Standards Board (GASB) Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries became effective for the year ended June 30, 2006. GASB Statement No. 42 requires governments to report the effects of capital asset impairments in their financial statements when they occur rather than as a part of the ongoing depreciation expense for the capital asset or upon disposal of the capital asset. In addition, GASB Statement No. 42 clarifies and establishes accounting requirements for insurance recoveries. GASB Statement No. 42 had no effect on the financial statements for the year ended June 30, 2006, since no capital asset impairment and insurance recoveries occurred. However, it is reasonably expected that capital asset impairment and insurance recoveries may occur in subsequent years that will be subject to the provisions of Statement No. 42.

The provisions of GASB Statement No. 44, Economic Condition Reporting: The Statistical Section (an amendment of NCGA Statement 1) became effective for the year ended June 30, 2006. GASB Statement No. 44 applies to the preparation of the statistical section. State and local governments may, but are not required to, prepare a statistical section to accompany basic financial statements. However, a statistical section is required to accompany a comprehensive annual financial report. Since Williamson County is not presenting a comprehensive annual financial report, it has elected not to prepare a statistical section. A limited statistical section was presented in the prior year's report. GASB Statement No. 44 amends guidance related to the preparation of the statistical section. This statement improves the understandability and usefulness of statistical information by addressing the comparability problems that have developed in practice and by adding information from the new financial reporting model for state and local governments required by GASB Statement No. 34. GASB Statement No. 44 establishes the objectives of the statistical section and the five categories it contains: financial trends, revenue capacity, debt capacity, demographic and economic, and operating. It is reasonably expected that Williamson County will prepare and present a statistical section in subsequent years that follows the requirements of GASB Statement No. 44.

The provisions of GASB Statement No. 46, Net Assets Restricted by Enabling Legislation – an amendment of GASB Statement No. 34 became effective for the year ended June 30, 2006. GASB Statement No. 46 provides guidance to determine when net assets have been restricted to a particular use by the passage of enabling legislation and specifies how those net assets should be reported in financial statements when there are changes in the circumstances surrounding such legislation. The statement also requires governments to disclose in the notes to the financial statements the amount of net assets restricted by enabling legislation as of the end of the reporting period. Williamson County had no net assets restricted by enabling legislation to

disclose as of June 30, 2006. But it is reasonably expected that Williamson County will be required to disclose net assets restricted by enabling legislation in subsequent years.

The provisions of GASB Statement No. 47, Accounting for Termination Benefits became effective for the year ended June 30, 2006. GASB Statement No. 47 provides accounting and reporting guidance for state and local governments that offer benefits such as early retirement incentives or severance to employees who are involuntarily terminated. Statement No. 47 specifies when governments should recognize the cost of termination benefits they offer in accrual basis financial statements. Williamson County was not offering any termination benefits to employees as of June 30, 2006. But it is reasonably expected that Williamson County will offer termination benefits in subsequent years subject to the accounting and reporting requirements of GASB Statement No. 47.

**C. Subsequent Event**

On July 1, 2006, Williamson County issued bonds totaling \$45,780,000, to refund capital outlay notes and provide funding for various construction and renovation projects.

**D. Contingent Liabilities**

The county and School Department are involved in several pending lawsuits. The county attorney and the attorney for 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**

State and federal laws and regulations require the county to place a final cover on its 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 Solid Waste Disposal Fund reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used. During 1995-96, the county closed the old cell (trench 7) and opened the first of a proposed five new cells (area 1). However, the Williamson County Landfill stopped accepting household garbage as of January 1998. The \$857,325 reported as landfill closure and postclosure care liability at June 30, 2006, represents the net amount reported to date based on the use of 100 percent of an old cell

(trench 7) and 100 percent of the estimated capacity of another cell (area 1). These amounts are based on what it would cost to perform all closure and postclosure care in 2006. 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 2005-06 revenues (\$417,490) and expenditures (\$20,902) 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 the board of directors, including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Williamson County contributed \$60,480 to the DTF for the year ended June 30, 2006. 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**

### **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 [www.treasury.state.tn.us](http://www.treasury.state.tn.us). Copies of footnotes in PDF format can be accessed at <http://www.treasury.state.tn.us/tcrs/PS/>.

### **Funding Policy**

Williamson County requires employees to contribute five percent of earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2006, was 6.79 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Williamson County is established and may be amended by the TCRS Board of Trustees.

### **Annual Pension Cost**

For the year ended June 30, 2006, Williamson County's annual pension cost of \$3,179,861 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the

July 1, 2003, 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 three 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 five-year period. Williamson 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, 2005, was 10 years. An actuarial valuation was performed as of July 1, 2005, which established contribution rates effective July 1, 2006.

### Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-06	\$3,179,861	100%	\$0
6-30-05	3,027,467	100	0
6-30-04	2,166,702	100	0

### Schedule of Funding Progress for Williamson County

(Dollar amounts in thousands)

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)
6-30-05	\$65,036	\$70,478	\$5,442	92.28%	\$44,707	12.17%
6-30-03	53,496	59,629	6,133	89.71	39,274	15.62
6-30-01	44,803	51,718	6,915	86.63	33,112	20.88

## SCHOOL TEACHERS

### Plan Description

The Williamson County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS).

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. A cost of living adjustment (COLA) is 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 SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at [www.treasury.state.tn.us](http://www.treasury.state.tn.us). Copies of footnotes in PDF format can be accessed at <http://www.treasury.state.tn.us/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 Williamson County School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2006, was 5.5 percent of annual covered payroll. The employer contribution requirement for the Williamson County 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, 2006, 2005, and 2004, were \$4,537,709, \$4,191,394, and \$2,372,371, respectively, equal to the required contributions for each year.

### **H. Post-employment Benefits**

In addition to the retirement commitments described above, Williamson County and the discretely presented Williamson County School Department provide post-retirement health and dental care benefits for retirees who are at least age 55, with at least ten years of continuous service, or are any age, with 30 or more years of continuous service. Currently, 59 county and 233 school retirees receive medical benefits and 55 county and 260 school retirees receive dental benefits. The county or the Williamson County School

Department will reimburse up to 90 percent (depending on the service provider) of the amount of validated claims for medical, dental, and hospitalization costs incurred by pre-Medicare retirees. Retirees are responsible for the cost of administrative fees, along with the dependent coverage applicable to family coverage. Once the retirees or their dependent(s) become eligible for Medicare, the county coverage will become the secondary insurance provider. During the year, expenditures totaling \$276,659 (county medical), \$23,215 (county dental), \$1,435,050 (school medical), and \$113,657 (school dental) were recognized for post-employment health care.

**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 Section 5-14-101, et seq., Tennessee Code Annotated. Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law. These statutes require that purchase orders be issued for all purchases and that sealed bids be solicited on purchases exceeding \$5,000 for the Office of County Mayor and \$10,000 for the Office of 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, Tennessee Code Annotated, which provides for the 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 that competitive bids be solicited through newspaper advertisement on all purchases exceeding \$10,000.

VI. **OTHER NOTE – 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. These financial statements include the activities of the medical center, as well as those of the Williamson Medical Center Foundation, which was established in 2003 and which is treated as a blended component unit. 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 the citizens of Williamson County and surrounding areas. The medical center also provides ambulance services in Williamson County.

B. **Significant Accounting Policies**

**Basis of Accounting** – The medical center utilizes the proprietary fund method of accounting, where 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 the provisions of all relevant pronouncements of the Financial Accounting Standards Board and predecessor standard setting organizations 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. The fair value approximates cost due to the nature of the assets.

Inventories – Inventories consist principally of medical and pharmaceutical supplies and are stated at the lower of cost (first-in, first-out method) or market.

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 are stated on the basis of cost. Depreciation is computed by the straight-line method over the estimated useful life of the asset, generally 40 years for buildings, ten to 25 years for land improvements, ten to 15 years for capital equipment, and three to 15 years for major moveable equipment. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation expense and the allowance for depreciation, 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 in the 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.

Net Patient Service Revenue/Receivables – Net patient service revenue is reported on an accrual basis in the period in which services are provided at the estimated net realizable amounts, 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. Current operations are charged with a provision

for bad debts based upon management's evaluation of collectibility. The provision for bad debts is reported as a reduction in net patient service revenue.

The medical center's policy does not require collateral or other security for patient accounts receivable. The medical center routinely accepts assignment of, or is otherwise entitled to receive patient benefits payable under health insurance programs, plans, or policies such as those related to Medicare, TennCare, and various managed care and commercial insurance carriers.

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 current 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.

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 the 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 contributions 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.

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 financial statements.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 these estimates.

**C. Net Patient Service Revenue and Patient Accounts Receivable**

A significant portion of the amount of services provided by the medical center are 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	\$ 227,076,288
Less:	
Medicare contractual adjustments	(50,354,210)
TennCare contractual adjustments	(12,912,073)
Other contractual adjustments	(47,195,066)
Bad Debt	(7,064,521)
Charity care	(812,648)
	<hr/>
Net patient service revenue	<u>\$ 108,737,770</u>

Net patient accounts receivable consists of the following:

Insurance carriers under commercial plans	\$ 6,388,773
Managed care plans	3,295,682
Medicare	3,486,375
TennCare	185,181
Patients, including self-insured	10,300,066
Less: allowance for uncollectible accounts	<u>(5,282,401)</u>
 Total	 <u>\$ 18,373,676</u>

**D. Third-party Payor Agreements**

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. In the opinion of management, adequate provision has been made for any adjustments which may result from such reviews. 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. During the year ended June 30, 2006, the State of Tennessee modified the TennCare program and dropped a number of previously enrolled members. The impact of these changes on the medical center's future operations has not been determined; however, the changes to the program resulted in additional bad debts for 2006.

Net patient service revenue related to Medicare and TennCare was approximately \$31,095,000 and \$1,991,000, respectively, in 2006.

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.

**E. Assets Limited as to Use**

Assets limited as to use consist of the following:

By county under bond indentures:	
Cash	\$ 1,730,055
By board for capital improvements:	
Cash	30,119,433
By board for bond principal and interest payments:	
Cash	2,770,108
By donors:	
Cash and promises to give	<u>692,886</u>
Total assets limited as to use	<u>\$ 35,312,482</u>

Balances consist of bank deposits at June 30, 2006. 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 make bond principal and interest payments, and to pay construction related accounts payable.

All cash assets limited as to use at June 30, 2006, are categorized as investments insured by the Federal Deposit Insurance Corporation, registered, or otherwise collateralized by securities held by the medical center or its agent in the medical center's name.

**F. Property and Equipment**

A summary of property and equipment and schedule of activity is as follows:

	Balance		Balance	
	6-30-05	Additions	Retirements	6-30-06
Land	\$ 6,172,518	\$ 0	\$ 0	\$ 6,172,518
Land improvements	2,187,550	0	(882)	2,186,668
Building and capital equipment	38,098,232	51,478,811	(870,217)	88,706,826
Equipment	36,486,331	6,902,249	(100,853)	43,287,727
Equipment under capitalized leases	8,564,194	0	0	8,564,194
Subtotal	\$ 91,508,825	\$ 58,381,060	\$ (971,952)	\$ 148,917,933
Less: Allowance for depreciation and amortization	(48,716,752)	(6,884,579)	333,723	(55,267,608)
Add: Construction in progress	53,862,193	(46,632,095)	0	7,230,098
Total	\$ 96,654,266	\$ 4,864,386	\$ (638,229)	\$ 100,880,423

Construction in progress at June 30, 2006, consists primarily of various renovations to the existing facility, as well as costs related to an \$80,000,000 multi-phase facility expansion and renovation project which will extend over several years. Estimated costs to complete these projects amounted to approximately \$10,425,000 at June 30, 2006.

#### G. Investments in Joint Ventures

During 2006, the medical center entered into a joint venture with physicians to own and operate Williamson Surgery Center, LLC, which began operations in fiscal 2006. The joint venture is governed equally by the medical center and by the physicians. The medical center transferred certain property and equipment to the joint venture in 2006 as a part of its initial investment of \$1,850,000. The medical center provides various administrative and other services and personnel to the surgery center. Other operating revenue for the year ended June 30, 2006, includes \$2,581,003 for these employees and services, and other receivables at June 30, 2006, include \$1,383,935 due from the surgery center. The medical center also recognized \$1,085,431 as its equity in the loss of the surgery center for 2006 based on the medical center's interest of approximately 74 percent. Condensed financial information for the surgery center as of and for the year ended June 30, 2006, is as follows:

Assets	<u>\$ 2,917,392</u>
Liabilities	\$ 1,886,422
Member's Equity	<u>1,030,970</u>
	<u>\$ 2,917,392</u>
Net loss for the year	<u>\$ 1,459,608</u>

Liabilities include \$500,000 outstanding on a \$1,500,000 line of credit.

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 6.5 percent at June 30, 2006. The medical center's equity in S.H.S. was approximately \$690,800 at June 30, 2006. Equity earnings are distributed based upon tons of laundry sent to S.H.S. The medical center paid S.H.S. approximately \$749,000 for laundry services for 2006.

**H. 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 \$1,700,106 in 2006, 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 \$877,807 at June 30, 2006.

**I. Bonds and Notes Payable**

A schedule of changes in the medical center's bonds and notes payable is as follows:

	Balance 7-1-05	Reductions	Balance 6-30-05	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	\$ 15,110,000	\$ (550,000)	\$ 14,560,000	\$ 560,000
Hospital Revenue and Tax Bonds Series 2004A	14,530,000	(535,000)	13,995,000	550,000
Hospital Revenue and Refunding Tax Bonds Series 1997 7.25% Note payable to bank (LIBOR + 1.75%)	11,925,000	(1,470,000)	10,455,000	1,545,000
4.75% Note payable to bank	9,833,333	(500,000)	9,333,333	500,000
4.00% Note payable to bank	2,448,046	(1,055,408)	1,392,638	1,107,374
2.94% Note payable to bank	170,322	(170,322)	0	0
	1,110,655	(450,043)	660,612	463,455
<b>Total</b>	<b>\$ 55,127,356</b>	<b>\$ (4,730,773)</b>	<b>\$ 50,396,583</b>	<b>\$ 4,725,829</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 will be used for the multi-phase facility expansion and renovation project (Note VI.F.). The Series 2004B Bonds bear interest rates ranging from three 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.

On June 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004A, for the purpose of constructing improvements and renovations to and equipping of the medical center. Specifically, the 2004A Bonds will also be used for the multi-phase facility expansion and renovation project (See Note VI.F.). The Series 2004A Bonds bear interest at rates ranging from 3.5 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.

The Hospital Revenue and Tax Refunding Bonds, Series 1997, bear interest at rates ranging from 4.5 percent to five percent and are due through May 1, 2012. The Series 1997 Bonds were issued for the purpose of advance refunding a portion of the previously outstanding Hospital Revenue and Tax Bonds, Series 1992, which had been used for the purpose of acquiring medical center facilities.

The Series 1997 Bonds maturing on or after May 1, 2008, shall be subject to redemption at the option of the county on or after May 1, 2007, as a whole at any time or in part from time to time on any interest payment date at 101 percent of par value on May 1, 2007, through April 30, 2008, and at 100 percent of par value on May 1, 2008, and thereafter.

The Series 2004A, Series 2004B, and the Series 1997 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, with which the medical center was in compliance at June 30, 2006, 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 7.25 percent note payable to bank represents amounts drawn under a \$10,000,000 line of credit, which converted to a term

loan on April 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in April 2015. This loan bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.75 percent and is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 4.75 percent note payable to bank is payable in monthly amounts of principal and interest of \$95,854 through September 2007 and is secured by land with a cost of \$5,359,303. The four percent note payable to bank was payable in monthly amounts of \$21,617 and was paid in full in February 2006. The 2.94 percent note payable to bank is payable in monthly principal and interest amounts of \$39,723 through November 2007, and is secured by equipment.

The debt service requirements at June 30, 2006, related to bonds and notes payable are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2007	\$ 4,725,829	\$ 2,343,915
2008	3,732,421	2,196,550
2009	3,375,000	2,043,145
2010	3,485,000	1,887,480
2011	3,610,000	1,722,955
Thereafter	31,468,333	9,591,082
Total	<u>\$ 50,396,583</u>	<u>\$ 19,785,127</u>

Approximately \$550,000 in interest expense, which is net of approximately \$262,000 in interest income, was capitalized as part of the cost of construction projects during 2006.

**J. 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, 2006, are as follows:

Year Ending June 30	Capital Leases	Operating Leases
2007	\$ 592,196	\$ 1,575,180
2008	0	1,591,499
2009	0	1,432,696
2010	0	1,409,100
2011	0	889,354
Thereafter	0	873,348
Total future minimum lease payments	<u>\$ 592,196</u>	<u>\$ 7,771,177</u>
Less: amount representing interest ranging from 3.67 to 4.85 percent	<u>(9,375)</u>	<u>0</u>
Present value of net minimum lease payments	<u>\$ 582,821</u>	<u>\$ 7,771,177</u>

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

Balance 7-1-05	Reductions	Balance 6-30-06	Amounts Due Within One Year
<u>\$ 1,535,294</u>	<u>\$ (952,473)</u>	<u>\$ 582,821</u>	<u>\$ 582,821</u>

The medical center generates rental income primarily from operating leases of three medical office buildings. Rental revenue was \$2,417,554 in 2006 and is included in other revenue.

Future minimum rental revenue under noncancellable leases, including a lease with the surgery center currently for \$61,456 per month through September 2015, at June 30, 2006, is as follows:

Year Ending June 30	
2007	\$ 2,297,292
2008	1,869,986
2009	1,893,725
2010	1,668,865
2011	1,118,032
Thereafter	<u>4,061,144</u>
Total	<u>\$ 12,909,044</u>

Rental income in excess of rent expense was \$652,226 for 2006.

**K. Capital Contributions**

Capital contributions for 2006 include amounts related to the foundation.

**L. Employees' Retirement Plan**

The medical center participates in a tax-sheltered annuity program for substantially all of its employees that have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately \$1,698,000 in 2006 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. Currently, the medical center's contribution percentage is five percent of covered wages for non-management employees and nine percent for management employees. 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, 2006, consist of various mutual fund and fixed income investments.

**M. Other Receivables**

Other current and long-term receivables at June 30, 2006, include \$744,764 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 commitment.

**N. 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 allowing that the governmental entity purchase insurance or 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 (\$250,000 for bodily injury or death of any one person and \$600,000 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 also maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are \$1,000,000 per claim and \$3,000,000 in the aggregate annually with a deductible of

\$100,000 per claim. In addition, the medical center maintains a \$3,000,000 annual aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past three fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2006, that have resulted in the assertion of claims, and 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 has been in discussions with regulatory authorities for a number of years concerning potential violations with regard to prior leasing arrangements with physicians. In the past, management and legal counsel were not able to predict the ultimate outcome of this matter or the effect on the medical center's operations or financial statements. Subsequent to June 30, 2006, the medical center received a proposed settlement agreement with the Office of Inspector General of the United States Department of Health and Human Services (HHS) which, among other matters, provides for a payment by the medical center of \$705,478 to HHS. Such amount has been reflected in the financial statements as an expense for 2006 and is included in accrued expenses and other liabilities at June 30, 2006.

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 amounted to approximately \$6,893,000 for the year ended June 30, 2006.

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 is subject to investment rate risk and the impact of changes in interest rates on the fair value of its cash and investments. However, the medical center's cash and investments are short-term in nature.

**O. Fair Value of Financial Instruments**

The following methods and assumptions were used by the medical center in estimating fair value of its financial instruments:

Cash and cash equivalents: The carrying amount reported in the balance sheet approximates their fair value.

Assets limited as to use: These assets consist primarily of cash and cash equivalents. The carrying amount reported in the balance sheet is fair value.

Patient accounts and other receivables: The carrying amount reported in the balance sheet approximates its fair value.

Accounts payable, accrued expenses, and other liabilities: The carrying amount reported in the balance sheet approximates its fair value.

Accrued payroll, compensated absences, and payroll-related liabilities: The carrying amount reported in the balance sheet approximates its fair value.

Estimated amounts due to third-party payors: The carrying amount reported in the balance sheet approximates its fair value.

Long-term debt: The fair value of the medical center's long-term debt is estimated using discounted cash flow analyses, based on the medical center's current incremental borrowing rates for similar types of borrowing arrangements. Based on the analyses, the fair value of the Series 2004A, Series 2004B, and the Series 1997 Bonds and other long-term debt at June 30, 2006, approximates carrying values.

**VII. OTHER NOTE – 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. The directors serve without compensation for terms of four years.

Financial Reporting Entity – Component Unit – As specified and described by Standard 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 county in its financial report also discretely presents the district's financial information.

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 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.

At June 30, 2006, there were no related receivables or payables between Williamson County and the district. The district did not engage in any activities that were subject to the approval of Williamson County.

Accounting Method – 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, 2006, the district had no debt.

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 three 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, cash and cash equivalents. At June 30, 2006, 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 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.

Contributions – Contributions are recognized in the statement of revenues, expenses, and changes in net assets when eligibility requirements are met.

**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, 2006, 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, 2006, the carrying amount of cash deposits was \$969,864, and the bank balance was \$1,060,164. At June 30, 2006, 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.

<u>Cash Accounts</u>	Interest Rate	<u>June 30, 2006</u>	
		Carrying Amount	Bank Balance
First Tennessee Bank Checking	variable	\$ 299,318	\$ 389,618
Local Government Investment Pool	variable	670,546	670,546
Total		<u>\$ 969,864</u>	<u>\$ 1,060,164</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, 2006:

BellSouth	\$ 49,669
MCI/Verizon	3,425
United Telephone	2,605
Birch	4,959
USLEC	3,498
XO Communications	2,106
Others	<u>10,880</u>
 Total	 <u><u>\$ 77,142</u></u>

**D. Capital Assets**

Capital assets are summarized as follows:

<u>Depreciable Assets</u>	Balance 7-1-05	Additions	Balance 6-30-06
Communications equipment	\$ 901,976	\$ 188,361	\$ 1,090,337
Office furniture and equipment	61,173	0	61,173
Less: Accumulated depreciation	<u>(318,007)</u>	<u>(118,393)</u>	<u>(436,400)</u>
Total capital assets	<u><u>\$ 645,142</u></u>	<u><u>\$ 69,968</u></u>	<u><u>\$ 715,110</u></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. 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. Amounts paid to Williamson County for the fiscal year 2006 totaled \$725,444.

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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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 33,834,382	\$ 0	\$ 0	\$ 33,834,382	\$ 30,413,731	\$ 30,413,732	\$ 3,420,650
Licenses and Permits	1,584,546	0	0	1,584,546	1,025,000	1,025,000	559,546
Fines, Forfeitures, and Penalties	505,281	0	0	505,281	435,500	435,500	69,781
Charges for Current Services	4,335,726	0	0	4,335,726	3,770,200	4,005,400	330,326
Other Local Revenues	2,581,438	0	0	2,581,438	1,155,000	958,431	1,623,007
Fees Received from County Officials	10,064,662	0	0	10,064,662	8,710,000	8,710,000	1,354,662
State of Tennessee	3,982,644	0	0	3,982,644	2,741,309	3,415,612	567,032
Federal Government	1,006,550	0	0	1,006,550	988,095	1,120,095	(113,545)
Other Governments and Citizens Groups	230,091	0	0	230,091	200,000	248,078	(17,987)
<b>Total Revenues</b>	<b>\$ 58,125,320</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 58,125,320</b>	<b>\$ 49,438,835</b>	<b>\$ 50,331,848</b>	<b>\$ 7,793,472</b>
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 590,488	\$ (39,150)	\$ 50,350	\$ 601,688	\$ 614,850	\$ 714,850	\$ 113,162
Board of Equalization	1,816	0	0	1,816	9,900	9,900	8,084
Beer Board	1,550	0	0	1,550	3,000	3,000	1,450
Other Boards and Committees	200	0	0	200	3,675	3,675	3,475
County Mayor/Executive	309,305	0	16,244	325,549	347,935	347,935	22,386
Personnel Office	160,967	(1,495)	745	160,217	166,549	166,549	6,332
County Attorney	435,031	0	0	435,031	528,400	528,400	93,369
Election Commission	308,460	0	489,544	798,004	375,240	876,490	78,486
Register of Deeds	674,323	0	0	674,323	532,594	695,063	20,740
Development	1,154,304	(184,309)	125,649	1,095,644	1,129,307	1,145,307	49,663
Planning	23,918	(6,315)	7,358	24,961	26,330	26,330	1,369
Building	18,013	0	0	18,013	16,266	19,266	1,253
Engineering	110,212	(29,562)	11,457	92,107	89,921	93,377	1,270
Codes Compliance	7,641	(175)	1,908	9,374	55,079	55,229	45,855

(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 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Geographical Information Systems	\$ 1,094,172	\$ (2,620)	\$ 34,925	\$ 1,126,477	\$ 876,631	\$ 1,126,631	\$ 154
County Buildings	2,406,748	(32,617)	96,049	2,470,180	2,497,540	2,697,540	227,360
Other Facilities	101,794	(1,692)	882	100,984	73,889	103,089	2,105
Preservation of Records	170,934	0	2,427	173,361	203,119	209,430	36,069
Risk Management	138,211	0	40	138,251	168,749	168,749	30,498
Other Risk Management	188,396	0	0	188,396	199,893	199,893	11,497
<u>Finance</u>							
Accounting and Budgeting	544,914	(705)	4,074	548,283	578,227	578,227	29,944
Property Assessor's Office	1,207,628	(94,107)	108,869	1,222,390	1,326,469	1,326,469	104,079
County Trustee's Office	401,600	(9,030)	5,634	398,204	426,835	426,835	28,631
County Clerk's Office	774,819	(75)	10,382	785,126	805,322	831,222	46,096
<u>Administration of Justice</u>							
Circuit Court	1,183,209	(2,978)	4,353	1,184,584	1,282,509	1,292,509	107,925
General Sessions Court	545,019	(1,748)	1,299	544,570	561,733	561,733	17,163
Chancery Court	347,870	0	0	347,870	354,628	354,628	6,758
Juvenile Court	346,632	(1,547)	0	345,085	359,726	359,726	14,641
Other Administration of Justice	119,650	0	0	119,650	138,808	138,808	19,158
<u>Public Safety</u>							
Sheriff's Department	4,412,553	(46,673)	24,686	4,390,566	4,772,591	4,883,188	492,622
Special Patrols	531,671	(357)	2,294	533,608	557,474	569,274	35,666
Traffic Control	56,154	0	309	56,463	74,369	74,369	17,906
Jail	4,451,645	(134,193)	24,338	4,341,790	4,623,932	4,630,735	288,945
Workhouse	192,805	(2,929)	300	190,176	199,672	199,922	9,746
Juvenile Services	1,446,087	(3,553)	2,088	1,444,622	1,442,455	1,473,955	29,333
Fire Prevention and Control	515,830	(440)	1,251	516,641	507,689	516,655	14
Civil Defense	669,479	(4,855)	3,311	667,935	705,585	709,285	41,350

(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 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
Rescue Squad	\$ 215,238	\$ (5,590)	\$ 4,420	\$ 214,068	\$ 269,365	\$ 299,852	\$ 85,784
County Coroner/Medical Examiner	100,581	0	0	100,581	119,882	119,882	19,301
<u>Public Health and Welfare</u>							
Local Health Center	799,410	(4,183)	4,426	799,653	1,123,756	1,243,006	443,353
Rabies and Animal Control	638,671	(6,852)	24,621	656,440	710,423	794,738	138,298
Ambulance/Emergency Medical Services	1,700,000	0	0	1,700,000	1,700,000	1,700,000	0
Other Local Health Services	10,640	0	0	10,640	10,640	10,640	0
Regional Mental Health Center	24,220	0	0	24,220	24,220	24,220	0
Appropriation to State	115,351	0	0	115,351	115,351	115,351	0
General Welfare Assistance	19,574	0	0	19,574	19,574	19,574	0
Aid to Dependent Children	12,203	0	0	12,203	12,267	12,267	64
Recycling Center	179,675	(9,751)	12,450	182,374	191,111	191,111	8,737
Other Public Health and Welfare	706,638	(471)	294	706,461	765,269	795,269	88,808
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	50,515	0	0	50,515	50,515	50,515	0
Senior Citizens Assistance	176,822	0	0	176,822	78,313	178,513	1,691
Libraries	1,638,461	(13,761)	19,928	1,644,628	1,667,203	1,734,103	89,475
Parks and Fair Boards	5,937,381	(32,414)	28,429	5,933,396	5,621,397	6,072,097	138,701
Other Social, Cultural, and Recreational	922,157	(28,065)	22,771	916,863	1,060,931	1,195,931	279,068
<u>Agriculture &amp; Natural Resources</u>							
Agriculture Extension Service	293,166	0	0	293,166	308,557	308,557	15,391
Soil Conservation	40,490	0	0	40,490	40,490	40,490	0
<u>Other Operations</u>							
Tourism	343,117	0	0	343,117	366,158	406,158	63,041
Other Economic and Community Development	352,284	0	4,800	357,084	311,838	411,038	53,954
Public Transportation	365,654	0	0	365,654	241,331	435,476	69,822

(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 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Other Operations (Cont.)</u>							
Veterans' Services	\$ 17,533	\$ 0	\$ 0	\$ 17,533	\$ 12,184	\$ 21,684	\$ 4,151
Other Charges	1,851,638	(7,992)	17,498	1,861,144	2,049,280	2,049,280	188,136
Employee Benefits	8,508,126	0	0	8,508,126	8,779,750	8,779,750	271,624
Miscellaneous	327,209	(9,900)	0	317,309	289,747	359,927	42,618
<b>Total Expenditures</b>	<b>\$ 50,990,802</b>	<b>\$ (720,104)</b>	<b>\$ 1,170,403</b>	<b>\$ 51,441,101</b>	<b>\$ 52,576,443</b>	<b>\$ 55,487,672</b>	<b>\$ 4,046,571</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 7,134,518	\$ 720,104	\$ (1,170,403)	\$ 6,684,219	\$ (3,137,608)	\$ (5,155,824)	\$ 11,840,043
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 526,819	\$ 0	\$ 0	\$ 526,819	\$ 0	\$ 0	\$ 526,819
Transfers In	35,742	0	0	35,742	50,000	50,000	(14,258)
Transfers Out	(1,340,480)	0	0	(1,340,480)	(500,000)	(1,340,480)	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (777,919)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (777,919)</b>	<b>\$ (450,000)</b>	<b>\$ (1,290,480)</b>	<b>\$ 512,561</b>
Net Change in Fund Balance	\$ 6,356,599	\$ 720,104	\$ (1,170,403)	\$ 5,906,300	\$ (3,587,608)	\$ (6,446,304)	\$ 12,352,604
Fund Balance, July 1, 2005	17,637,849	(720,104)	0	16,917,745	17,507,354	17,507,354	(589,609)
<b>Fund Balance, June 30, 2006</b>	<b>\$ 23,994,448</b>	<b>\$ 0</b>	<b>\$ (1,170,403)</b>	<b>\$ 22,824,045</b>	<b>\$ 13,919,746</b>	<b>\$ 11,061,050</b>	<b>\$ 11,762,995</b>

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 6,995,586	\$ 0	\$ 0	\$ 6,995,586	\$ 6,270,965	\$ 6,270,965	\$ 724,621
Other Local Revenues	721,340	0	0	721,340	55,000	265,000	456,340
State of Tennessee	2,982,724	0	0	2,982,724	3,000,000	3,050,000	(67,276)
Other Governments and Citizens Groups	125,390	0	0	125,390	50,000	50,000	75,390
<b>Total Revenues</b>	<b>\$ 10,825,040</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 10,825,040</b>	<b>\$ 9,375,965</b>	<b>\$ 9,635,965</b>	<b>\$ 1,189,075</b>
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 630,510	\$ (1,140)	\$ 30	\$ 629,400	\$ 646,122	\$ 666,122	\$ 36,722
Highway and Bridge Maintenance	5,496,136	(287,191)	195,995	5,404,940	4,737,042	5,302,042	(102,898)
Operation and Maintenance of Equipment	1,550,694	0	32,108	1,582,802	1,553,941	1,778,941	196,139
Quarry Operations	700,199	(35,581)	2,500	667,118	726,678	726,678	59,560
Other Charges	621,135	0	1,843	622,978	636,916	756,916	133,938
Employee Benefits	965,097	0	0	965,097	1,003,495	1,003,495	38,398
Capital Outlay	213,519	(8,962)	20,596	225,153	292,000	292,000	66,847
<b>Total Expenditures</b>	<b>\$ 10,177,290</b>	<b>\$ (332,874)</b>	<b>\$ 253,072</b>	<b>\$ 10,097,488</b>	<b>\$ 9,596,194</b>	<b>\$ 10,526,194</b>	<b>\$ 428,706</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 647,750	\$ 332,874	\$ (253,072)	\$ 727,552	\$ (220,229)	\$ (890,229)	\$ 1,617,781
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 181,075	\$ 0	\$ 0	\$ 181,075	\$ 0	\$ 0	\$ 181,075
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 181,075</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 181,075</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 181,075</b>
Net Change in Fund Balance	\$ 828,825	\$ 332,874	\$ (253,072)	\$ 908,627	\$ (220,229)	\$ (890,229)	\$ 1,798,856
Fund Balance, July 1, 2005	11,860,378	(332,874)	0	11,527,504	11,478,704	11,478,704	48,800
<b>Fund Balance, June 30, 2006</b>	<b>\$ 12,689,203</b>	<b>\$ 0</b>	<b>\$ (253,072)</b>	<b>\$ 12,436,131</b>	<b>\$ 11,258,475</b>	<b>\$ 10,588,475</b>	<b>\$ 1,847,656</b>

**WILLIAMSON COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2006**

**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 Williamson 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 State 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, County Mayor/Executive, County Attorney, etc.). Management may make revisions within major categories, but only the Williamson 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 the GAAP basis is presented on the face of each budgetary schedule.

**B. EXPENDITURES EXCEEDED APPROPRIATIONS**

Expenditures exceeded appropriations approved by the County Commission in the Highway and Bridge Maintenance major category (the legal level of control) of the Highway/Public Works Fund by \$102,898. Such overexpenditures are a violation of state statutes. These overexpenditures were funded by greater than anticipated revenues.

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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 the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

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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 convenience centers.

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.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for revenues received from certain DUI-related fines under the control of the district attorney general.

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for transactions of the fee and commission accounts of the trustee, clerks, register, and sheriff. Revenues from fees and commissions earned by these officials are remitted to the county’s General Fund.

Exhibit G-1

Williamson County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2006

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Other Special Revenue	Constitu- tional Officers - Fees	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 150	\$ 0	\$ 2,637	\$ 2,787
Equity in Pooled Cash and Investments	378,158	110,516	256,006	3,248	0	747,928
Accounts Receivable	0	0	0	0	4,284	4,284
Due from Other Governments	134,791	0	0	0	0	134,791
Due from Other Funds	18,525	0	0	0	0	18,525
Property Taxes Receivable	2,394,446	0	0	0	0	2,394,446
Allowance for Uncollectible Property Taxes	(28,601)	0	0	0	0	(28,601)
Accrued Interest Receivable	2,709	428	0	0	0	3,137
Total Assets	<u>\$ 2,900,028</u>	<u>\$ 110,944</u>	<u>\$ 256,156</u>	<u>\$ 3,248</u>	<u>\$ 6,921</u>	<u>\$ 3,277,297</u>
<u>LIABILITIES AND FUND BALANCES</u>						
<u>Liabilities</u>						
Accounts Payable	\$ 0	\$ 0	\$ 875	\$ 0	\$ 0	\$ 875
Due to Other Funds	0	0	0	0	6,921	6,921
Deferred Revenue - Current Property Taxes	2,299,963	0	0	0	0	2,299,963
Deferred Revenue - Delinquent Property Taxes	60,538	0	0	0	0	60,538
Other Deferred Revenues	109,443	428	0	0	0	109,871
Total Liabilities	<u>\$ 2,469,944</u>	<u>\$ 428</u>	<u>\$ 875</u>	<u>\$ 0</u>	<u>\$ 6,921</u>	<u>\$ 2,478,168</u>
<u>Fund Balances</u>						
Reserved for Encumbrances	\$ 6,678	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,678
Unreserved	423,406	110,516	255,281	3,248	0	792,451
Total Fund Balances	<u>\$ 430,084</u>	<u>\$ 110,516</u>	<u>\$ 255,281</u>	<u>\$ 3,248</u>	<u>\$ 0</u>	<u>\$ 799,129</u>
Total Liabilities and Fund Balances	<u>\$ 2,900,028</u>	<u>\$ 110,944</u>	<u>\$ 256,156</u>	<u>\$ 3,248</u>	<u>\$ 6,921</u>	<u>\$ 3,277,297</u>

Exhibit G-2

Williamson County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2006

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Other Special Revenue	Constitu- tional Officers - Fees	
<u>Revenues</u>						
Local Taxes	\$ 2,141,078	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,141,078
Fines, Forfeitures, and Penalties	0	70,383	158,372	0	0	228,755
Charges for Current Services	0	0	0	0	473	473
Other Local Revenues	48,377	4,985	36	0	0	53,398
State of Tennessee	22,000	0	0	0	0	22,000
Other Governments and Citizens Groups	0	400	0	0	0	400
Total Revenues	<u>\$ 2,211,455</u>	<u>\$ 75,768</u>	<u>\$ 158,408</u>	<u>\$ 0</u>	<u>\$ 473</u>	<u>\$ 2,446,104</u>
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53	\$ 53
Administration of Justice	0	0	81,246	0	420	81,666
Public Safety	0	63,824	0	0	0	63,824
Public Health and Welfare	2,061,737	0	0	0	0	2,061,737
Other Operations	251,593	0	0	0	0	251,593
Total Expenditures	<u>\$ 2,313,330</u>	<u>\$ 63,824</u>	<u>\$ 81,246</u>	<u>\$ 0</u>	<u>\$ 473</u>	<u>\$ 2,458,873</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (101,875)</u>	<u>\$ 11,944</u>	<u>\$ 77,162</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (12,769)</u>
Net Change in Fund Balances	\$ (101,875)	\$ 11,944	\$ 77,162	\$ 0	\$ 0	\$ (12,769)
Fund Balance, July 1, 2005	531,959	98,572	178,119	3,248	0	811,898
Fund Balance, June 30, 2006	<u>\$ 430,084</u>	<u>\$ 110,516</u>	<u>\$ 255,281</u>	<u>\$ 3,248</u>	<u>\$ 0</u>	<u>\$ 799,129</u>

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,141,078	\$ 0	\$ 0	\$ 2,141,078	\$ 1,986,197	\$ 1,986,197	\$ 154,881
Other Local Revenues	48,377	0	0	48,377	10,000	10,000	38,377
State of Tennessee	22,000	0	0	22,000	0	22,000	0
Total Revenues	\$ 2,211,455	\$ 0	\$ 0	\$ 2,211,455	\$ 1,996,197	\$ 2,018,197	\$ 193,258
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Convenience Centers	\$ 2,061,737	\$ (20,397)	\$ 6,678	\$ 2,048,018	\$ 1,920,685	\$ 2,122,685	\$ 74,667
<u>Other Operations</u>							
Other Charges	100,569	0	0	100,569	128,100	128,100	27,531
Employee Benefits	151,024	0	0	151,024	160,350	160,350	9,326
Total Expenditures	\$ 2,313,330	\$ (20,397)	\$ 6,678	\$ 2,299,611	\$ 2,209,135	\$ 2,411,135	\$ 111,524
Excess (Deficiency) of Revenues Over Expenditures	\$ (101,875)	\$ 20,397	\$ (6,678)	\$ (88,156)	\$ (212,938)	\$ (392,938)	\$ 304,782
Net Change in Fund Balance	\$ (101,875)	\$ 20,397	\$ (6,678)	\$ (88,156)	\$ (212,938)	\$ (392,938)	\$ 304,782
Fund Balance, July 1, 2005	531,959	(20,397)	0	511,562	502,832	502,832	8,730
Fund Balance, June 30, 2006	\$ 430,084	\$ 0	\$ (6,678)	\$ 423,406	\$ 289,894	\$ 109,894	\$ 313,512

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive - (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 70,383	\$ 0	\$ 70,383	\$ 12,000	\$ 12,000	\$ 58,383
Other Local Revenues	4,985	0	4,985	0	0	4,985
Other Governments and Citizens Groups	400	0	400	0	0	400
Total Revenues	<u>\$ 75,768</u>	<u>\$ 0</u>	<u>\$ 75,768</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 63,768</u>
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 63,824	\$ (115)	\$ 63,709	\$ 93,500	\$ 93,500	\$ 29,791
Total Expenditures	<u>\$ 63,824</u>	<u>\$ (115)</u>	<u>\$ 63,709</u>	<u>\$ 93,500</u>	<u>\$ 93,500</u>	<u>\$ 29,791</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 11,944</u>	<u>\$ 115</u>	<u>\$ 12,059</u>	<u>\$ (81,500)</u>	<u>\$ (81,500)</u>	<u>\$ 93,559</u>
Net Change in Fund Balance	\$ 11,944	\$ 115	\$ 12,059	\$ (81,500)	\$ (81,500)	\$ 93,559
Fund Balance, July 1, 2005	98,572	(115)	98,457	98,454	98,454	3
Fund Balance, June 30, 2006	<u>\$ 110,516</u>	<u>\$ 0</u>	<u>\$ 110,516</u>	<u>\$ 16,954</u>	<u>\$ 16,954</u>	<u>\$ 93,562</u>

# Major Governmental Funds

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Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

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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, long-term 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, long-term 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, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 18,265,168	\$ 16,924,963	\$ 16,924,963	\$ 1,340,205
Other Local Revenues	1,376,146	1,700,000	1,700,000	(323,854)
Other Governments and Citizens Groups	34,595	0	0	34,595
Total Revenues	<u>\$ 19,675,909</u>	<u>\$ 18,624,963</u>	<u>\$ 18,624,963</u>	<u>\$ 1,050,946</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 5,972,736	\$ 8,530,000	\$ 5,975,000	\$ 2,264
Highways and Streets	126,781	126,800	126,800	19
Education	5,171,483	5,172,000	5,172,000	517
<u>Interest on Debt</u>				
General Government	5,263,943	7,150,000	5,266,362	2,419
Highways and Streets	77,507	77,600	77,600	93
Education	5,579,236	5,499,400	5,589,400	10,164
<u>Other Debt Service</u>				
General Government	417,859	495,000	504,969	87,110
Total Expenditures	<u>\$ 22,609,545</u>	<u>\$ 27,050,800</u>	<u>\$ 22,712,131</u>	<u>\$ 102,586</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,933,636)</u>	<u>\$ (8,425,837)</u>	<u>\$ (4,087,168)</u>	<u>\$ 1,153,532</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 3,070,957	\$ 7,338,700	\$ 3,000,000	\$ 70,957
Total Other Financing Sources (Uses)	<u>\$ 3,070,957</u>	<u>\$ 7,338,700</u>	<u>\$ 3,000,000</u>	<u>\$ 70,957</u>
Net Change in Fund Balance	\$ 137,321	\$ (1,087,137)	\$ (1,087,168)	\$ 1,224,489
Fund Balance, July 1, 2005	<u>16,378,168</u>	<u>15,395,499</u>	<u>15,395,499</u>	<u>982,669</u>
Fund Balance, June 30, 2006	<u>\$ 16,515,489</u>	<u>\$ 14,308,362</u>	<u>\$ 14,308,331</u>	<u>\$ 2,207,158</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, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,594,044	\$ 7,791,032	\$ 7,791,032	\$ 803,012
Other Local Revenues	323,011	150,000	150,000	173,011
Other Governments and Citizens Groups	57,347	0	0	57,347
Total Revenues	<u>\$ 8,974,402</u>	<u>\$ 7,941,032</u>	<u>\$ 7,941,032</u>	<u>\$ 1,033,370</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 7,295,000	\$ 7,295,000	\$ 7,295,000	\$ 0
<u>Interest on Debt</u>				
Education	5,375,558	5,377,000	5,377,000	1,442
<u>Other Debt Service</u>				
Education	179,064	210,000	210,000	30,936
Total Expenditures	<u>\$ 12,849,622</u>	<u>\$ 12,882,000</u>	<u>\$ 12,882,000</u>	<u>\$ 32,378</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (3,875,220)</u>	<u>\$ (4,940,968)</u>	<u>\$ (4,940,968)</u>	<u>\$ 1,065,748</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 0
Total Other Financing Sources (Uses)	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 124,780	\$ (940,968)	\$ (940,968)	\$ 1,065,748
Fund Balance, July 1, 2005	<u>4,939,603</u>	<u>4,913,800</u>	<u>4,913,800</u>	<u>25,803</u>
Fund Balance, June 30, 2006	<u>\$ 5,064,383</u>	<u>\$ 3,972,832</u>	<u>\$ 3,972,832</u>	<u>\$ 1,091,551</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 Cities of Nolensville and Thompson’s Station. These collections are remitted to each city monthly.

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, 2006

	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	\$ 10,170	\$ 9,823,730	\$ 0	\$ 9,833,900
Equity in Pooled Cash and Investments	0	182	467,021	1,798,421	0	4,149	2,269,773
Investments	0	0	0	0	19,858	0	19,858
Accounts Receivable	0	0	24,552	0	2,938	0	27,490
Accrued Interest Receivable	0	0	0	7,628	0	0	7,628
Due from Other Governments	5,757,021	0	750,546	0	0	0	6,507,567
Taxes Receivable	0	0	9,664,930	0	0	0	9,664,930
Allowance for Uncollectible Taxes	0	0	(92,783)	0	0	0	(92,783)
Other Restricted Assets	0	0	0	236,490	0	0	236,490
Total Assets	<u>\$ 5,757,021</u>	<u>\$ 182</u>	<u>\$ 10,814,266</u>	<u>\$ 2,052,709</u>	<u>\$ 9,846,526</u>	<u>\$ 4,149</u>	<u>\$ 28,474,853</u>
<u>LIABILITIES</u>							
Due to Other Taxing Units	\$ 5,757,021	\$ 182	\$ 10,814,266	\$ 0	\$ 0	\$ 0	\$ 16,571,469
Due to Joint Venture	0	0	0	1,816,219	0	0	1,816,219
Due to Litigants, Heirs, and Others	0	0	0	0	9,846,526	4,149	9,850,675
Other Payables from Restricted Assets	0	0	0	236,490	0	0	236,490
Total Liabilities	<u>\$ 5,757,021</u>	<u>\$ 182</u>	<u>\$ 10,814,266</u>	<u>\$ 2,052,709</u>	<u>\$ 9,846,526</u>	<u>\$ 4,149</u>	<u>\$ 28,474,853</u>

Exhibit I-2

Williamson County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2006

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 33,287,298	\$ 33,287,298	\$ 0
Due From Other Governments	5,235,756	5,757,021	5,235,756	5,757,021
<b>Total Assets</b>	<b>\$ 5,235,756</b>	<b>\$ 39,044,319</b>	<b>\$ 38,523,054</b>	<b>\$ 5,757,021</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,235,756	\$ 39,044,319	\$ 38,523,054	\$ 5,757,021
<b>Total Liabilities</b>	<b>\$ 5,235,756</b>	<b>\$ 39,044,319</b>	<b>\$ 38,523,054</b>	<b>\$ 5,757,021</b>
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 359	\$ 61,442	\$ 61,619	\$ 182
<b>Total Assets</b>	<b>\$ 359</b>	<b>\$ 61,442</b>	<b>\$ 61,619</b>	<b>\$ 182</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 359	\$ 61,442	\$ 61,619	\$ 182
<b>Total Liabilities</b>	<b>\$ 359</b>	<b>\$ 61,442</b>	<b>\$ 61,619</b>	<b>\$ 182</b>
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 525,939	\$ 26,619,184	\$ 26,678,102	\$ 467,021
Accounts Receivable	4,878	24,552	4,878	24,552
Due From Other Governments	739,116	750,546	739,116	750,546
Taxes Receivable	9,627,876	9,664,930	9,627,876	9,664,930
Allowance for Uncollectible Taxes	(103,142)	(92,783)	(103,142)	(92,783)
<b>Total Assets</b>	<b>\$ 10,794,667</b>	<b>\$ 36,966,429</b>	<b>\$ 36,946,830</b>	<b>\$ 10,814,266</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 10,794,667	\$ 36,966,429	\$ 36,946,830	\$ 10,814,266
<b>Total Liabilities</b>	<b>\$ 10,794,667</b>	<b>\$ 36,966,429</b>	<b>\$ 36,946,830</b>	<b>\$ 10,814,266</b>
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 1,653,212	\$ 949,926	\$ 804,717	\$ 1,798,421
Cash	9,580	10,170	9,580	10,170
Accrued Interest Receivable	1,455	7,628	1,455	7,628
Other Restricted Assets	0	236,490	0	236,490
<b>Total Assets</b>	<b>\$ 1,664,247</b>	<b>\$ 1,204,214</b>	<b>\$ 815,752</b>	<b>\$ 2,052,709</b>
<u>Liabilities</u>				
Due to Joint Venture	\$ 1,664,247	\$ 969,207	\$ 817,235	\$ 1,816,219
Other Payables from Restricted Assets	0	236,490	0	236,490
<b>Total Liabilities</b>	<b>\$ 1,664,247</b>	<b>\$ 1,205,697</b>	<b>\$ 817,235</b>	<b>\$ 2,052,709</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
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 7,184,184	\$ 58,639,901	\$ 56,000,355	\$ 9,823,730
Investments	18,475	1,383	0	19,858
Accounts Receivable	4,555	2,938	4,555	2,938
Total Assets	<u>\$ 7,207,214</u>	<u>\$ 58,644,222</u>	<u>\$ 56,004,910</u>	<u>\$ 9,846,526</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 7,207,214	\$ 58,644,222	\$ 56,004,910	\$ 9,846,526
Total Liabilities	<u>\$ 7,207,214</u>	<u>\$ 58,644,222</u>	<u>\$ 56,004,910</u>	<u>\$ 9,846,526</u>
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 4,233	\$ 22,121	\$ 22,205	\$ 4,149
Total Assets	<u>\$ 4,233</u>	<u>\$ 22,121</u>	<u>\$ 22,205</u>	<u>\$ 4,149</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 4,233	\$ 22,121	\$ 22,205	\$ 4,149
Total Liabilities	<u>\$ 4,233</u>	<u>\$ 22,121</u>	<u>\$ 22,205</u>	<u>\$ 4,149</u>
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 2,183,743	\$ 60,939,971	\$ 60,853,941	\$ 2,269,773
Cash	7,193,764	58,650,071	56,009,935	9,833,900
Investments	18,475	1,383	0	19,858
Due From Other Governments	5,974,872	6,507,567	5,974,872	6,507,567
Accounts Receivable	9,433	27,490	9,433	27,490
Accrued Interest Receivable	1,455	7,628	1,455	7,628
Taxes Receivable	9,627,876	9,664,930	9,627,876	9,664,930
Allowance for Uncollectible Taxes	(103,142)	(92,783)	(103,142)	(92,783)
Other Restricted Assets	0	236,490	0	236,490
Total Assets	<u>\$ 24,906,476</u>	<u>\$ 135,942,747</u>	<u>\$ 132,374,370</u>	<u>\$ 28,474,853</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 16,030,782	\$ 76,072,190	\$ 75,531,503	\$ 16,571,469
Due to Joint Venture	1,664,247	969,207	817,235	1,816,219
Due to Litigants, Heirs, and Others	7,211,447	58,666,343	56,027,115	9,850,675
Other Payables from Restricted Assets	0	236,490	0	236,490
Total Liabilities	<u>\$ 24,906,476</u>	<u>\$ 135,944,230</u>	<u>\$ 132,375,853</u>	<u>\$ 28,474,853</u>

# 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 Funds – 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 – 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, 2006

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Assets Total Governmental Activities
Component Unit:					
Governmental Activities:					
Instruction	\$ 108,783,182	\$ 483,287	\$ 8,090,280	\$ 0	\$ (100,209,615)
Support Services	66,326,695	295,414	204,790	7,336,973	(58,489,518)
Operation of Noninstructional Services	8,704,585	7,348,192	1,737,903	0	381,510
<b>Total Governmental Activities</b>	<b>\$ 183,814,462</b>	<b>\$ 8,126,893</b>	<b>\$ 10,032,973</b>	<b>\$ 7,336,973</b>	<b>\$ (158,317,623)</b>
General Revenues:					
Taxes:					
Property taxes levied for general purposes					\$ 63,389,817
Local option sales tax					30,765,341
Other local taxes					19,174
Grants & contributions not restricted for specific programs					69,923,359
Unrestricted investment income					1,376,996
Miscellaneous					175,863
<b>Total General Revenues</b>					<b>\$ 165,650,550</b>
Change in Net Assets					\$ 7,332,927
Net Assets, July 1, 2005					284,307,810
Net Assets, June 30, 2006					<u>\$ 291,640,737</u>

Exhibit J-2

Williamson County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2006

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Other</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Govern-</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>mental</u>
			<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 59,207	\$ 59,507
Equity in Pooled Cash and Investments	16,848,898	10,927,073	1,918,294	29,694,265
Accounts Receivable	200,993	0	18,523	219,516
Due from Other Governments	10,062,559	0	104,889	10,167,448
Due from Other Funds	491	0	0	491
Property Taxes Receivable	67,869,560	0	0	67,869,560
Allowance for Uncollectible Property Taxes	(651,549)	0	0	(651,549)
Accrued Interest Receivable	99,443	0	0	99,443
<b>Total Assets</b>	<b>\$ 94,430,695</b>	<b>\$ 10,927,073</b>	<b>\$ 2,100,913</b>	<b>\$ 107,458,681</b>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 614,328	\$ 79,032	\$ 80,296	\$ 773,656
Accrued Payroll	3,460,054	0	139,842	3,599,896
Payroll Deductions Payable	288,032	0	7,176	295,208
Contracts Payable	0	247,294	0	247,294
Retainage Payable	0	48,662	0	48,662
Claims and Judgements Payable	366,979	0	0	366,979
Due to Other Funds	0	0	491	491
Due to Primary Government	723,159	0	84,140	807,299
Other Current Liabilities	22,756	0	0	22,756
Deferred Revenue - Current Property Taxes	65,973,990	0	0	65,973,990
Deferred Revenue - Delinquent Property Taxes	711,759	0	0	711,759
Other Deferred Revenues	3,109,120	0	18,523	3,127,643
Other Long-term Liabilities	70,931	0	0	70,931
<b>Total Liabilities</b>	<b>\$ 75,341,108</b>	<b>\$ 374,988</b>	<b>\$ 330,468</b>	<b>\$ 76,046,564</b>
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 979,540	\$ 7,616,650	\$ 60,888	\$ 8,657,078
Reserved for Career Ladder - Extended Contract	348,010	0	0	348,010
Reserved for Title I Grants to Local Education Agencies	0	0	126,597	126,597
Reserved for Innovative Education Program Strategies	0	0	15,574	15,574
Reserved for Special Education - Grants to States	0	0	1,348	1,348
Other Federal Reserves	0	0	106,246	106,246
Unreserved, Reported In:				
General Fund	17,762,037	0	0	17,762,037
Special Revenue Funds	0	0	1,459,792	1,459,792
Capital Projects Funds	0	2,935,435	0	2,935,435
<b>Total Fund Balances</b>	<b>\$ 19,089,587</b>	<b>\$ 10,552,085</b>	<b>\$ 1,770,445</b>	<b>\$ 31,412,117</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 94,430,695</b>	<b>\$ 10,927,073</b>	<b>\$ 2,100,913</b>	<b>\$ 107,458,681</b>

Exhibit J-3

Williamson County, Tennessee  
Discretely Presented Williamson County School Department  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets  
June 30, 2006

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)		\$	31,412,117
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	20,118,118	
Add: construction in progress		46,810,113	
Add: buildings and improvements		178,468,554	
Add: other capital assets		<u>11,778,860</u>	257,175,645
(2) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			3,839,402
(3) Compensated absences are not due and payable in the current period and therefore are not reported in the governmental funds.			<u>(786,427)</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>291,640,737</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, 2006

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 94,048,133	\$ 0	\$ 0	\$ 94,048,133
Licenses and Permits	7,671	0	0	7,671
Charges for Current Services	787,422	0	6,932,311	7,719,733
Other Local Revenues	2,480,377	0	23,839	2,504,216
State of Tennessee	70,807,510	0	77,743	70,885,253
Federal Government	1,409,271	0	6,730,193	8,139,464
Other Governments and Citizens Groups	0	7,325,000	0	7,325,000
Total Revenues	\$ 169,540,384	\$ 7,325,000	\$ 13,764,086	\$ 190,629,470
<u>Expenditures</u>				
Current:				
Instruction	\$ 105,152,244	\$ 0	\$ 4,146,046	\$ 109,298,290
Support Services	53,795,125	0	1,476,513	55,271,638
Operation of Non-Instructional Services	883,067	0	7,532,089	8,415,156
Capital Outlay	300	0	0	300
Capital Projects	0	26,507,068	0	26,507,068
Total Expenditures	\$ 159,830,736	\$ 26,507,068	\$ 13,154,648	\$ 199,492,452
Excess (Deficiency) of Revenues Over Expenditures	\$ 9,709,648	\$ (19,182,068)	\$ 609,438	\$ (8,862,982)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 55,973	\$ 10,395,066	\$ 0	\$ 10,451,039
Transfers Out	(10,395,066)	0	(55,973)	(10,451,039)
Total Other Financing Sources (Uses)	\$ (10,339,093)	\$ 10,395,066	\$ (55,973)	\$ 0
Net Change in Fund Balances	\$ (629,445)	\$ (8,787,002)	\$ 553,465	\$ (8,862,982)
Fund Balance, July 1, 2005	19,719,032	19,339,087	1,216,980	40,275,099
Fund Balance, June 30, 2006	\$ 19,089,587	\$ 10,552,085	\$ 1,770,445	\$ 31,412,117

Exhibit J-5

Williamson County, Tennessee  
Discretely Presented Williamson County School Department  
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, 2006

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)		\$ (8,862,982)
(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 outlays in the current period	\$ 24,502,597	
Less: current year depreciation expense	<u>(7,528,853)</u>	16,973,744
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Add: assets donated and capitalized	\$ 11,973	
Less: loss on disposal of capital assets	<u>(1,034,954)</u>	(1,022,981)
(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/other deferred June 30, 2005	\$ (3,496,526)	
Add: deferred delinquent property taxes/other deferred June 30, 2006	<u>3,839,402</u>	342,876
(4) Changes in compensated absences 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.		<u>(97,730)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 7,332,927</u>

Exhibit J-6

Williamson County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2006

	<u>Special Revenue Funds</u>			
	School Federal Projects	Central Cafeteria	Extended School Program	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash	\$ 0	\$ 100	\$ 59,107	\$ 59,207
Equity in Pooled Cash and Investments	450,659	1,296,540	171,095	1,918,294
Accounts Receivable	0	0	18,523	18,523
Due from Other Governments	0	104,889	0	104,889
Total Assets	<u>\$ 450,659</u>	<u>\$ 1,401,529</u>	<u>\$ 248,725</u>	<u>\$ 2,100,913</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 80,296	\$ 0	\$ 0	\$ 80,296
Accrued Payroll	71,470	68,372	0	139,842
Payroll Deductions Payable	0	3,056	4,120	7,176
Due to Other Funds	491	0	0	491
Due to Primary Government	0	80,749	3,391	84,140
Other Deferred Revenues	0	0	18,523	18,523
Total Liabilities	<u>\$ 152,257</u>	<u>\$ 152,177</u>	<u>\$ 26,034</u>	<u>\$ 330,468</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 48,637	\$ 9,150	\$ 3,101	\$ 60,888
Reserved for Title I Grants to Local Education Agencies	126,597	0	0	126,597
Reserved for Innovative Education Program Strategies	15,574	0	0	15,574
Reserved for Special Education - Grants to States	1,348	0	0	1,348
Other Federal Reserves	106,246	0	0	106,246
Unreserved	0	1,240,202	219,590	1,459,792
Total Fund Balances	<u>\$ 298,402</u>	<u>\$ 1,249,352</u>	<u>\$ 222,691</u>	<u>\$ 1,770,445</u>
Total Liabilities and Fund Balances	<u>\$ 450,659</u>	<u>\$ 1,401,529</u>	<u>\$ 248,725</u>	<u>\$ 2,100,913</u>

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, 2006

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 6,292,849	\$ 639,462	\$ 6,932,311
Other Local Revenues	0	21,874	1,965	23,839
State of Tennessee	0	77,743	0	77,743
Federal Government	5,724,926	1,005,267	0	6,730,193
Total Revenues	\$ 5,724,926	\$ 7,397,733	\$ 641,427	\$ 13,764,086
<u>Expenditures</u>				
Current:				
Instruction	\$ 4,146,046	\$ 0	\$ 0	\$ 4,146,046
Support Services	1,476,513	0	0	1,476,513
Operation of Non-Instructional Services	0	6,961,943	570,146	7,532,089
Total Expenditures	\$ 5,622,559	\$ 6,961,943	\$ 570,146	\$ 13,154,648
Excess (Deficiency) of Revenues Over Expenditures	\$ 102,367	\$ 435,790	\$ 71,281	\$ 609,438
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (51,417)	\$ 0	\$ (4,556)	\$ (55,973)
Total Other Financing Sources (Uses)	\$ (51,417)	\$ 0	\$ (4,556)	\$ (55,973)
Net Change in Fund Balances	\$ 50,950	\$ 435,790	\$ 66,725	\$ 553,465
Fund Balance, July 1, 2005	247,452	813,562	155,966	1,216,980
Fund Balance, June 30, 2006	\$ 298,402	\$ 1,249,352	\$ 222,691	\$ 1,770,445

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 94,048,133	\$ 0	\$ 0	\$ 94,048,133	\$ 87,116,626	\$ 87,266,625	\$ 6,781,508
Licenses and Permits	7,671	0	0	7,671	7,000	7,000	671
Charges for Current Services	787,422	0	0	787,422	952,200	966,800	(179,378)
Other Local Revenues	2,480,377	0	0	2,480,377	1,232,000	1,232,000	1,248,377
State of Tennessee	70,807,510	0	0	70,807,510	68,363,603	68,514,526	2,292,984
Federal Government	1,409,271	0	0	1,409,271	810,873	1,173,890	235,381
<b>Total Revenues</b>	<b>\$ 169,540,384</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 169,540,384</b>	<b>\$ 158,482,302</b>	<b>\$ 159,160,841</b>	<b>\$ 10,379,543</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 84,065,391	\$ (275,388)	\$ 343,046	\$ 84,133,049	\$ 84,505,428	\$ 85,183,411	\$ 1,050,362
Alternative Instruction Program	343,935	(2,275)	0	341,660	359,050	359,050	17,390
Special Education Program	15,790,875	(37,921)	30,493	15,783,447	15,938,658	15,938,658	155,211
Vocational Education Program	3,015,089	(9,020)	29,739	3,035,808	3,133,794	3,218,796	182,988
Student Body Education Program	1,593,125	(74,459)	41,436	1,560,102	1,601,970	1,611,071	50,969
Adult Education Program	343,829	(455)	1,734	345,108	356,071	382,570	37,462
<u>Support Services</u>							
Attendance	98,106	(449)	0	97,657	102,524	102,898	5,241
Health Services	1,863,089	(925)	129	1,862,293	1,933,151	1,939,026	76,733
Other Student Support	4,861,221	(20,888)	9,339	4,849,672	4,975,957	4,979,442	129,770
Regular Instruction Program	4,562,923	(15,120)	36,140	4,583,943	4,783,399	4,804,103	220,160
Special Education Program	1,657,521	(6,175)	28,057	1,679,403	1,790,045	1,801,803	122,400
Vocational Education Program	177,908	(1,715)	1,344	177,537	187,720	188,190	10,653
Adult Programs	96,418	0	0	96,418	134,780	135,200	38,782
Board of Education	2,785,622	(37,650)	32,824	2,780,796	2,949,273	3,099,697	318,901
Director of Schools	1,134,072	(7,750)	49,773	1,176,095	1,208,200	1,212,693	36,598

(Continued)

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 (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Office of the Principal	\$ 10,198,778	\$ 0	\$ 0	\$ 10,198,778	\$ 10,291,884	\$ 10,360,161	\$ 161,383
Fiscal Services	865,395	(5,470)	28,281	888,206	804,633	892,914	4,708
Operation of Plant	10,583,480	(64,365)	81,652	10,600,767	10,281,406	10,632,676	31,909
Maintenance of Plant	4,219,422	(269,889)	151,614	4,101,147	4,251,713	4,261,104	159,957
Transportation	8,317,559	(12,919)	24,121	8,328,761	8,508,940	8,880,900	552,139
Central and Other	2,373,611	(59,236)	24,106	2,338,481	2,404,484	2,411,839	73,358
<u>Operation of Non-Instructional Services</u>							
Community Services	360,032	0	0	360,032	394,928	395,838	35,806
Early Childhood Education	523,035	0	9,712	532,747	0	566,706	33,959
<u>Capital Outlay</u>							
Regular Capital Outlay	300	0	56,000	56,300	0	92,000	35,700
Total Expenditures	\$ 159,830,736	\$ (902,069)	\$ 979,540	\$ 159,908,207	\$ 160,898,008	\$ 163,450,746	\$ 3,542,539
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ 9,709,648	\$ 902,069	\$ (979,540)	\$ 9,632,177	\$ (2,415,706)	\$ (4,289,905)	\$ 13,922,082
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 55,973	\$ 0	\$ 0	\$ 55,973	\$ 90,000	\$ 90,000	\$ (34,027)
Transfers Out	(10,395,066)	0	0	(10,395,066)	0	(10,395,066)	0
Total Other Financing Sources (Uses)	\$ (10,339,093)	\$ 0	\$ 0	\$ (10,339,093)	\$ 90,000	\$ (10,305,066)	\$ (34,027)
Net Change in Fund Balance	\$ (629,445)	\$ 902,069	\$ (979,540)	\$ (706,916)	\$ (2,325,706)	\$ (14,594,971)	\$ 13,888,055
Fund Balance, July 1, 2005	19,719,032	(902,069)	0	18,816,963	11,453,404	19,292,625	(475,662)
Fund Balance, June 30, 2006	\$ 19,089,587	\$ 0	\$ (979,540)	\$ 18,110,047	\$ 9,127,698	\$ 4,697,654	\$ 13,412,393

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 5,724,926	\$ 0	\$ 0	\$ 5,724,926	\$ 6,997,138	\$ 7,016,888	\$ (1,291,962)
Total Revenues	\$ 5,724,926	\$ 0	\$ 0	\$ 5,724,926	\$ 6,997,138	\$ 7,016,888	\$ (1,291,962)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 841,162	\$ (13,478)	\$ 411	\$ 828,095	\$ 939,588	\$ 867,045	\$ 38,950
Special Education Program	3,022,078	(9,477)	13,632	3,026,233	3,646,851	3,101,976	75,743
Vocational Education Program	282,806	(290)	14,298	296,814	285,160	296,814	0
<u>Support Services</u>							
Health Services	462,169	0	0	462,169	725,826	487,483	25,314
Other Student Support	75,770	(703)	0	75,067	93,859	79,823	4,756
Regular Instruction Program	442,147	(60,590)	17,464	399,021	431,702	481,097	82,076
Special Education Program	451,044	(1,458)	1,645	451,231	731,796	476,772	25,541
Vocational Education Program	41,367	(7,564)	1,187	34,990	49,600	39,369	4,379
Central and Other	4,016	0	0	4,016	6,956	4,399	383
Total Expenditures	\$ 5,622,559	\$ (93,560)	\$ 48,637	\$ 5,577,636	\$ 6,911,338	\$ 5,834,778	\$ 257,142
Excess (Deficiency) of Revenues Over Expenditures	\$ 102,367	\$ 93,560	\$ (48,637)	\$ 147,290	\$ 85,800	\$ 1,182,110	\$ (1,034,820)
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (51,417)	\$ 0	\$ 0	\$ (51,417)	\$ (85,800)	\$ (51,758)	\$ 341
Total Other Financing Sources (Uses)	\$ (51,417)	\$ 0	\$ 0	\$ (51,417)	\$ (85,800)	\$ (51,758)	\$ 341
Net Change in Fund Balance	\$ 50,950	\$ 93,560	\$ (48,637)	\$ 95,873	\$ 0	\$ 1,130,352	\$ (1,034,479)
Fund Balance, July 1, 2005	247,452	(93,560)	0	153,892	0	0	153,892
Fund Balance, June 30, 2006	\$ 298,402	\$ 0	\$ (48,637)	\$ 249,765	\$ 0	\$ 1,130,352	\$ (880,587)

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 6,292,849	\$ 0	\$ 0	\$ 6,292,849	\$ 6,811,000	\$ 6,811,000	\$ (518,151)
Other Local Revenues	21,874	0	0	21,874	16,000	16,000	5,874
State of Tennessee	77,743	0	0	77,743	72,000	72,000	5,743
Federal Government	1,005,267	0	0	1,005,267	835,000	835,000	170,267
Total Revenues	<u>\$ 7,397,733</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,397,733</u>	<u>\$ 7,734,000</u>	<u>\$ 7,734,000</u>	<u>\$ (336,267)</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 6,961,943	\$ (7,040)	\$ 9,150	\$ 6,964,053	\$ 7,673,636	\$ 7,673,636	\$ 709,583
Total Expenditures	<u>\$ 6,961,943</u>	<u>\$ (7,040)</u>	<u>\$ 9,150</u>	<u>\$ 6,964,053</u>	<u>\$ 7,673,636</u>	<u>\$ 7,673,636</u>	<u>\$ 709,583</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 435,790	\$ 7,040	\$ (9,150)	\$ 433,680	\$ 60,364	\$ 60,364	\$ 373,316
Net Change in Fund Balance	\$ 435,790	\$ 7,040	\$ (9,150)	\$ 433,680	\$ 60,364	\$ 60,364	\$ 373,316
Fund Balance, July 1, 2005	813,562	(7,040)	0	806,522	526,342	526,342	280,180
Fund Balance, June 30, 2006	<u>\$ 1,249,352</u>	<u>\$ 0</u>	<u>\$ (9,150)</u>	<u>\$ 1,240,202</u>	<u>\$ 586,706</u>	<u>\$ 586,706</u>	<u>\$ 653,496</u>

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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 639,462	\$ 0	\$ 0	\$ 639,462	\$ 675,075	\$ 675,075	\$ (35,613)
Other Local Revenues	1,965	0	0	1,965	0	0	1,965
Total Revenues	\$ 641,427	\$ 0	\$ 0	\$ 641,427	\$ 675,075	\$ 675,075	\$ (33,648)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 570,146	\$ (6,556)	\$ 3,101	\$ 566,691	\$ 670,811	\$ 665,511	\$ 98,820
Total Expenditures	\$ 570,146	\$ (6,556)	\$ 3,101	\$ 566,691	\$ 670,811	\$ 665,511	\$ 98,820
Excess (Deficiency) of Revenues Over Expenditures	\$ 71,281	\$ 6,556	\$ (3,101)	\$ 74,736	\$ 4,264	\$ 9,564	\$ 65,172
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (4,556)	\$ 0	\$ 0	\$ (4,556)	\$ 0	\$ (5,300)	\$ 744
Total Other Financing Sources (Uses)	\$ (4,556)	\$ 0	\$ 0	\$ (4,556)	\$ 0	\$ (5,300)	\$ 744
Net Change in Fund Balance	\$ 66,725	\$ 6,556	\$ (3,101)	\$ 70,180	\$ 4,264	\$ 4,264	\$ 65,916
Fund Balance, July 1, 2005	155,966	(6,556)	0	149,410	109,765	109,765	39,645
Fund Balance, June 30, 2006	\$ 222,691	\$ 0	\$ (3,101)	\$ 219,590	\$ 114,029	\$ 114,029	\$ 105,561

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Williamson County, Tennessee  
Schedule of Changes in Long-Term Notes, Other Loans, and Bonds  
For the Year Ended June 30, 2006

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-05	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-06
<b>NOTES PAYABLE</b>								
<u>Payable through General Debt Service Fund</u>								
School Energy Management System	\$ 1,635,000	2 to 3.5 %	3-15-03	5-1-10	\$ 1,195,000	\$ 0	\$ 225,000	\$ 970,000
Various Projects	2,110,370	4.60	6-29-06	12-31-06	0	2,110,370	0	2,110,370
<u>Payable through Rural Debt Service Fund</u>								
Rural School Energy Management System	2,760,000	2 to 3.5	3-15-03	5-1-10	2,025,000	0	385,000	1,640,000
Rural School Various Projects	7,325,000	4.02	6-29-06	12-31-06	0	7,325,000	0	7,325,000
Total Notes Payable					<u>\$ 3,220,000</u>	<u>\$ 9,435,370</u>	<u>\$ 610,000</u>	<u>\$ 12,045,370</u>
<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	\$ 6,633,000	\$ 0	\$ 369,000	\$ 6,264,000
Recreational Facilities	(1)	Variable	4-21-03	5-25-23	2,304,616	915,000	157,000	3,062,616
Various Projects	2,015,000	Variable	5-31-05	5-25-20	614,105	1,400,895	105,000	1,910,000
Total Other Loans Payable					<u>\$ 9,551,721</u>	<u>\$ 2,315,895</u>	<u>\$ 631,000</u>	<u>\$ 11,236,616</u>
<b>BONDS PAYABLE</b>								
<u>Payable through General Debt Service Fund</u>								
School Refunding	17,435,000	2.85 to 6	11-1-1992	3-1-08	\$ 4,270,000	\$ 0	\$ 1,335,000	\$ 2,935,000
Public Works Refunding	11,515,000	2.85 to 6	11-1-1992	3-1-08	2,120,000	0	1,035,000	1,085,000
School Improvements	1,440,000	5.37	10-1-1996	4-1-06	65,000	0	65,000	0
Public Improvements	21,225,000	5.37	10-1-1996	4-1-06	935,000	0	935,000	0
General Obligation	8,830,000	4.625 to 5	4-1-1998	5-1-08	1,245,000	0	395,000	850,000
General Obligation Refunding	34,110,000	4.5 to 5.5	8-1-1998	9-1-14	22,645,000	0	1,760,000	20,885,000
General Obligation	17,885,000	4.25 to 5.875	11-1-1999	3-1-10	4,490,000	0	810,000	3,680,000
General Obligation	11,480,000	4.4 to 5.4	11-1-00	3-1-10	2,115,000	0	215,000	1,900,000
School Construction	25,900,000	4.4 to 5.4	11-1-00	3-1-10	4,780,000	0	485,000	4,295,000
School Refunding	3,210,000	4 to 5	3-1-01	3-1-19	3,180,000	0	10,000	3,170,000
General Obligation Refunding	25,020,000	4 to 5	3-1-01	3-1-19	24,815,000	0	75,000	24,740,000
General Obligation	21,490,000	3 to 4.75	11-1-01	4-1-12	4,625,000	0	0	4,625,000
School Improvements	31,880,000	3 to 4.75	11-1-01	4-1-12	6,870,000	0	0	6,870,000
General Obligation Refunding	9,220,000	3 to 5	7-1-02	3-1-20	9,030,000	0	0	9,030,000
General Obligation Refunding - Schools	20,805,000	3 to 5	7-1-02	3-1-20	20,375,000	0	0	20,375,000

(Continued)

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-05	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-06
<b>BONDS PAYABLE (CONT.)</b>								
<u>Payable through General Debt Service Fund (Cont.)</u>								
General Obligation	\$ 25,595,000	3 to 5 %	12-1-02	4-1-22	\$ 24,865,000	\$ 0	\$ 755,000	\$ 24,110,000
General Obligation Refunding	3,125,000	2 to 4	2-1-03	4-1-09	2,075,000	0	500,000	1,575,000
General Obligation	4,450,000	2.25 to 4.4	12-1-03	4-1-23	4,275,000	0	180,000	4,095,000
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	6,200,000	0	50,000	6,150,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-24	10,810,000	0	1,020,000	9,790,000
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	15,910,000	0	275,000	15,635,000
General Obligation Refunding - Schools	23,605,000	2 to 5	11-15-04	4-1-21	23,605,000	0	430,000	23,175,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-25	20,900,000	0	85,000	20,815,000
Total Payable through General Debt Service Fund					<u>\$ 220,200,000</u>	<u>\$ 0</u>	<u>\$ 10,415,000</u>	<u>\$ 209,785,000</u>
<u>Payable through Rural Debt Service Fund</u>								
Rural School Refunding	7,255,000	2.85 to 6	11-1-1992	3-1-08	\$ 1,080,000	\$ 0	\$ 365,000	\$ 715,000
Rural School	530,000	5 to 6.25	10-1-1996	10-1-06	25,000	0	25,000	0
Rural School	18,030,000	4.625 to 5	4-1-1998	5-1-08	2,520,000	0	800,000	1,720,000
Rural School Refunding	22,015,000	4.5 to 5.5	8-1-1998	9-1-15	14,205,000	0	1,260,000	12,945,000
Rural School	21,760,000	4.25 to 5.875	11-1-1999	3-1-10	5,465,000	0	990,000	4,475,000
Rural School	15,000,000	4.4 to 5.4	11-1-00	3-1-20	3,140,000	0	300,000	2,840,000
Rural School Refunding	15,660,000	4 to 5	3-1-01	3-1-19	15,660,000	0	50,000	15,610,000
Rural School	3,720,000	4 to 4.75	11-1-01	4-1-21	3,345,000	0	150,000	3,195,000
Rural School Refunding	11,745,000	3 to 5	7-1-02	3-1-20	11,450,000	0	25,000	11,425,000
Rural School	9,525,000	3 to 5	12-1-02	4-1-22	9,225,000	0	300,000	8,925,000
Rural School Refunding	10,205,000	2 to 4	2-1-03	4-1-09	6,270,000	0	2,005,000	4,265,000
Rural School	1,365,000	2 to 4.4	12-1-03	4-1-23	1,365,000	0	0	1,365,000
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	11,525,000	0	0	11,525,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-24	9,405,000	0	570,000	8,835,000
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-25	20,840,000	0	70,000	20,770,000
Total Payable through Rural Debt Service Fund					<u>\$ 115,520,000</u>	<u>\$ 0</u>	<u>\$ 6,910,000</u>	<u>\$ 108,610,000</u>
Total Bonds Payable					<u>\$ 335,720,000</u>	<u>\$ 0</u>	<u>\$ 17,325,000</u>	<u>\$ 318,395,000</u>

(1) Total amount available for draws from the Montgomery County Public Building Authority is \$576,384 of an authorized \$4,095,000.

Exhibit K-2

Williamson County, Tennessee  
Schedule of Bond and Interest Requirements by Year

Year Ending June 30	General Debt Service Fund		Rural Debt Service Fund		Total Requirements
	Bond Requirements	Interest Requirements	Bond Requirements	Interest Requirements	
2007	\$ 12,090,000	\$ 9,902,492	\$ 6,790,000	\$ 5,013,867	\$ 33,796,359
2008	12,175,000	9,347,384	7,540,000	4,710,119	33,772,503
2009	12,105,000	8,793,031	7,820,000	4,367,995	33,086,026
2010	12,790,000	8,259,390	6,675,000	4,023,887	31,748,277
2011	13,340,000	7,682,515	6,985,000	3,712,806	31,720,321
2012	13,975,000	7,083,739	7,360,000	3,404,887	31,823,626
2013	14,730,000	6,419,409	7,670,000	3,067,632	31,887,041
2014	15,445,000	5,700,144	7,045,000	2,737,813	30,927,957
2015	16,125,000	4,939,010	7,325,000	2,404,024	30,793,034
2016	13,855,000	4,224,797	6,665,000	2,085,161	26,829,958
2017	14,520,000	3,545,412	6,965,000	1,762,316	26,792,728
2018	13,390,000	2,832,681	7,285,000	1,423,204	24,930,885
2019	13,345,000	2,187,196	6,080,000	1,078,530	22,690,726
2020	12,240,000	1,525,609	4,300,000	782,146	18,847,755
2021	9,005,000	925,622	3,075,000	573,505	13,579,127
2022	4,415,000	499,183	2,900,000	424,928	8,239,111
2023	2,465,000	287,513	2,235,000	284,129	5,271,642
2024	2,275,000	168,065	2,270,000	174,006	4,887,071
2025	1,500,000	65,625	1,625,000	71,092	3,261,717
Total	\$ 209,785,000	\$ 84,388,817	\$ 108,610,000	\$ 42,102,047	\$ 444,885,864

Exhibit K-3

Williamson County, Tennessee  
Schedule of Investments  
June 30, 2006

<u>Fund and Type</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Amount</u>
<u>Constitutional Officers - Agency Fund</u>				
<u>Clerk and Master</u>				
U.S. Savings Bonds	various	various	varies	\$ 5,276
Putnam Fund for Growth & Income	April 2001	"	"	<u>14,582</u>
Total Investments				<u>\$ 19,858</u>

Exhibit K-4

Williamson County, Tennessee  
Schedule of Notes Receivable  
June 30, 2006

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rates	Balance
<u>General Capital Projects Fund</u>						
Land for Recreation Center	City of Spring Hill	\$ 353,980	3-15-06	4-1-08	0 %	<u>\$ 228,980</u>
Total Notes Receivable						<u><u>\$ 228,980</u></u>

Exhibit K-5

Williamson County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2006

From Fund	To Fund	Purpose	Amount
<u>Primary Government</u>			
General	Solid Waste Disposal	Provide funds for operations	\$ 500,000
General	Judicial District Drug	Provide funds for assistant DA for Task Force	60,480
General	General Capital Projects	To fund construction of football field at Grassland Park	250,000
General	General Capital Projects	Purchase sheriff vehicles	530,000
General Capital Projects	General	To close projects	1,296
General Capital Projects	Highway/Public Works	To fund condemnation on Spencer Creek Road	181,075
General Capital Projects	General Debt Service	Allocation of school privilege tax	3,000,000
General Capital Projects	General Debt Service	To close projects	70,957
General Capital Projects	Rural Debt Service	Allocation of school privilege tax	4,000,000
General Capital Projects	Special School District	Allocation of ADA share of privilege tax	1,170,568
Judicial District Drug	General	Provide funds for salaries	34,446
Total Transfers Primary Government			<u>\$ 9,798,822</u>
<u>Discretely Presented Williamson County School Department</u>			
General Purpose School	Education Capital Projects	Provide additional funds for construction of school	\$ 10,395,066
School Federal Projects	General Purpose School	Indirect costs	51,417
Extended School Program	General Purpose School	Indirect costs	4,556
Total Transfers Discretely Presented Williamson County School Department			<u>\$ 10,451,039</u>

Exhibit K-6

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, 2006

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <u>TCA</u>	\$ 117,021	\$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <u>TCA</u>	96,845	100,000	"
Director of Schools	State Board of Education and Williamson County Board of Education	140,738 (3)	100,000	(2)
Trustee	Section 8-24-102, <u>TCA</u>	88,046	4,200,000	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <u>TCA</u>	88,046	10,000	"
County Clerk	Section 8-24-102, <u>TCA</u>	88,046	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <u>TCA</u>	88,046	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u>	88,046	50,000	"
Juvenile Court Clerk	Section 8-24-102, <u>TCA</u>	88,046	50,000	"
Register	Section 8-24-102, <u>TCA</u>	88,046	25,000	"
Sheriff	Section 8-24-102, <u>TCA</u>	97,364 (1)	25,000	"
Director of Accounts and Budgets	County Commission	94,411	15,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			100,000	Self-Insured
Public Employee Dishonesty			100,001 to 5,000,000	Princeton Surplus Insurance Company

- (1) Includes a training supplement of \$519.  
(2) Covered under county's employee blanket bond.  
(3) Includes a career ladder supplement of \$600.

Exhibit K-7

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 For the Year Ended June 30, 2006

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 28,161,658	\$ 2,078,881	\$ 0	\$ 0	\$ 0	547,012
Trustee's Collections - Prior Year	323,922	27,271	0	0	0	9,344
Circuit/Clerk & Master Collections - Prior Years	221,461	22,033	0	0	0	4,702
Interest and Penalty	79,962	6,702	0	0	0	1,978
Payments in-Lieu-of Taxes - T.V.A.	1,145	134	0	0	0	95
Payments in-Lieu-of Taxes - Other	51,916	6,057	0	0	0	1,798
<u>County Local Option Taxes</u>						
Local Option Sales Tax	1,102,020	0	0	0	0	0
Hotel/Motel Tax	2,004,592	0	0	0	0	0
Wheel Tax	0	0	0	0	0	3,318,226
Litigation Tax - General	8,193	0	0	0	0	0
Litigation Tax - Special Purpose	96,770	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	39,137	0	0	0	0	0
Business Tax	0	0	0	0	0	2,811,063
Mineral Severance Tax	0	0	0	0	0	301,368
Other County Local Option Taxes	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	1,347,162	0	0	0	0	0
Wholesale Beer Tax	390,015	0	0	0	0	0
Beer Privilege Tax	2,106	0	0	0	0	0
Interstate Telecommunications Tax	4,323	0	0	0	0	0
Total Local Taxes	\$ 33,834,382	\$ 2,141,078	\$ 0	\$ 0	\$ 0	6,995,586
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Vaccination	\$ 78,668	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	716,099	0	0	0	0	0
<u>Permits</u>						
Beer Permits	869	0	0	0	0	0
Building Permits	746,310	0	0	0	0	0
Other Permits	42,600	0	0	0	0	0
Total Licenses and Permits	\$ 1,584,546	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

Exhibit K-7

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</u>						
<u>Circuit Court</u>						
Fines	\$ 29,537	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	36,554	0	0	0	0	0
Drug Control Fines	0	0	13,275	0	0	0
Jail Fees	6,486	0	0	0	0	0
District Attorney General Fees	0	0	0	6,813	0	0
Judicial Commissioner Fees	2,461	0	0	0	0	0
DUI Treatment Fines	9,662	0	0	0	0	0
Data Entry Fee - Circuit Court	3,217	0	0	0	0	0
Courtroom Security Fee	171	0	0	0	0	0
<u>Criminal Court</u>						
Drug Control Fines	15,352	0	0	0	0	0
Drug Court Fees	6,328	0	0	0	0	0
District Attorney General Fees	0	0	0	65,737	0	0
Data Entry Fee - Criminal Court	15,749	0	0	0	0	0
Courtroom Security Fee	1,448	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	80,212	0	0	0	0	0
Officers Costs	116,790	0	0	0	0	0
Game and Fish Fines	569	0	0	0	0	0
Drug Control Fines	384	0	33,124	0	0	0
Drug Court Fees	10,352	0	0	0	0	0
Jail Fees	22,778	0	0	0	0	0
District Attorney General Fees	0	0	0	2,801	0	0
Judicial Commissioner Fees	13,050	0	0	0	0	0
DUI Treatment Fines	24,464	0	0	0	0	0
Data Entry Fee - General Sessions Court	5,918	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	86,645	0	0	0	0	0
Data Entry Fee - Juvenile Court	2,433	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	7,821	0	0	0	0	0
Data Entry Fee - Chancery Court	4,924	0	0	0	0	0

(Continued)

Exhibit K-7

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>Other Courts - In-county</u>						
Drug Court Fees	\$ 823	\$ 0	\$ 0	\$ 0	\$ 0	0
District Attorney General Fees	0	0	0	26,207	0	0
DUI Treatment Fines	1,153	0	0	0	0	0
<u>Courts in Other District Counties</u>						
District Attorney General Fees	0	0	0	8,346	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	23,984	48,468	0	0
Total Fines, Forfeitures, and Penalties	\$ 505,281	\$ 0	\$ 70,383	\$ 158,372	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 62,262	\$ 0	\$ 0	\$ 0	\$ 0	0
Service Charges	94,304	0	0	0	0	0
<u>Fees</u>						
Engineer Review Fees	7,500	0	0	0	0	0
Recreation Fees	3,080,944	0	0	0	0	0
Copy Fees	70,864	0	0	0	0	0
Library Fees	36,125	0	0	0	0	0
Telephone Commissions	121,753	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	473	0
Data Processing Fee - Register	129,287	0	0	0	0	0
Probation Fees	422,140	0	0	0	0	0
Data Processing Fee - Sheriff	22,778	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	1,160	0	0	0	0	0
<u>Education Charges</u>						
Transportation from Individuals	23,646	0	0	0	0	0
<u>Other Charges for Services</u>						
Other Charges for Services	262,963	0	0	0	0	0
Total Charges for Current Services	\$ 4,335,726	\$ 0	\$ 0	\$ 0	\$ 473	0

(Continued)

Exhibit K-7

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>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 918,233	\$ 29,852	\$ 4,985	\$ 0	\$ 0	550,580
Lease/Rentals	500,006	0	0	0	0	0
Sale of Materials and Supplies	11,809	0	0	0	0	730
Sale of Gasoline	0	0	0	0	0	31,104
Sale of Maps	93,749	0	0	0	0	0
Miscellaneous Refunds	0	0	0	0	0	18,821
<u>Nonrecurring Items</u>						
Gain on Disposal of Property	966,468	0	0	0	0	0
Sale of Equipment	24,065	18,525	0	0	0	111,120
Contributions & Gifts	1,000	0	0	0	0	0
<u>Other Local Revenues</u>	66,108	0	0	36	0	8,985
Total Other Local Revenues	\$ 2,581,438	\$ 48,377	\$ 4,985	\$ 36	\$ 0	721,340
<u>Fees Received from County Officials</u>						
<u>Fees-In-Lieu of Salary</u>						
County Clerk	\$ 1,772,634	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	967,678	0	0	0	0	0
Clerk and Master	464,987	0	0	0	0	0
Juvenile Court Clerk	67,205	0	0	0	0	0
Register	2,459,624	0	0	0	0	0
Sheriff	212,971	0	0	0	0	0
Trustee	4,119,563	0	0	0	0	0
Total Fees Received from County Officials	\$ 10,064,662	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
State Reappraisal Grant	37,909	0	0	0	0	0
Solid Waste Grants	0	22,000	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	116,614

(Continued)

Exhibit K-7

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>State of Tennessee (Cont.)</u>						
<u>Public Works Grants (Cont.)</u>						
Litter Program	\$ 69,823	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Public Works Grants	0	0	0	0	0	50,000
<u>Other State Revenues</u>						
Income Tax	1,767,563	0	0	0	0	0
Beer Tax	17,212	0	0	0	0	0
Alcoholic Beverage Tax	61,774	0	0	0	0	61,774
Mixed Drink Tax	4,417	0	0	0	0	0
Contracted Prisoner Boarding	1,229,803	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,652,465
Petroleum Special Tax	0	0	0	0	0	101,871
T.B.I. - Equipment Reimbursement	434	0	0	0	0	0
Registrar's Salary Supplement	16,380	0	0	0	0	0
Other State Grants	715,003	0	0	0	0	0
Other State Revenues	53,326	0	0	0	0	0
Total State of Tennessee	\$ 3,982,644	\$ 22,000	\$ 0	\$ 0	\$ 0	2,982,724
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 725,444	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Federal through State	225,336	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	55,770	0	0	0	0	0
Total Federal Government	\$ 1,006,550	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 3,197	\$ 0	\$ 0	\$ 0	\$ 0	0
Paving and Maintenance	0	0	0	0	0	125,390
Contributions	0	0	0	0	0	0
Contracted Services	165,344	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	61,550	0	400	0	0	0
Total Other Governments and Citizens Groups	\$ 230,091	\$ 0	\$ 400	\$ 0	\$ 0	125,390
Total	\$ 58,125,320	\$ 2,211,455	\$ 75,768	\$ 158,408	\$ 473	10,825,040

(Continued)

Exhibit K-7

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	\$ 17,835,511	\$ 8,380,877	\$ 0	\$ 57,003,939
Trustee's Collections - Prior Year	205,150	95,542	0	661,229
Circuit/Clerk & Master Collections - Prior Years	140,259	73,616	0	462,071
Interest and Penalty	50,643	23,669	0	162,954
Payments in-Lieu-of Taxes - T.V.A.	725	439	0	2,538
Payments in-Lieu-of Taxes - Other	32,880	19,901	0	112,552
<u>County Local Option Taxes</u>				
Local Option Sales Tax	0	0	0	1,102,020
Hotel/Motel Tax	0	0	0	2,004,592
Wheel Tax	0	0	0	3,318,226
Litigation Tax - General	0	0	0	8,193
Litigation Tax - Special Purpose	0	0	0	96,770
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	39,137
Business Tax	0	0	0	2,811,063
Mineral Severance Tax	0	0	0	301,368
Other County Local Option Taxes	0	0	10,664,517	10,664,517
<u>Statutory Local Taxes</u>				
Bank Excise Tax	0	0	0	1,347,162
Wholesale Beer Tax	0	0	0	390,015
Beer Privilege Tax	0	0	0	2,106
Interstate Telecommunications Tax	0	0	0	4,323
Total Local Taxes	\$ 18,265,168	\$ 8,594,044	\$ 10,664,517	\$ 80,494,775
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Animal Vaccination	\$ 0	\$ 0	\$ 0	\$ 78,668
Cable TV Franchise	0	0	0	716,099
<u>Permits</u>				
Beer Permits	0	0	0	869
Building Permits	0	0	0	746,310
Other Permits	0	0	0	42,600
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 1,584,546

(Continued)

Exhibit K-7

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</u>				
<u>Circuit Court</u>				
Fines	\$ 0	\$ 0	\$ 0	29,537
Officers Costs	0	0	0	36,554
Drug Control Fines	0	0	0	13,275
Jail Fees	0	0	0	6,486
District Attorney General Fees	0	0	0	6,813
Judicial Commissioner Fees	0	0	0	2,461
DUI Treatment Fines	0	0	0	9,662
Data Entry Fee - Circuit Court	0	0	0	3,217
Courtroom Security Fee	0	0	0	171
<u>Criminal Court</u>				
Drug Control Fines	0	0	0	15,352
Drug Court Fees	0	0	0	6,328
District Attorney General Fees	0	0	0	65,737
Data Entry Fee - Criminal Court	0	0	0	15,749
Courtroom Security Fee	0	0	0	1,448
<u>General Sessions Court</u>				
Fines	0	0	0	80,212
Officers Costs	0	0	0	116,790
Game and Fish Fines	0	0	0	569
Drug Control Fines	0	0	0	33,508
Drug Court Fees	0	0	0	10,352
Jail Fees	0	0	0	22,778
District Attorney General Fees	0	0	0	2,801
Judicial Commissioner Fees	0	0	0	13,050
DUI Treatment Fines	0	0	0	24,464
Data Entry Fee - General Sessions Court	0	0	0	5,918
<u>Juvenile Court</u>				
Fines	0	0	0	86,645
Data Entry Fee - Juvenile Court	0	0	0	2,433
<u>Chancery Court</u>				
Officers Costs	0	0	0	7,821
Data Entry Fee - Chancery Court	0	0	0	4,924

(Continued)

Exhibit K-7

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>Other Courts - In-county</u>				
Drug Court Fees	\$ 0	\$ 0	\$ 0	823
District Attorney General Fees	0	0	0	26,207
DUI Treatment Fines	0	0	0	1,153
<u>Courts in Other District Counties</u>				
District Attorney General Fees	0	0	0	8,346
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property	0	0	0	72,452
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>734,036</u>
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Other General Service Charges	\$ 0	\$ 0	\$ 0	62,262
Service Charges	0	0	0	94,304
<u>Fees</u>				
Engineer Review Fees	0	0	0	7,500
Recreation Fees	0	0	0	3,080,944
Copy Fees	0	0	0	70,864
Library Fees	0	0	0	36,125
Telephone Commissions	0	0	0	121,753
Constitutional Officers' Fees and Commissions	0	0	0	473
Data Processing Fee - Register	0	0	0	129,287
Probation Fees	0	0	0	422,140
Data Processing Fee - Sheriff	0	0	0	22,778
Sexual Offender Registration Fees - Sheriff	0	0	0	1,160
<u>Education Charges</u>				
Transportation from Individuals	0	0	0	23,646
<u>Other Charges for Services</u>				
Other Charges for Services	0	0	0	262,963
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>4,336,199</u>

(Continued)

Exhibit K-7

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

	<u>Debt Service Funds</u>		<u>Capital</u>	<u>Total</u>
	<u>General</u>	<u>Rural</u>	<u>Projects</u>	
	<u>Debt</u>	<u>Debt</u>	<u>Capital</u>	
	<u>Service</u>	<u>Service</u>	<u>Projects</u>	
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 1,124,609	\$ 323,011	\$ 174,163	\$ 3,125,433
Lease/Rentals	251,537	0	0	751,543
Sale of Materials and Supplies	0	0	0	12,539
Sale of Gasoline	0	0	0	31,104
Sale of Maps	0	0	0	93,749
Miscellaneous Refunds	0	0	0	18,821
<u>Nonrecurring Items</u>				
Gain on Disposal of Property	0	0	0	966,468
Sale of Equipment	0	0	0	153,710
Contributions & Gifts	0	0	0	1,000
<u>Other Local Revenues</u>				
Other Local Revenues	0	0	62,589	137,718
Total Other Local Revenues	\$ 1,376,146	\$ 323,011	\$ 236,752	\$ 5,292,085
<u>Fees Received from County Officials</u>				
<u>Fees-In-Lieu of Salary</u>				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 1,772,634
Circuit Court Clerk	0	0	0	967,678
Clerk and Master	0	0	0	464,987
Juvenile Court Clerk	0	0	0	67,205
Register	0	0	0	2,459,624
Sheriff	0	0	0	212,971
Trustee	0	0	0	4,119,563
Total Fees Received from County Officials	\$ 0	\$ 0	\$ 0	\$ 10,064,662
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 9,000
State Reappraisal Grant	0	0	0	37,909
Solid Waste Grants	0	0	0	22,000
<u>Public Works Grants</u>				
Bridge Program	0	0	0	116,614

(Continued)

Exhibit K-7

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>State of Tennessee (Cont.)</u>				
<u>Public Works Grants (Cont.)</u>				
Litter Program	\$ 0	\$ 0	\$ 0	\$ 69,823
Other Public Works Grants	0	0	0	50,000
<u>Other State Revenues</u>				
Income Tax	0	0	0	1,767,563
Beer Tax	0	0	0	17,212
Alcoholic Beverage Tax	0	0	0	123,548
Mixed Drink Tax	0	0	0	4,417
Contracted Prisoner Boarding	0	0	0	1,229,803
Gasoline and Motor Fuel Tax	0	0	0	2,652,465
Petroleum Special Tax	0	0	0	101,871
T.B.I. - Equipment Reimbursement	0	0	0	434
Registrar's Salary Supplement	0	0	0	16,380
Other State Grants	0	0	200,000	915,003
Other State Revenues	0	0	0	53,326
Total State of Tennessee	\$ 0	\$ 0	\$ 200,000	\$ 7,187,368
<u>Federal Government</u>				
<u>Federal Through State</u>				
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 725,444
Other Federal through State	0	0	154,705	380,041
<u>Direct Federal Revenue</u>				
Other Direct Federal Revenue	0	0	0	55,770
Total Federal Government	\$ 0	\$ 0	\$ 154,705	\$ 1,161,255
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 3,197
Paving and Maintenance	0	0	0	125,390
Contributions	34,595	57,347	1,113,980	1,205,922
Contracted Services	0	0	0	165,344
<u>Citizens Groups</u>				
Donations	0	0	65,000	126,950
Total Other Governments and Citizens Groups	\$ 34,595	\$ 57,347	\$ 1,178,980	\$ 1,626,803
Total	\$ 19,675,909	\$ 8,974,402	\$ 12,434,954	\$ 112,481,729

Exhibit K-8

Williamson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2006

	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	\$ 62,038,930	\$ 0	\$ 0	\$ 0	\$ 0	\$ 62,038,930
Trustee's Collections - Prior Year	715,087	0	0	0	0	715,087
Circuit/Clerk & Master Collections - Prior Years	515,956	0	0	0	0	515,956
Interest and Penalty	194,509	0	0	0	0	194,509
Payments in-Lieu-of Taxes - T.V.A.	2,523	0	0	0	0	2,523
Payments in-Lieu-of Taxes - Local Utilities	114,368	0	0	0	0	114,368
<u>County Local Option Taxes</u>						
Local Option Sales Tax	30,447,603	0	0	0	0	30,447,603
<u>Statutory Local Taxes</u>						
Interstate Telecommunications Tax	19,157	0	0	0	0	19,157
Total Local Taxes	\$ 94,048,133	\$ 0	\$ 0	\$ 0	\$ 0	\$ 94,048,133
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 7,671	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,671
Total Licenses and Permits	\$ 7,671	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,671
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 109,644	\$ 0	\$ 0	\$ 0	\$ 0	\$ 109,644
Tuition - Summer School	91,365	0	0	0	0	91,365
Lunch Payments - Children	0	0	4,076,720	0	0	4,076,720
Lunch Payments - Adults	0	0	311,912	0	0	311,912
Income from Breakfast	0	0	35,917	0	0	35,917
A la carte Sales	0	0	1,868,300	0	0	1,868,300
Contract for Instructional Services with Other LEAs	84,845	0	0	0	0	84,845
Receipts from Individual Schools	150,732	0	0	0	0	150,732
Community Service Fees - Children	12,888	0	0	639,462	0	652,350
<u>Other Charges for Services</u>						
Other Charges for Services	337,948	0	0	0	0	337,948
Total Charges for Current Services	\$ 787,422	\$ 0	\$ 6,292,849	\$ 639,462	\$ 0	\$ 7,719,733
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,274,854	\$ 0	\$ 21,874	\$ 1,965	\$ 0	\$ 1,298,693

Exhibit K-8

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 (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Lease/Rentals	\$ 404,492	\$ 0	\$ 0	\$ 0	\$ 0	404,492
Miscellaneous Refunds	648,517	0	0	0	0	648,517
<u>Nonrecurring Items</u>						
Sale of Equipment	10,132	0	0	0	0	10,132
Damages Recovered from Individuals	31,557	0	0	0	0	31,557
Contributions & Gifts	18,600	0	0	0	0	18,600
<u>Other Local Revenues</u>						
Other Local Revenues	92,225	0	0	0	0	92,225
Total Other Local Revenues	\$ 2,480,377	\$ 0	\$ 21,874	\$ 1,965	\$ 0	\$ 2,504,216
<u>State of Tennessee</u>						
<u>State Education Funds</u>						
Basic Education Program	\$ 67,806,602	\$ 0	\$ 0	\$ 0	\$ 0	67,806,602
School Food Service	0	0	77,743	0	0	77,743
Driver Education	15,886	0	0	0	0	15,886
Other State Education Funds	331,284	0	0	0	0	331,284
Career Ladder Program	1,023,644	0	0	0	0	1,023,644
Career Ladder - Extended Contract	336,725	0	0	0	0	336,725
<u>Other State Revenues</u>						
Mixed Drink Tax	398,041	0	0	0	0	398,041
State Revenue Sharing - T.V.A.	895,328	0	0	0	0	895,328
Total State of Tennessee	\$ 70,807,510	\$ 0	\$ 77,743	\$ 0	\$ 0	\$ 70,885,253
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 939,119	\$ 0	\$ 0	939,119
Breakfast	0	0	66,148	0	0	66,148
Adult Education State Grant Program	181,388	0	0	0	0	181,388
Vocational Education - Basic Grants to States	0	337,471	0	0	0	337,471
Other Vocational	198,375	0	0	0	0	198,375
Title I Grants to Local Education Agencies	0	631,344	0	0	0	631,344
Innovative Education Program Strategies	0	57,849	0	0	0	57,849
Special Education - Grants to States	229,194	3,940,506	0	0	0	4,169,700
Special Education Preschool Grants	0	69,062	0	0	0	69,062
Eisenhower Professional Development State Grants	105,000	536,786	0	0	0	641,786

Exhibit K-8

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>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Other Federal through State	\$ 376,690	\$ 151,908	\$ 0	\$ 0	\$ 0	\$ 528,598
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	318,624	0	0	0	0	318,624
Total Federal Government	\$ 1,409,271	\$ 5,724,926	\$ 1,005,267	\$ 0	\$ 0	\$ 8,139,464
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,325,000	\$ 7,325,000
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,325,000	\$ 7,325,000
Total	\$ 169,540,384	\$ 5,724,926	\$ 7,397,733	\$ 641,427	\$ 7,325,000	\$ 190,629,470

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2006

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	86,999	
Other Per Diem & Fees		5,300	
Audit Services		103,935	
Contracts with Private Agencies		60,000	
Legal Notices, Recording, and Court Costs		396	
Maintenance & Repair Services - Office Equipment		184	
Postal Charges		2,000	
Printing, Stationery, and Forms		655	
Travel		1,199	
Other Supplies and Materials		3,861	
Refunds		5,649	
Tax Relief Program		300,000	
Other Charges		1,876	
Data Processing Equipment		4,794	
Furniture and Fixtures		13,640	
Total County Commission			\$ 590,488

Board of Equalization

Board and Committee Members Fees	\$	1,816	
Total Board of Equalization			1,816

Beer Board

Board and Committee Members Fees	\$	1,550	
Total Beer Board			1,550

Other Boards and Committees

Other Per Diem & Fees	\$	200	
Total Other Boards and Committees			200

County Mayor/Executive

County Official/Administrative Officer	\$	117,021	
Supervisor/Director		63,440	
Secretary(ies)		89,190	
Longevity Pay		1,100	
Overtime Pay		240	
Other Per Diem & Fees		3,456	
Communication		4,012	
Consultants		10,000	
Dues and Memberships		1,026	
Operating Lease Payments		2,052	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Maintenance & Repair Services - Office Equipment	\$	90	
Postal Charges		4,270	
Printing, Stationery, and Forms		781	
Travel		2,801	
Office Supplies		1,752	
Other Supplies and Materials		712	
Premiums on Corporate Surety Bonds		200	
Other Charges		2,995	
Office Equipment		4,167	
Total County Mayor/Executive			\$ 309,305

Personnel Office

Assistant(s)	\$	67,576	
Supervisor/Director		79,997	
Longevity Pay		700	
In-Service Training		822	
Communication		983	
Data Processing Services		2,380	
Dues and Memberships		160	
Postal Charges		300	
Printing, Stationery, and Forms		2,019	
Travel		95	
Office Supplies		1,700	
Periodicals		492	
Data Processing Equipment		3,243	
Furniture and Fixtures		500	
Total Personnel Office			160,967

County Attorney

Legal Services	\$	435,031	
Total County Attorney			435,031

Election Commission

County Official/Administrative Officer	\$	79,248	
Assistant(s)		109,797	
Temporary Personnel		14,104	
Part-time Personnel		7,634	
Longevity Pay		1,600	
Overtime Pay		2,895	
Election Commission		4,740	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Election Workers	\$	24,550	
Advertising		2,629	
Communication		7,778	
Dues and Memberships		1,300	
Freight Expenses		3,115	
Operating Lease Payments		1,553	
Maintenance & Repair Services - Equipment		4,818	
Maintenance & Repair Services - Office Equipment		3,680	
Postal Charges		15,656	
Printing, Stationery, and Forms		8,206	
Travel		977	
Office Supplies		3,890	
Periodicals		95	
Other Charges		217	
Office Equipment		8,204	
Voting Machines		1,774	
Total Election Commission			\$ 308,460

Register of Deeds

County Official/Administrative Officer	\$	88,046	
Deputy(ies)		360,663	
Part-time Personnel		11,465	
Longevity Pay		5,550	
Overtime Pay		46,718	
In-Service Training		801	
Other Per Diem & Fees		481	
Communication		5,548	
Dues and Memberships		839	
Operating Lease Payments		12,441	
Maintenance & Repair Services - Office Equipment		34,671	
Postal Charges		17,703	
Printing, Stationery, and Forms		32,662	
Travel		165	
Premiums on Corporate Surety Bonds		150	
Data Processing Equipment		45,114	
Other Capital Outlay		11,306	
Total Register of Deeds			674,323

Development

Assistant(s)	\$	543,622	
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(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Supervisor/Director	\$	79,706	
Deputy(ies)		251,387	
Secretary(ies)		133,670	
Temporary Personnel		300	
Part-time Personnel		420	
Longevity Pay		8,750	
In-Service Training		378	
Other Per Diem & Fees		3,827	
Communication		12,692	
Consultants		59,596	
Dues and Memberships		583	
Operating Lease Payments		2,626	
Maintenance & Repair Services - Office Equipment		1,764	
Postal Charges		12,740	
Travel		608	
Office Supplies		12,651	
Road Signs		3,000	
Furniture and Fixtures		3,059	
Motor Vehicles		16,000	
Office Equipment		6,925	
Total Development			\$ 1,154,304

Planning

In-Service Training	\$	2,904	
Advertising		721	
Consultants		6,630	
Dues and Memberships		701	
Evaluation and Testing		11,310	
Maintenance & Repair Services - Vehicles		121	
Travel		73	
Gasoline		443	
Instructional Supplies and Materials		1,015	
Total Planning			23,918

Building

In-Service Training	\$	2,406	
Communication		3,214	
Dues and Memberships		480	
Maintenance & Repair Services - Vehicles		2,347	
Gasoline		8,966	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Uniforms	\$ 600	
Total Building		\$ 18,013

Engineering

In-Service Training	\$ 5,993	
Other Per Diem & Fees	2,111	
Consultants	17,625	
Dues and Memberships	1,182	
Evaluation and Testing	64,197	
Maintenance & Repair Services - Vehicles	3,349	
Permits	2,500	
Gasoline	5,262	
Instructional Supplies and Materials	7,095	
Periodicals	500	
Uniforms	398	
Total Engineering		110,212

Codes Compliance

In-Service Training	\$ 504	
Advertising	323	
Communication	1,146	
Consultants	1,500	
Contracts with Private Agencies	175	
Dues and Memberships	179	
Legal Services	12	
Maintenance & Repair Services - Vehicles	979	
Travel	408	
Gasoline	1,937	
Uniforms	478	
Total Codes Compliance		7,641

Geographical Information Systems

Supervisor/Director	\$ 80,226
Data Processing Personnel	381,889
Secretary(ies)	25,563
Part-time Personnel	32,846
Longevity Pay	4,150
In-Service Training	10,999
Communication	95,892
Consultants	7,200

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Geographical Information Systems (Cont.)

Dues and Memberships	\$	1,460	
Licenses		104,191	
Maintenance & Repair Services - Office Equipment		106,190	
Maintenance & Repair Services - Vehicles		115	
Travel		370	
Other Contracted Services		4,262	
Gasoline		2,269	
Instructional Supplies and Materials		689	
Office Supplies		7,000	
Furniture and Fixtures		1,373	
Other Capital Outlay		227,488	
Total Geographical Information Systems			\$ 1,094,172

County Buildings

Supervisor/Director	\$	87,901	
Deputy(ies)		52,562	
Foremen		47,870	
Mechanic(s)		495,409	
Clerical Personnel		31,678	
Custodial Personnel		225,347	
Part-time Personnel		180,863	
Longevity Pay		9,350	
Overtime Pay		46,432	
Other Per Diem & Fees		87	
Communication		49,567	
Contracts with Private Agencies		28,528	
Maintenance & Repair Services - Buildings		313,806	
Maintenance & Repair Services - Vehicles		12,885	
Custodial Supplies		55,773	
Electricity		419,277	
Gasoline		30,030	
Natural Gas		89,945	
Office Supplies		2,000	
Uniforms		13,384	
Water and Sewer		37,211	
Motor Vehicles		34,125	
Office Equipment		997	
Other Capital Outlay		141,721	
Total County Buildings			2,406,748

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Other Facilities

Supervisor/Director	\$	41,600	
Part-time Personnel		23,747	
Communication		1,141	
Maintenance & Repair Services - Office Equipment		994	
Maintenance & Repair Services - Vehicles		1,662	
Travel		141	
Gasoline		500	
Office Supplies		2,476	
Communication Equipment		16,911	
Data Processing Equipment		526	
Furniture and Fixtures		256	
Other Equipment		11,840	
Total Other Facilities			\$ 101,794

Preservation of Records

County Official/Administrative Officer	\$	43,950	
Assistant(s)		82,181	
Temporary Personnel		4,635	
Longevity Pay		1,600	
Communication		714	
Contracts with Government Agencies		5,171	
Operating Lease Payments		1,311	
Licenses		1,000	
Maintenance & Repair Services - Office Equipment		5,079	
Postal Charges		347	
Other Contracted Services		600	
Office Supplies		6,864	
Other Supplies and Materials		11,582	
Office Equipment		5,900	
Total Preservation of Records			170,934

Risk Management

County Official/Administrative Officer	\$	70,221
Assistant(s)		60,248
Communication		1,677
Dues and Memberships		80
Postal Charges		500
Printing, Stationery, and Forms		669
Travel		815
Data Processing Supplies		222

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Risk Management (Cont.)

Instructional Supplies and Materials	\$	685	
Office Supplies		1,404	
Data Processing Equipment		619	
Furniture and Fixtures		1,071	
Total Risk Management			\$ 138,211

Other Risk Management

Paraprofessionals	\$	54,600	
Clerical Personnel		112,226	
Longevity Pay		1,200	
In-Service Training		967	
Communication		3,181	
Dues and Memberships		30	
Operating Lease Payments		2,250	
Postal Charges		6,350	
Printing, Stationery, and Forms		3,008	
Travel		123	
Office Supplies		1,347	
Periodicals		18	
Data Processing Equipment		3,096	
Total Other Risk Management			188,396

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	94,411	
Assistant(s)		57,886	
Accountants/Bookkeepers		268,517	
Purchasing Personnel		73,280	
Temporary Personnel		600	
Longevity Pay		3,600	
In-Service Training		2,068	
Other Per Diem & Fees		591	
Communication		3,594	
Operating Lease Payments		1,764	
Maintenance & Repair Services - Office Equipment		8,807	
Postal Charges		6,168	
Printing, Stationery, and Forms		5,465	
Travel		581	
Office Supplies		5,412	
Premiums on Corporate Surety Bonds		117	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Office Equipment	\$ 12,053	
Total Accounting and Budgeting		\$ 544,914

Property Assessor's Office

County Official/Administrative Officer	\$ 88,046	
Deputy(ies)	837,036	
Salary Supplements	3,000	
Temporary Personnel	2,629	
Part-time Personnel	9,288	
Longevity Pay	10,650	
Overtime Pay	34,791	
In-Service Training	6,191	
Other Per Diem & Fees	1,020	
Advertising	50	
Communication	10,589	
Consultants	77,047	
Data Processing Services	37,820	
Dues and Memberships	1,990	
Operating Lease Payments	5,300	
Licenses	6,763	
Maintenance & Repair Services - Office Equipment	8,710	
Maintenance & Repair Services - Vehicles	3,608	
Postal Charges	21,000	
Printing, Stationery, and Forms	4,436	
Travel	2,149	
Gasoline	2,840	
Office Supplies	7,405	
Premiums on Corporate Surety Bonds	50	
Other Charges	12,444	
Data Processing Equipment	5,737	
Office Equipment	7,039	
Total Property Assessor's Office		1,207,628

County Trustee's Office

County Official/Administrative Officer	\$ 88,046
Assistant(s)	215,882
Part-time Personnel	4,874
Longevity Pay	600
In-Service Training	1,793
Other Per Diem & Fees	151

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Advertising	\$	89	
Communication		2,867	
Data Processing Services		8,270	
Dues and Memberships		834	
Maintenance & Repair Services - Office Equipment		14,186	
Postal Charges		32,346	
Printing, Stationery, and Forms		18,394	
Travel		534	
Premiums on Corporate Surety Bonds		3,035	
Data Processing Equipment		4,197	
Office Equipment		5,502	
Total County Trustee's Office			\$ 401,600

County Clerk's Office

County Official/Administrative Officer	\$	88,046	
Assistant(s)		574,939	
Temporary Personnel		10,786	
Part-time Personnel		13,261	
Longevity Pay		5,400	
Advertising		630	
Communication		4,749	
Dues and Memberships		674	
Operating Lease Payments		5,173	
Maintenance & Repair Services - Office Equipment		13,171	
Postal Charges		42,367	
Printing, Stationery, and Forms		9,410	
Travel		50	
Other Supplies and Materials		4,020	
Premiums on Corporate Surety Bonds		150	
Office Equipment		1,993	
Total County Clerk's Office			774,819

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	88,046
Deputy(ies)		904,699
Part-time Personnel		31,459
Longevity Pay		15,900
Jury and Witness Fees		30,483
Other Per Diem & Fees		418

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Communication	\$	8,681	
Contracts with Private Agencies		13,824	
Dues and Memberships		874	
Operating Lease Payments		27,030	
Legal Notices, Recording, and Court Costs		12,640	
Maintenance & Repair Services - Office Equipment		379	
Postal Charges		14,406	
Printing, Stationery, and Forms		5,760	
Food Supplies		1,300	
Office Supplies		13,490	
Premiums on Corporate Surety Bonds		150	
Office Equipment		13,670	
Total Circuit Court			\$ 1,183,209

General Sessions Court

Judge(s)	\$	229,674	
Assistant(s)		135,616	
Probation Officer(s)		92,725	
Secretary(ies)		37,523	
Clerical Personnel		23,254	
Temporary Personnel		1,395	
Longevity Pay		1,850	
In-Service Training		420	
Other Per Diem & Fees		389	
Communication		4,076	
Dues and Memberships		2,058	
Evaluation and Testing		1,450	
Operating Lease Payments		1,814	
Maintenance & Repair Services - Office Equipment		241	
Postal Charges		1,606	
Printing, Stationery, and Forms		831	
Travel		1,348	
Office Supplies		4,240	
Periodicals		937	
Office Equipment		3,572	
Total General Sessions Court			545,019

Chancery Court

County Official/Administrative Officer	\$	88,046
Assistant(s)		219,918

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Longevity Pay	\$	1,900	
In-Service Training		400	
Other Per Diem & Fees		332	
Communication		3,500	
Dues and Memberships		1,169	
Maintenance & Repair Services - Office Equipment		7,976	
Postal Charges		8,776	
Printing, Stationery, and Forms		6,425	
Office Supplies		3,663	
Other Supplies and Materials		1,905	
Premiums on Corporate Surety Bonds		210	
Office Equipment		3,650	
Total Chancery Court			\$ 347,870

Juvenile Court

County Official/Administrative Officer	\$	88,046	
Assistant(s)		203,771	
Part-time Personnel		928	
Longevity Pay		3,350	
Overtime Pay		6,194	
In-Service Training		514	
Other Per Diem & Fees		537	
Communication		3,606	
Dues and Memberships		609	
Operating Lease Payments		4,289	
Maintenance & Repair Services - Office Equipment		7,792	
Postal Charges		2,100	
Printing, Stationery, and Forms		5,565	
Travel		2,862	
Other Contracted Services		2,850	
Office Supplies		1,560	
Premiums on Corporate Surety Bonds		160	
Data Processing Equipment		6,348	
Furniture and Fixtures		5,551	
Total Juvenile Court			346,632

Other Administration of Justice

County Official/Administrative Officer	\$	41,059	
Assistant(s)		67,981	
Part-time Personnel		10,610	
Total Other Administration of Justice			119,650

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	96,845	
Deputy(ies)		3,015,291	
Accountants/Bookkeepers		47,362	
Salary Supplements		45,127	
Clerical Personnel		331,366	
Longevity Pay		30,250	
Overtime Pay		114,516	
In-Service Training		94,310	
Other Per Diem & Fees		3,137	
Communication		39,801	
Contracts with Private Agencies		40,008	
Evaluation and Testing		1,695	
Operating Lease Payments		9,412	
Maintenance & Repair Services - Vehicles		59,892	
Postal Charges		8,080	
Travel		53	
Gasoline		229,254	
Law Enforcement Supplies		9,136	
Office Supplies		15,702	
Tires and Tubes		22,640	
Uniforms		55,120	
Other Supplies and Materials		5,223	
Premiums on Corporate Surety Bonds		75	
Other Charges		13,212	
Administration Equipment		7,285	
Data Processing Equipment		35,485	
Law Enforcement Equipment		80,306	
Office Equipment		1,970	
Total Sheriff's Department			\$ 4,412,553

Special Patrols

Guards	\$	428,444	
Overtime Pay		45,649	
Contracts with Private Agencies		8,593	
Maintenance & Repair Services - Vehicles		10,276	
Transportation - Other than Students		4,661	
Gasoline		19,741	
Office Supplies		1,498	
Uniforms		12,809	
Total Special Patrols			531,671

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Traffic Control

Guards	\$	53,955	
Advertising		624	
Uniforms		1,575	
Total Traffic Control			\$ 56,154

Jail

Materials Supervisor	\$	87,163	
Guards		2,428,673	
Longevity Pay		6,550	
Overtime Pay		65,564	
In-Service Training		12,418	
Communication		30,925	
Evaluation and Testing		7,464	
Laundry Service		49,906	
Operating Lease Payments		5,454	
Maintenance & Repair Services - Buildings		90,783	
Maintenance & Repair Services - Equipment		11,937	
Maintenance & Repair Services - Vehicles		7,455	
Medical and Dental Services		770,208	
Postal Charges		888	
Drugs and Medical Supplies		6,341	
Electricity		164,089	
Food Supplies		351,064	
Gasoline		8,361	
Natural Gas		128,657	
Office Supplies		17,908	
Prisoners Clothing		12,470	
Uniforms		25,470	
Water and Sewer		95,920	
Other Supplies and Materials		26,222	
Data Processing Equipment		8,059	
Other Capital Outlay		31,696	
Total Jail			4,451,645

Workhouse

Deputy(ies)	\$	139,314	
Longevity Pay		1,400	
Maintenance & Repair Services - Vehicles		5,137	
Gasoline		9,777	
Instructional Supplies and Materials		21,174	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Office Supplies	\$	1,437	
Other Road Supplies		5,088	
Small Tools		2,045	
Uniforms		2,949	
Other Supplies and Materials		4,484	
Total Workhouse			\$ 192,805

Juvenile Services

Judge(s)	\$	84,927	
Assistant(s)		987,261	
Teachers		112,861	
Part-time Personnel		62,305	
Longevity Pay		10,050	
Overtime Pay		6,099	
In-Service Training		6,087	
Other Per Diem & Fees		793	
Communication		8,641	
Contracts with Government Agencies		23,502	
Contracts with Private Agencies		2,050	
Dues and Memberships		790	
Operating Lease Payments		8,927	
Legal Services		35,902	
Maintenance & Repair Services - Office Equipment		8,826	
Medical and Dental Services		306	
Postal Charges		2,490	
Printing, Stationery, and Forms		4,874	
Transportation - Other than Students		2,635	
Travel		5,451	
Other Contracted Services		1,225	
Food Supplies		20,050	
Instructional Supplies and Materials		854	
Office Supplies		17,268	
Other Supplies and Materials		22,138	
Furniture and Fixtures		4,860	
Other Capital Outlay		4,915	
Total Juvenile Services			1,446,087

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Contributions		513,830	
Total Fire Prevention and Control			515,830

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense

Supervisor/Director	\$	58,885	
Dispatchers/Radio Operators		445,759	
Secretary(ies)		22,318	
Part-time Personnel		24,404	
Longevity Pay		3,700	
Overtime Pay		65,245	
In-Service Training		1,920	
Other Per Diem & Fees		396	
Advertising		100	
Communication		15,023	
Dues and Memberships		400	
Evaluation and Testing		1,000	
Operating Lease Payments		1,266	
Maintenance & Repair Services - Vehicles		252	
Travel		4,037	
Other Contracted Services		8,500	
Gasoline		1,621	
Office Supplies		4,030	
Uniforms		4,003	
Other Capital Outlay		6,620	
Total Civil Defense			\$ 669,479

Rescue Squad

Assistant(s)	\$	67,101
Supervisor/Director		66,539
Secretary(ies)		25,364
Longevity Pay		1,250
Other Per Diem & Fees		162
Advertising		61
Communication		4,672
Contracts with Government Agencies		10,542
Dues and Memberships		430
Operating Lease Payments		2,844
Maintenance Agreements		4,480
Maintenance & Repair Services - Office Equipment		1,005
Maintenance & Repair Services - Vehicles		505
Rentals		600
Travel		80
Gasoline		4,415
Office Supplies		2,721

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Rescue Squad (Cont.)

Uniforms	\$	791	
Office Equipment		4,107	
Other Equipment		17,569	
Total Rescue Squad			\$ 215,238

County Coroner/Medical Examiner

Part-time Personnel	\$	22,370	
Communication		437	
Medical and Dental Services		30,000	
Travel		952	
Other Contracted Services		30,675	
Drugs and Medical Supplies		14,040	
Office Supplies		231	
Other Equipment		1,876	
Total County Coroner/Medical Examiner			100,581

Public Health and Welfare

Local Health Center

Medical Personnel	\$	117,814	
Secretary(ies)		25,438	
Clerical Personnel		22,298	
Custodial Personnel		19,499	
Longevity Pay		1,550	
Board and Committee Members Fees		2,192	
Other Per Diem & Fees		1,585	
Communication		9,880	
Contracts with Government Agencies		509,837	
Laundry Service		358	
Maintenance & Repair Services - Buildings		5,421	
Postal Charges		113	
Travel		2,608	
Drugs and Medical Supplies		31,464	
Office Supplies		9,078	
Utilities		20,599	
Liability Insurance		1,259	
Building Improvements		18,417	
Total Local Health Center			799,410

Rabies and Animal Control

Assistant(s)	\$	42,880	
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(Continued)

Exhibit K-9

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.)

Supervisor/Director	\$	60,413	
Attendants		260,441	
Custodial Personnel		20,608	
Part-time Personnel		44,969	
Longevity Pay		2,200	
Overtime Pay		16,812	
In-Service Training		7,167	
Advertising		788	
Communication		5,795	
Contracts with Private Agencies		46,838	
Operating Lease Payments		1,863	
Maintenance & Repair Services - Buildings		366	
Maintenance & Repair Services - Office Equipment		509	
Maintenance & Repair Services - Vehicles		5,396	
Postal Charges		721	
Printing, Stationery, and Forms		668	
Veterinary Services		4,594	
Other Contracted Services		6,462	
Animal Food and Supplies		11,621	
Custodial Supplies		6,648	
Drugs and Medical Supplies		9,470	
Electricity		14,453	
Equipment Parts - Light		1,501	
Gasoline		15,905	
Instructional Supplies and Materials		15	
Natural Gas		14,912	
Office Supplies		2,343	
Uniforms		3,557	
Water and Sewer		4,027	
Other Supplies and Materials		15,589	
Refunds		111	
Office Equipment		1,535	
Site Development		3,105	
Other Capital Outlay		4,389	
Total Rabies and Animal Control			\$ 638,671
 <u>Ambulance/Emergency Medical Services</u>			
Contributions	\$	1,700,000	
Total Ambulance/Emergency Medical Services			1,700,000

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services

Contributions	\$ 10,640	
Total Other Local Health Services		\$ 10,640

Regional Mental Health Center

Contributions	\$ 24,220	
Total Regional Mental Health Center		24,220

Appropriation to State

Contributions	\$ 115,351	
Total Appropriation to State		115,351

General Welfare Assistance

Contributions	\$ 19,574	
Total General Welfare Assistance		19,574

Aid to Dependent Children

Contributions	\$ 12,203	
Total Aid to Dependent Children		12,203

Recycling Center

Supervisor/Director	\$ 43,659
Secretary(ies)	30,930
Longevity Pay	800
Overtime Pay	612
In-Service Training	695
Advertising	11,635
Communication	2,235
Dues and Memberships	156
Maintenance & Repair Services - Buildings	864
Maintenance & Repair Services - Equipment	5,243
Maintenance & Repair Services - Vehicles	1,253
Postal Charges	1,746
Printing, Stationery, and Forms	9,073
Travel	1,224
Other Contracted Services	200
Gasoline	1,018
Office Supplies	967
Periodicals	184
Other Supplies and Materials	5,176
Other Charges	59,941

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center (Cont.)

Office Equipment	\$ 2,064	
Total Recycling Center		\$ 179,675

Other Public Health and Welfare

Supervisor/Director	\$ 72,613	
Paraprofessionals	415,897	
Clerical Personnel	128,880	
Temporary Personnel	894	
Part-time Personnel	4,220	
Longevity Pay	7,300	
In-Service Training	2,366	
Communication	10,173	
Dues and Memberships	538	
Operating Lease Payments	1,716	
Maintenance & Repair Services - Vehicles	1,899	
Postal Charges	411	
Travel	3,329	
Gasoline	9,739	
Office Supplies	4,041	
Periodicals	529	
Uniforms	2,631	
Other Supplies and Materials	4,244	
Data Processing Equipment	1,588	
Furniture and Fixtures	4,474	
Motor Vehicles	24,139	
Other Equipment	5,017	
Total Other Public Health and Welfare		706,638

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$ 50,515	
Total Adult Activities		50,515

Senior Citizens Assistance

Contributions	\$ 176,822	
Total Senior Citizens Assistance		176,822

Libraries

County Official/Administrative Officer	\$ 59,842
Librarians	830,980

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Temporary Personnel	\$	13,902	
Part-time Personnel		157,016	
Longevity Pay		7,000	
In-Service Training		1,925	
Communication		10,003	
Contributions		129,015	
Dues and Memberships		861	
Operating Lease Payments		6,155	
Maintenance & Repair Services - Office Equipment		9,187	
Postal Charges		6,035	
Printing, Stationery, and Forms		2,210	
Travel		2,466	
Other Contracted Services		19,460	
Data Processing Supplies		95,187	
Library Books/Media		151,732	
Office Supplies		18,594	
Periodicals		8,000	
Utilities		98,639	
Other Supplies and Materials		4,340	
Office Equipment		4,112	
Site Development		1,800	
Total Libraries			\$ 1,638,461

Parks and Fair Boards

County Official/Administrative Officer	\$	88,026
Assistant(s)		781,759
Supervisor/Director		340,371
Mechanic(s)		28,870
Clerical Personnel		126,693
Custodial Personnel		130,599
Maintenance Personnel		299,499
Temporary Personnel		409,919
Part-time Personnel		1,110,911
Longevity Pay		14,300
Overtime Pay		39,352
Other Per Diem & Fees		17,731
Advertising		46,240
Communication		41,651
Contracts with Other Public Agencies		142,551
Contracts with Private Agencies		516,604

(Continued)

Exhibit K-9

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.)

Dues and Memberships	\$	8,066	
Maintenance & Repair Services - Buildings		136,308	
Maintenance & Repair Services - Equipment		46,859	
Maintenance & Repair Services - Office Equipment		15,006	
Maintenance & Repair Services - Vehicles		8,279	
Pest Control		6,665	
Postal Charges		9,870	
Printing, Stationery, and Forms		53,993	
Rentals		4,036	
Travel		1,466	
Disposal Fees		16,820	
Permits		2,958	
Other Contracted Services		10,808	
Custodial Supplies		66,715	
Drugs and Medical Supplies		2,407	
Electricity		564,121	
Fertilizer, Lime, and Seed		31,297	
Food Supplies		75,288	
Fuel Oil		861	
Gasoline		52,211	
Instructional Supplies and Materials		50,584	
Natural Gas		174,884	
Office Supplies		14,693	
Uniforms		27,032	
Water and Sewer		112,005	
Clay		25,829	
Chemicals		31,457	
Other Supplies and Materials		132,244	
Refunds		24,988	
Surcharge		3,643	
Other Charges		71,621	
Health Equipment		19,291	
Total Parks and Fair Boards			\$ 5,937,381

Other Social, Cultural, and Recreational

Supervisor/Director	\$	54,350
Foremen		34,008
Clerical Personnel		54,124
Cafeteria Personnel		27,510
Maintenance Personnel		195,437

(Continued)

Exhibit K-9

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.)

Temporary Personnel	\$	53,876	
Longevity Pay		450	
Overtime Pay		23,940	
Other Per Diem & Fees		238	
Advertising		5,569	
Communication		11,747	
Dues and Memberships		1,982	
Operating Lease Payments		1,926	
Maintenance & Repair Services - Buildings		13,327	
Maintenance & Repair Services - Equipment		22,126	
Maintenance & Repair Services - Vehicles		142	
Postal Charges		760	
Printing, Stationery, and Forms		2,077	
Rentals		4,534	
Travel		337	
Disposal Fees		76,832	
Other Contracted Services		7,837	
Custodial Supplies		14,581	
Drugs and Medical Supplies		100	
Electricity		88,756	
Fertilizer, Lime, and Seed		7,962	
Food Supplies		52,505	
Gasoline		7,961	
Natural Gas		33,090	
Office Supplies		3,360	
Small Tools		1,027	
Tires and Tubes		2,039	
Uniforms		6,964	
Water and Sewer		19,609	
Clay		5,998	
Other Supplies and Materials		39,650	
Other Construction		4,734	
Other Capital Outlay		40,692	
Total Other Social, Cultural, and Recreational			\$ 922,157

Agriculture & Natural Resources

Agriculture Extension Service

Assistant(s)	\$	67,246
Salary Supplements		153,351
Secretary(ies)		23,863

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Agriculture & Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Longevity Pay	\$	550	
Board and Committee Members Fees		550	
Social Security		3,407	
Extension Service Medicare		1,924	
State Retirement		14,934	
Communication		3,653	
Dues and Memberships		710	
Janitorial Services		10,920	
Operating Lease Payments		1,617	
Maintenance & Repair Services - Equipment		2,655	
Maintenance & Repair Services - Vehicles		109	
Postal Charges		499	
Travel		2,050	
Gasoline		1,144	
Office Equipment		3,984	
Total Agriculture Extension Service			\$ 293,166

Soil Conservation

Secretary(ies)	\$	33,592	
Longevity Pay		1,050	
Other Charges		5,848	
Total Soil Conservation			40,490

Other Operations

Tourism

Part-time Personnel	\$	39,749	
Advertising		37,084	
Communication		8,696	
Contracts with Government Agencies		30,409	
Contracts with Other Public Agencies		3,393	
Contributions		105,823	
Dues and Memberships		5,941	
Postal Charges		7,249	
Printing, Stationery, and Forms		20,297	
Travel		27,568	
Other Contracted Services		46,609	
Office Supplies		4,695	
Utilities		1,059	
Furniture and Fixtures		4,545	
Total Tourism			343,117

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Other Operations (Cont.)

Other Economic and Community Development

Supervisor/Director	\$	77,792	
Secretary(ies)		35,729	
Part-time Personnel		38,589	
Longevity Pay		700	
In-Service Training		190	
Advertising		44,355	
Communication		2,352	
Dues and Memberships		4,855	
Operating Lease Payments		20,587	
Maintenance & Repair Services - Office Equipment		951	
Postal Charges		1,892	
Printing, Stationery, and Forms		2,322	
Travel		4,790	
Other Contracted Services		96,694	
Office Supplies		1,883	
Periodicals		912	
Data Processing Equipment		879	
Office Equipment		16,812	
Total Other Economic and Community Development			\$ 352,284

Public Transportation

Other Contracted Services	\$	365,654	
Total Public Transportation			365,654

Veterans' Services

Supervisor/Director	\$	11,482	
In-Service Training		21	
Communication		262	
Dues and Memberships		25	
Travel		18	
Other Supplies and Materials		5,725	
Total Veterans' Services			17,533

Other Charges

Dues and Memberships	\$	37,087	
Building and Contents Insurance		100,548	
Excess Risk Insurance		421,921	
Trustee's Commission		776,376	
Vehicle and Equipment Insurance		221,757	
Workers' Compensation Insurance		293,949	
Total Other Charges			1,851,638

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Other Operations (Cont.)

Employee Benefits

Social Security	\$	1,540,516	
State Retirement		1,543,261	
Life Insurance		33,092	
Medical Insurance		4,893,750	
Disability Insurance		40,825	
Unemployment Compensation		30,242	
Local Retirement		65,000	
Employer Medicare		361,440	
Total Employee Benefits			\$ 8,508,126

Miscellaneous

Consultants	\$	14,900	
Contracts with Government Agencies		969	
Contracts with Private Agencies		34,591	
Contributions		247,894	
Matching Share		3,900	
Duplicating Supplies		24,955	
Total Miscellaneous			327,209

Total General Fund \$ 50,990,802

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Deputy(ies)	\$	31,336
Laborers		263,964
Guards		344,779
Longevity Pay		2,300
Overtime Pay		37,810
In-Service Training		540
Other Per Diem & Fees		618
Communication		4,743
Contracts with Government Agencies		22,000
Dues and Memberships		210
Evaluation and Testing		890
Maintenance & Repair Services - Buildings		1,615
Maintenance & Repair Services - Equipment		2,724
Maintenance & Repair Services - Vehicles		55,868
Travel		205
Other Contracted Services		1,045,206

(Continued)

Exhibit K-9

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Diesel Fuel	\$	134,064	
Electricity		7,864	
Gasoline		7,957	
Lubricants		2,154	
Office Supplies		1,134	
Tires and Tubes		18,994	
Water and Sewer		1,017	
Other Supplies and Materials		5,335	
Office Equipment		2,820	
Site Development		65,590	
Total Convenience Centers			\$ 2,061,737

Other Operations

Other Charges

Building and Contents Insurance	\$	10,953	
Excess Risk Insurance		22,834	
Trustee's Commission		42,799	
Vehicle and Equipment Insurance		16,651	
Workers' Compensation Insurance		7,332	
Total Other Charges			100,569

Employee Benefits

Social Security	\$	41,545	
State Retirement		22,517	
Life Insurance		328	
Medical Insurance		72,500	
Unemployment Compensation		4,418	
Employer Medicare		9,716	
Total Employee Benefits			151,024

Total Solid Waste/Sanitation Fund \$ 2,313,330

Drug Control Fund

Public Safety

Drug Enforcement

In-Service Training	\$	1,713	
Maintenance & Repair Services - Vehicles		319	
Tow-in Services		165	
Office Supplies		460	
Trustee's Commission		465	

(Continued)

Exhibit K-9

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Other Capital Outlay	\$ 60,702	
Total Drug Enforcement		\$ 63,824

Total Drug Control Fund \$ 63,824

District Attorney General Fund

Administration of Justice

District Attorney General

Salary Supplements	\$ 7,868	
Other Salaries & Wages	16,036	
Advertising	1,218	
Communication	15,448	
Dues and Memberships	315	
Rentals	2,695	
Travel	12,846	
Other Contracted Services	3,565	
Office Supplies	2,475	
Other Supplies and Materials	2,493	
Trustee's Commission	3,537	
In Service/Staff Development	4,293	
Other Charges	2,652	
Data Processing Equipment	886	
Furniture and Fixtures	3,999	
Office Equipment	920	
Total District Attorney General		\$ 81,246

Total District Attorney General Fund 81,246

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

Bank Charges	\$ 53	
Total County Clerk's Office		\$ 53

Administration of Justice

Chancery Court

Bank Charges	\$ 420	
Total Chancery Court		420

Total Constitutional Officers - Fees Fund 473

(Continued)

Exhibit K-9

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	96,845	
Accountants/Bookkeepers		35,579	
Dispatchers/Radio Operators		43,701	
Secretary(ies)		35,516	
Longevity Pay		32,750	
Board and Committee Members Fees		3,600	
Other Per Diem & Fees		2,200	
Advertising		234	
Communication		16,281	
Engineering Services		248,582	
Evaluation and Testing		2,225	
Operating Lease Payments		1,716	
Legal Services		53,825	
Legal Notices, Recording, and Court Costs		320	
Maintenance & Repair Services - Office Equipment		899	
Postal Charges		1,178	
Electricity		24,966	
Natural Gas		12,235	
Office Supplies		2,828	
Water and Sewer		7,309	
Other Charges		4,823	
Office Equipment		2,898	
Total Administration			\$ 630,510

Highway and Bridge Maintenance

Foremen	\$	141,939
Equipment Operators		1,726,008
Part-time Personnel		64,765
Overtime Pay		64,464
Contracts with Private Agencies		179,335
Rentals		80,333
Other Contracted Services		356,007
Asphalt - Hot Mix		2,522,281
Asphalt - Liquid		39,220
Crushed Stone		10,536
Other Road Supplies		125,980
Pipe		79,644
Road Signs		41,051
Salt		34,599
Uniforms		28,931

(Continued)

Exhibit K-9

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Wood Products	\$ 964	
Other Charges	79	
Total Highway and Bridge Maintenance		\$ 5,496,136

Operation and Maintenance of Equipment

Foremen	\$ 47,549	
Mechanic(s)	124,156	
Nightwatchmen	90,765	
Part-time Personnel	6,467	
Diesel Fuel	339,506	
Equipment Parts - Heavy	591,912	
Equipment and Machinery Parts	763	
Garage Supplies	26,770	
Gasoline	170,583	
Lubricants	29,141	
Tires and Tubes	123,082	
Total Operation and Maintenance of Equipment		1,550,694

Quarry Operations

Equipment Operators	\$ 256,696	
Overtime Pay	25,007	
Explosive and Drilling Services	109,894	
Maintenance & Repair Services - Vehicles	268,079	
Electricity	38,165	
Other Supplies and Materials	2,358	
Total Quarry Operations		700,199

Other Charges

Building and Contents Insurance	\$ 12,653	
Excess Risk Insurance	336,632	
Trustee's Commission	109,322	
Vehicle and Equipment Insurance	51,959	
Workers' Compensation Insurance	110,569	
Total Other Charges		621,135

Employee Benefits

Social Security	\$ 167,157
State Retirement	182,050
Life Insurance	3,961
Medical Insurance	572,750

(Continued)

Exhibit K-9

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Employee Benefits (Cont.)

Employer Medicare	\$ 39,179	
Total Employee Benefits		\$ 965,097

Capital Outlay

Bridge Construction	\$ 59,741	
Building Construction	9,941	
Highway Construction	93,309	
Highway Equipment	45,803	
Site Development	4,725	
Total Capital Outlay		<u>213,519</u>

Total Highway/Public Works Fund		\$ 10,177,290
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General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 5,465,388	
Principal on Other Loans	<u>507,348</u>	
Total General Government		\$ 5,972,736

Highways and Streets

Principal on Bonds	\$ 126,781	
Total Highways and Streets		126,781

Education

Principal on Bonds	\$ 4,822,831	
Principal on Notes	225,000	
Principal on Other Loans	<u>123,652</u>	
Total Education		5,171,483

Interest on Debt

General Government

Interest on Bonds	\$ 4,945,768	
Interest on Notes	53,991	
Interest on Other Loans	<u>264,184</u>	
Total General Government		5,263,943

Highways and Streets

Interest on Bonds	\$ 77,507	
Total Highways and Streets		77,507

(Continued)

Exhibit K-9

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

Interest on Bonds	\$ 5,348,216	
Interest on Notes	160,353	
Interest on Other Loans	<u>70,667</u>	
Total Education		\$ 5,579,236

Other Debt Service

General Government

Fiscal Agent Charges	\$ 8,417	
Trustee's Commission	375,725	
Other Charges	<u>33,717</u>	
Total General Government		<u>417,859</u>

Total General Debt Service Fund \$ 22,609,545

Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 6,910,000	
Principal on Notes	<u>385,000</u>	
Total Education		\$ 7,295,000

Interest on Debt

Education

Interest on Bonds	\$ 5,317,445	
Interest on Notes	<u>58,113</u>	
Total Education		5,375,558

Other Debt Service

Education

Fiscal Agent Charges	\$ 5,755	
Trustee's Commission	<u>173,309</u>	
Total Education		<u>179,064</u>

Total Rural Debt Service Fund 12,849,622

General Capital Projects Fund

Capital Projects

General Administration Projects

Trustee's Commission	\$ 285	
Building Improvements	1,331,380	

(Continued)

Exhibit K-9

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

General Administration Projects (Cont.)

Other Equipment	\$	99,635	
Other Capital Outlay		<u>132,954</u>	
Total General Administration Projects	\$		1,564,254

Administration of Justice Projects

Building Construction	\$	52,391	
Building Improvements		<u>7,393</u>	
Total Administration of Justice Projects			59,784

Public Safety Projects

Trustee's Commission	\$	423	
Motor Vehicles		868,121	
Other Equipment		633,893	
Other Capital Outlay		<u>97,886</u>	
Total Public Safety Projects			1,638,911

Public Health and Welfare Projects

Building Construction	\$	511	
Building Improvements		388,890	
Motor Vehicles		5,344	
Site Development		25,000	
Other Equipment		45,727	
Other Construction		<u>18,372</u>	
Total Public Health and Welfare Projects			483,844

Social, Cultural, and Recreation Projects

Other Contracted Services	\$	211,471	
Trustee's Commission		8,896	
Building Construction		138,992	
Building Improvements		144,635	
Land		707,960	
Site Development		1,411,514	
Other Equipment		378,688	
Other Construction		478,867	
Other Capital Outlay		<u>237,984</u>	
Total Social, Cultural, and Recreation Projects			3,719,007

Public Utility Projects

Other Construction	\$	44,304	
Total Public Utility Projects			44,304

(Continued)

Exhibit K-9

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Other General Government Projects

Other Capital Outlay	\$ 500	
Total Other General Government Projects		\$ 500

Highway & Street Capital Projects

Trustee's Commission	\$ 4,845	
Highway Construction	10,570	
Highway Equipment	<u>332,734</u>	
Total Highway & Street Capital Projects		348,149

Education Capital Projects

Trustee's Commission	\$ 95,228	
Total Education Capital Projects		95,228

Public Safety Projects

Other Equipment	\$ 38,588	
Total Public Safety Projects		1,638,911

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 7,325,000	
Total Capital Projects Donated to School Department		<u>7,325,000</u>

Total General Capital Projects Fund		<u>\$ 15,278,981</u>
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Total Governmental Funds - Primary Government		<u><u>\$ 114,365,113</u></u>
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Exhibit K-10

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2006

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 57,436,442	
Career Ladder Program	747,716	
Career Ladder Extended Contracts	163,800	
Educational Assistants	1,237,911	
Longevity Pay	23,175	
Certified Substitute Teachers	470,575	
Non-certified Substitute Teachers	877,200	
Social Security	3,665,004	
State Retirement	3,230,490	
Life Insurance	72,570	
Medical Insurance	10,090,000	
Dental Insurance	711,830	
Unemployment Compensation	41,251	
Employer Medicare	861,172	
Maintenance & Repair Services - Equipment	50,889	
Other Contracted Services	397,454	
Instructional Supplies and Materials	1,161,332	
Textbooks	2,099,183	
Fee Waivers	77,621	
Other Charges	505,994	
Regular Instruction Equipment	143,782	
Total Regular Instruction Program		\$ 84,065,391

Alternative Instruction Program

Teachers	\$ 187,156	
Career Ladder Program	1,000	
Educational Assistants	48,674	
Social Security	14,454	
State Retirement	13,928	
Life Insurance	459	
Medical Insurance	60,000	
Dental Insurance	4,500	
Employer Medicare	3,380	
Other Supplies and Materials	6,122	
Other Equipment	4,262	
Total Alternative Instruction Program		343,935

Special Education Program

Teachers	\$ 7,840,903	
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(Continued)

Exhibit K-10

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 (Cont.)

Career Ladder Program	\$	92,704	
Career Ladder Extended Contracts		29,976	
Homebound Teachers		89,673	
Educational Assistants		2,013,454	
Speech Pathologist		1,131,849	
Longevity Pay		20,190	
Other Salaries & Wages		21,935	
Social Security		681,981	
State Retirement		640,575	
Life Insurance		17,565	
Medical Insurance		2,301,249	
Dental Insurance		179,000	
Employer Medicare		160,270	
Contracts with Private Agencies		318,753	
Maintenance & Repair Services - Equipment		4,864	
Other Contracted Services		46,387	
Instructional Supplies and Materials		122,440	
Textbooks		7,878	
Other Supplies and Materials		6,239	
Special Education Equipment		62,990	
Total Special Education Program			\$ 15,790,875

Vocational Education Program

Teachers	\$	1,907,063
Career Ladder Program		26,042
Career Ladder Extended Contracts		3,928
Clerical Personnel		19,497
Educational Assistants		40,672
Longevity Pay		1,500
Other Salaries & Wages		60,635
Social Security		128,116
State Retirement		107,525
Life Insurance		2,474
Medical Insurance		321,369
Dental Insurance		24,326
Employer Medicare		30,007
Maintenance & Repair Services - Equipment		4,982
Instructional Supplies and Materials		97,509
Other Charges		18,824

(Continued)

Exhibit K-10

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.)

Vocational Education Program (Cont.)

Vocational Instruction Equipment	\$ 220,620	
Total Vocational Education Program		\$ 3,015,089

Student Body Education Program

Certified Substitute Teachers	\$ 648	
In-Service Training	17,463	
Travel	994	
Other Contracted Services	31,947	
Instructional Supplies and Materials	427,139	
Library Books/Media	230,517	
Other Supplies and Materials	111,990	
In Service/Staff Development	156,793	
Other Charges	14,000	
Regular Instruction Equipment	601,634	
Total Student Body Education Program		1,593,125

Adult Education Program

Teachers	\$ 197,837	
Other Salaries & Wages	17,425	
Social Security	13,083	
State Retirement	6,935	
Life Insurance	255	
Medical Insurance	30,000	
Dental Insurance	2,500	
Employer Medicare	3,060	
Instructional Supplies and Materials	36,704	
Other Charges	15,267	
Other Equipment	20,763	
Total Adult Education Program		343,829

Support Services

Attendance

Longevity Pay	\$ 800	
Other Salaries & Wages	72,282	
Social Security	4,494	
State Retirement	4,928	
Life Insurance	102	
Medical Insurance	13,000	
Dental Insurance	1,000	

(Continued)

Exhibit K-10

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	\$	1,051	
In Service/Staff Development		449	
Total Attendance			\$ 98,106

Health Services

Medical Personnel	\$	1,311,611	
Longevity Pay		3,650	
Social Security		78,760	
State Retirement		75,235	
Life Insurance		2,338	
Medical Insurance		307,250	
Dental Insurance		23,000	
Employer Medicare		18,420	
Travel		7,524	
Other Contracted Services		2,500	
Drugs and Medical Supplies		21,384	
Other Supplies and Materials		2,656	
In Service/Staff Development		3,873	
Health Equipment		4,888	
Total Health Services			1,863,089

Other Student Support

Career Ladder Program	\$	38,980	
Guidance Personnel		2,956,649	
Career Ladder Extended Contracts		7,883	
Secretary(ies)		111,345	
Longevity Pay		1,175	
Other Salaries & Wages		81,513	
Social Security		193,547	
State Retirement		175,400	
Life Insurance		3,379	
Medical Insurance		462,000	
Dental Insurance		34,500	
Employer Medicare		46,179	
Contracts with Government Agencies		260,738	
Travel		65	
Other Contracted Services		303,837	
Other Supplies and Materials		181,707	
In Service/Staff Development		899	

(Continued)

Exhibit K-10

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.)

Other Student Support (Cont.)

Other Equipment	\$ 1,425	
Total Other Student Support		\$ 4,861,221

Regular Instruction Program

Supervisor/Director	\$ 424,228	
Career Ladder Program	38,322	
Career Ladder Extended Contracts	16,069	
Librarians	1,750,418	
Secretary(ies)	187,272	
Clerical Personnel	497,392	
Longevity Pay	13,625	
Other Salaries & Wages	125,176	
In-Service Training	63,788	
Social Security	189,818	
State Retirement	183,230	
Life Insurance	4,314	
Medical Insurance	588,750	
Dental Insurance	44,000	
Employer Medicare	45,060	
Consultants	2,655	
Travel	19,685	
Other Contracted Services	74,590	
Other Supplies and Materials	75,089	
In Service/Staff Development	218,442	
Regular Instruction Equipment	1,000	
Total Regular Instruction Program		4,562,923

Special Education Program

Supervisor/Director	\$ 84,213
Career Ladder Program	8,460
Psychological Personnel	716,980
Career Ladder Extended Contracts	1,500
Secretary(ies)	70,595
Longevity Pay	1,650
Other Salaries & Wages	223,544
In-Service Training	33,543
Social Security	69,766
State Retirement	62,913
Life Insurance	1,122

(Continued)

Exhibit K-10

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.)

Medical Insurance	\$	146,750	
Dental Insurance		11,000	
Employer Medicare		16,302	
Travel		31,442	
Other Contracted Services		90,630	
Other Supplies and Materials		55,264	
In Service/Staff Development		28,426	
Other Equipment		3,421	
Total Special Education Program			\$ 1,657,521

Vocational Education Program

Career Ladder Program	\$	1,000	
Secretary(ies)		23,991	
Other Salaries & Wages		71,803	
In-Service Training		7,748	
Social Security		6,191	
State Retirement		5,987	
Life Insurance		102	
Medical Insurance		13,500	
Dental Insurance		1,000	
Employer Medicare		1,412	
Travel		7,115	
Other Contracted Services		22,014	
Other Supplies and Materials		2,079	
In Service/Staff Development		13,966	
Total Vocational Education Program			177,908

Adult Programs

Secretary(ies)	\$	21,736	
Longevity Pay		350	
Other Salaries & Wages		49,650	
Social Security		4,101	
State Retirement		2,137	
Life Insurance		128	
Medical Insurance		16,000	
Dental Insurance		1,250	
Employer Medicare		962	
Travel		104	
Total Adult Programs			96,418

(Continued)

Exhibit K-10

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 & Wages	\$	71,361	
Board and Committee Members Fees		44,805	
Social Security		6,355	
State Retirement		4,735	
Life Insurance		51	
Medical Insurance		6,750	
Dental Insurance		500	
Employer Medicare		1,486	
Audit Services		39,613	
Dues and Memberships		31,703	
Legal Services		27,705	
Travel		89	
Other Contracted Services		2,016	
Other Supplies and Materials		4,843	
Liability Insurance		366,644	
Trustee's Commission		1,698,986	
Workers' Compensation Insurance		429,381	
In Service/Staff Development		4,759	
Criminal Investigation of Applicants - TBI		43,840	
Total Board of Education			\$ 2,785,622

Director of Schools

County Official/Administrative Officer	\$	140,738	
Assistant(s)		98,147	
Secretary(ies)		133,251	
Longevity Pay		2,750	
Social Security		18,682	
State Retirement		22,720	
Life Insurance		264	
Medical Insurance		32,000	
Dental Insurance		2,500	
Employer Medicare		5,454	
Communication		564,495	
Travel		121	
Other Contracted Services		69,914	
Office Supplies		35,516	
In Service/Staff Development		7,520	
Total Director of Schools			1,134,072

(Continued)

Exhibit K-10

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	\$	2,926,998	
Career Ladder Program		75,175	
Accountants/Bookkeepers		856,423	
Career Ladder Extended Contracts		74,815	
Assistant Principals		2,589,560	
Secretary(ies)		1,002,896	
Longevity Pay		29,105	
Social Security		453,022	
State Retirement		431,507	
Life Insurance		7,837	
Medical Insurance		1,069,150	
Dental Insurance		80,000	
Employer Medicare		106,893	
Communication		52,458	
Other Contracted Services		442,939	
Total Office of the Principal			\$ 10,198,778

Fiscal Services

Supervisor/Director	\$	88,474	
Accountants/Bookkeepers		330,102	
Purchasing Personnel		89,550	
Longevity Pay		4,800	
Overtime Pay		224	
Other Salaries & Wages		70,776	
Social Security		35,011	
State Retirement		39,663	
Life Insurance		663	
Medical Insurance		86,500	
Dental Insurance		6,500	
Employer Medicare		8,190	
Travel		648	
Other Contracted Services		77,330	
In Service/Staff Development		8,453	
Administration Equipment		18,511	
Total Fiscal Services			865,395

Operation of Plant

Supervisor/Director	\$	85,744
Secretary(ies)		35,266

(Continued)

Exhibit K-10

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.)

Operation of Plant (Cont.)

Custodial Personnel	\$	139,502	
Longevity Pay		4,150	
Other Salaries & Wages		6,976	
Social Security		16,721	
State Retirement		18,272	
Life Insurance		400	
Medical Insurance		53,000	
Dental Insurance		4,000	
Employer Medicare		3,910	
Janitorial Services		4,575,536	
Travel		1,852	
Disposal Fees		62,010	
Other Contracted Services		221,163	
Custodial Supplies		1,975	
Electricity		3,895,513	
Natural Gas		776,494	
Water and Sewer		529,573	
Other Supplies and Materials		11,246	
Building and Contents Insurance		135,693	
Plant Operation Equipment		4,484	
Total Operation of Plant			\$ 10,583,480

Maintenance of Plant

Supervisor/Director	\$	66,437
Secretary(ies)		61,617
Maintenance Personnel		1,719,550
Longevity Pay		13,700
Overtime Pay		28,570
Other Salaries & Wages		53,270
Social Security		117,041
State Retirement		130,735
Life Insurance		3,162
Medical Insurance		413,500
Dental Insurance		31,000
Employer Medicare		27,373
Maintenance & Repair Services - Buildings		340,437
Maintenance & Repair Services - Equipment		180,238
Maintenance & Repair Services - Vehicles		14,879
Other Contracted Services		349,659

(Continued)

Exhibit K-10

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.)

General Construction Materials	\$	566,030	
Other Supplies and Materials		9,268	
In Service/Staff Development		8,948	
Other Charges		51,120	
Plant Operation Equipment		32,888	
Total Maintenance of Plant			\$ 4,219,422

Transportation

Supervisor/Director	\$	66,950	
Mechanic(s)		341,335	
Bus Drivers		3,321,004	
Clerical Personnel		27,917	
Longevity Pay		75,450	
Overtime Pay		5,536	
Other Salaries & Wages		555,744	
Social Security		262,262	
State Retirement		289,311	
Life Insurance		11,509	
Medical Insurance		1,517,500	
Dental Insurance		114,000	
Employer Medicare		61,336	
Maintenance & Repair Services - Buildings		2,713	
Maintenance & Repair Services - Vehicles		36,086	
Other Contracted Services		29,067	
Gasoline		1,011,342	
Lubricants		25,310	
Tires and Tubes		154,455	
Vehicle Parts		248,081	
Other Supplies and Materials		20,875	
Vehicle and Equipment Insurance		120,076	
In Service/Staff Development		4,929	
Other Charges		11,439	
Transportation Equipment		3,332	
Total Transportation			8,317,559

Central and Other

Supervisor/Director	\$	238,063
Data Processing Personnel		999,641
Secretary(ies)		162,902

(Continued)

Exhibit K-10

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.)

Central and Other (Cont.)

Longevity Pay	\$	9,400	
Overtime Pay		3,551	
Other Salaries & Wages		72,589	
Social Security		90,722	
State Retirement		99,055	
Life Insurance		1,578	
Medical Insurance		207,000	
Dental Insurance		15,500	
Employer Medicare		21,217	
Travel		18,545	
Other Contracted Services		238,891	
Other Supplies and Materials		72,189	
In Service/Staff Development		14,192	
Data Processing Equipment		108,576	
Total Central and Other			\$ 2,373,611

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	67,057	
Clerical Personnel		35,266	
Longevity Pay		400	
Other Salaries & Wages		150,846	
Social Security		16,646	
State Retirement		17,811	
Life Insurance		204	
Medical Insurance		27,000	
Dental Insurance		2,000	
Employer Medicare		3,893	
Other Contracted Services		38,909	
Total Community Services			360,032

Early Childhood Education

Teachers	\$	298,972	
Career Ladder Program		3,000	
Educational Assistants		52,884	
Certified Substitute Teachers		161	
Social Security		21,312	
State Retirement		20,006	
Life Insurance		663	

(Continued)

Exhibit K-10

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.)

Early Childhood Education (Cont.)

Medical Insurance	\$	87,750	
Dental Insurance		6,500	
Employer Medicare		5,029	
Instructional Supplies and Materials		6,820	
Other Supplies and Materials		13,684	
In Service/Staff Development		2,717	
Regular Instruction Equipment		<u>3,537</u>	
Total Early Childhood Education			\$ 523,035

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	<u>300</u>	
Total Regular Capital Outlay			<u>300</u>

Total General Purpose School Fund \$ 159,830,736

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	600,317	
Educational Assistants		9,198	
Certified Substitute Teachers		17,158	
Non-certified Substitute Teachers		5,382	
Social Security		38,480	
State Retirement		32,810	
Life Insurance		654	
Medical Insurance		86,512	
Dental Insurance		6,409	
Employer Medicare		9,000	
Other Contracted Services		2,860	
Instructional Supplies and Materials		<u>32,382</u>	
Total Regular Instruction Program			\$ 841,162

Special Education Program

Teachers	\$	98,490
Educational Assistants		1,524,050
Other Salaries & Wages		228,845
Certified Substitute Teachers		8,658
Social Security		108,125

(Continued)

Exhibit K-10

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.)

Special Education Program (Cont.)

State Retirement	\$	110,810	
Life Insurance		5,641	
Medical Insurance		757,163	
Dental Insurance		55,304	
Employer Medicare		25,702	
Contracts with Private Agencies		6,120	
Other Contracted Services		37,783	
Instructional Supplies and Materials		29,425	
Other Supplies and Materials		25,962	
Total Special Education Program			\$ 3,022,078

Vocational Education Program

Teachers	\$	17,160	
Social Security		1,064	
State Retirement		944	
Life Insurance		30	
Medical Insurance		3,938	
Dental Insurance		292	
Employer Medicare		249	
Other Contracted Services		22,305	
Instructional Supplies and Materials		54,181	
Other Charges		8,122	
Vocational Instruction Equipment		174,521	
Total Vocational Education Program			282,806

Support Services

Health Services

Medical Personnel	\$	343,720	
Social Security		20,577	
State Retirement		21,569	
Life Insurance		468	
Medical Insurance		62,156	
Dental Insurance		4,584	
Employer Medicare		4,812	
Travel		3,225	
Other Contracted Services		1,058	
Total Health Services			462,169

(Continued)

Exhibit K-10

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.)

Other Student Support

Other Salaries & Wages	\$	923	
Social Security		57	
State Retirement		63	
Employer Medicare		13	
Other Contracted Services		65,354	
In Service/Staff Development		9,039	
Other Charges		321	
Total Other Student Support			\$ 75,770

Regular Instruction Program

Secretary(ies)	\$	8,476	
Other Salaries & Wages		53,251	
In-Service Training		36,952	
Social Security		6,102	
State Retirement		5,526	
Life Insurance		41	
Medical Insurance		5,400	
Dental Insurance		400	
Employer Medicare		1,426	
Travel		4,424	
Other Contracted Services		500	
Other Supplies and Materials		9,410	
In Service/Staff Development		245,671	
Other Charges		11,835	
Other Equipment		52,733	
Total Regular Instruction Program			442,147

Special Education Program

Psychological Personnel	\$	111,866	
Secretary(ies)		29,690	
Other Salaries & Wages		143,851	
In-Service Training		3,371	
Social Security		17,731	
State Retirement		16,158	
Life Insurance		332	
Medical Insurance		43,594	
Dental Insurance		3,250	
Employer Medicare		4,149	
Travel		11,785	

(Continued)

Exhibit K-10

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 (Cont.)

Other Contracted Services	\$	48,853	
Other Supplies and Materials		10,712	
In Service/Staff Development		5,581	
Other Charges		121	
Total Special Education Program			\$ 451,044

Vocational Education Program

Travel	\$	34,264	
Other Contracted Services		1,829	
Other Supplies and Materials		3,472	
In Service/Staff Development		1,802	
Total Vocational Education Program			41,367

Central and Other

Travel	\$	1,203	
In Service/Staff Development		2,813	
Total Central and Other			4,016

Total School Federal Projects Fund \$ 5,622,559

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	66,950
Clerical Personnel		61,262
Cafeteria Personnel		2,224,691
Longevity Pay		36,650
Overtime Pay		9,934
Other Salaries & Wages		139,919
Social Security		150,732
State Retirement		152,827
Life Insurance		7,166
Medical Insurance		946,358
Dental Insurance		73,659
Unemployment Compensation		4,125
Employer Medicare		35,252
Communication		24,444
Maintenance & Repair Services - Equipment		13,093
Transportation - Other than Students		78,013

(Continued)

Exhibit K-10

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Travel	\$	10,677	
Other Contracted Services		51,058	
Equipment and Machinery Parts		30,682	
Food Supplies		2,564,169	
Other Supplies and Materials		268,956	
In Service/Staff Development		4,843	
Food Service Equipment		6,483	
Total Food Service			\$ 6,961,943

Total Central Cafeteria Fund \$ 6,961,943

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	32,444	
Accountants/Bookkeepers		25,385	
Attendants		280,549	
Longevity Pay		450	
Overtime Pay		14	
Other Salaries & Wages		76,698	
Social Security		24,690	
State Retirement		10,783	
Life Insurance		310	
Medical Insurance		43,323	
Dental Insurance		3,472	
Employer Medicare		5,774	
Communication		838	
Travel		1,710	
Other Contracted Services		22,550	
Food Supplies		15,174	
Other Supplies and Materials		23,413	
Refunds		324	
In Service/Staff Development		520	
Other Equipment		1,725	
Total Community Services			\$ 570,146

Total Extended School Program Fund 570,146

(Continued)

Exhibit K-10

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

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 562,795	
Engineering Services	6,885	
Legal Services	21,584	
Other Contracted Services	60,815	
Building Construction	13,745,407	
Building Improvements	2,728,245	
Data Processing Equipment	3,873,251	
Furniture and Fixtures	710,231	
Land	999,500	
Maintenance Equipment	190,525	
Regular Instruction Equipment	817,988	
Site Development	92,692	
Special Education Equipment	172,488	
Transportation Equipment	1,980,714	
Other Equipment	252,436	
Other Capital Outlay	291,512	
Total Education Capital Projects	\$ 26,507,068	\$ 26,507,068

Total Education Capital Projects Fund \$ 26,507,068

Total Governmental Funds - Williamson County School Department \$ 199,492,452

Exhibit K-11

Williamson County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Solid Waste Disposal Fund  
For the Year Ended June 30, 2006

	<u>Primary</u> <u>Government</u> <u>Enterprise</u> <u>Fund</u> <u>Solid</u> <u>Waste</u> <u>Disposal Fund</u>
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Tipping Fees	\$ 1,721,922
Total Charges for Current Services	<u>\$ 1,721,922</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Sale of Materials and Supplies	\$ 56,896
<u>Nonrecurring Items</u>	
Sale of Equipment	1,260
Total Other Local Revenues	<u>\$ 58,156</u>
Total Operating Revenues	<u>\$ 1,780,078</u>
<u>Nonoperating Revenues</u>	
Solid Waste Grants	\$ 94,172
Investment Income	31,382
Total Nonoperating Revenues	<u>\$ 125,554</u>
Total Revenues	<u>\$ 1,905,632</u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Landfill Operation and Maintenance</u>	
Supervisor/Director	\$ 82,576
Deputies	80,496
Laborers	209,545
Clerical Personnel	49,408

(Continued)

Exhibit K-11

Williamson County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Solid Waste Disposal Fund (Cont.)

	<u>Primary</u> <u>Government</u> <u>Enterprise</u> <u>Fund</u> <u>Solid</u> <u>Waste</u> <u>Disposal Fund</u>
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Landfill Operation and Maintenance (Cont.)</u>	
Longevity Pay	\$ 5,000
Overtime Pay	48,551
In-Service Training	921
Other Per Diem and Fees	200
Communication	8,443
Dues and Memberships	1,189
Maintenance & Repair Services - Buildings	4,966
Maintenance & Repair Services - Equipment	69,998
Maintenance & Repair Services - Office Equipment	1,900
Maintenance & Repair Services - Vehicles	4,978
Postal Charges	494
Rentals	1,767
Travel	2,385
Other Contracted Services	726,652
Diesel Fuel	124,625
Electricity	13,363
Gasoline	8,965
Lubricants	5,919
Natural Gas	116
Office Supplies	848
Tires and Tubes	22,863
Uniforms	17,949
Water and Sewer	537
Other Supplies and Materials	10,092
Depreciation	350,655

(Continued)

Exhibit K-11

Williamson County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Solid Waste Disposal Fund (Cont.)

	<u>Primary</u> <u>Government</u> <u>Enterprise</u> <u>Fund</u> <u>Solid</u> <u>Waste</u> <u>Disposal Fund</u>
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Landfill Operation and Maintenance (Cont.)</u>	
Landfill Closure/Postclosure Care Costs	\$ 601,322
Other Charges	21,374
Total Landfill Operation and Maintenance	<u>\$ 2,478,097</u>
<u>Other Charges</u>	
Building and Contents Insurance	\$ 21,963
Excess Risk Insurance	24,313
Trustee's Commission	17,118
Vehicle and Equipment Insurance	20,415
Workers' Compensation Insurance	31,264
Total Other Charges	<u>\$ 115,073</u>
<u>Employee Benefits</u>	
Social Security	\$ 28,556
State Retirement	32,163
Life Insurance	652
Medical Insurance	94,250
Disability Insurance	1,594
Employer Medicare	6,679
Total Employee Benefits	<u>\$ 163,894</u>
Total Operating Expenses	<u>\$ 2,757,064</u>
<u>Nonoperating Expenses</u>	
Interest on Bonds	\$ 267,295
Interest on Notes	541
Total Nonoperating Expenses	<u>\$ 267,836</u>
Total Expenses	<u>\$ 3,024,900</u>

Exhibit K-12

Williamson County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balances - City Agency Funds  
For the Year Ended June 30, 2006

	Cities - Sales Tax Fund	Cities - Property Tax Fund	Special School District Fund	Total
<u>Cash Receipts</u>				
<u>County Property Taxes</u>				
Current Property Taxes	\$ 0	\$ 0	\$ 8,758,825	\$ 8,758,825
Trustee's Collections - Prior Year	0	0	125,058	125,058
Circuit/Clerk & Master Collections - Prior Years	0	0	69,015	69,015
Interest and Penalty	0	0	25,085	25,085
Payments in Lieu of Taxes - T.V.A.	0	0	359	359
Local Option Sales Tax	33,287,298	0	4,291,034	37,578,332
Interstate Telecommunications Tax	0	0	2,734	2,734
<u>City/School District Property Taxes</u>				
Current Property Taxes	0	60,403	11,844,149	11,904,552
Trustee's Collections - Prior Year	0	866	162,610	163,476
Interest and Penalty	0	173	30,971	31,144
Pick-up Taxes	0	0	80,136	80,136
Marriage Licenses	0	0	1,075	1,075
Other Local Revenues	0	0	304	304
Mixed Drink Tax	0	0	57,261	57,261
Transfers In	0	0	1,170,568	1,170,568
<b>Total Cash Receipts</b>	<b>\$ 33,287,298</b>	<b>\$ 61,442</b>	<b>\$ 26,619,184</b>	<b>\$ 59,967,924</b>
<u>Cash Disbursements</u>				
Remittance of Revenues Collected	\$ 32,954,425	\$ 59,218	\$ 26,213,388	\$ 59,227,031
Trustee's Commission	332,873	2,401	464,714	799,988
<b>Total Cash Disbursements</b>	<b>\$ 33,287,298</b>	<b>\$ 61,619</b>	<b>\$ 26,678,102</b>	<b>\$ 60,027,019</b>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0	\$ (177)	\$ (58,918)	\$ (59,095)
Cash Balance, July 1, 2005	0	359	525,939	526,298
<b>Cash Balance, June 30, 2006</b>	<b>\$ 0</b>	<b>\$ 182</b>	<b>\$ 467,021</b>	<b>\$ 467,203</b>

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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 37243-0269  
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

November 13, 2006

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 business-type 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, 2006, which collectively comprise Williamson County's basic financial statements and have issued our report thereon dated November 13, 2006. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Williamson County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Williamson County's ability to

record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 06.01, 06.03, and 06.04.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 06.01 to be a material weakness.

### 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 one instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and is described in the accompanying Schedule of Findings and Questioned Costs as item 06.02.

We also noted certain matters that we reported to the management of Williamson County in separate communications.

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

Very truly yours,



John G. Morgan  
Comptroller of the Treasury

JGM/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 37243-0269  
PHONE (615) 401-7841

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

November 13, 2006

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 are applicable to each of its major federal programs for the year ended June 30, 2006. 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 auditing 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 on Williamson County's compliance with those requirements.

In our opinion, Williamson County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

#### Internal Control Over Compliance

The management of Williamson County is responsible for establishing and maintaining effective internal control over compliance with 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 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 the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

#### Schedule of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2006, and have issued our report thereon dated November 13, 2006. Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Grants is presented for purposes of additional analysis, as required by OMB Circular A-133, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Very truly yours,



John G. Morgan  
Comptroller of the Treasury

JGM/sb

OTHER AUDITOR'S 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  
For the Williamson County Hospital District

To the Board of Trustees of  
Williamson County Hospital District

We have audited the financial statements of Williamson County Hospital District, as of and for the year ended June 30, 2006, and have issued our report thereon. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the medical center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to the Board of Trustees of the medical center in a separate letter.

Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of Trustees, medical center management, and the State of Tennessee, Comptroller of the Treasury, Department of Audit, and is not intended to be, and should not be, used by anyone other than these specified parties.

OTHER AUDITOR'S 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  
For the Williamson County Emergency Communications District

To the Board of Directors  
Williamson County Emergency Communications District  
Franklin, Tennessee

We have audited the financial statements of Williamson County Emergency Communications District as of and for the year ended June 30, 2006, and have issued our report thereon. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Williamson County Emergency Communications District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that we have reported to management of Williamson County Emergency Communications District in a separate letter.

Compliance

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

noncompliance that we have reported to management of Williamson County Emergency Communications District in a separate letter.

This report is intended solely for the information and use of the board of directors, Williamson County Board of Commissioners, appropriate regulatory authorities and is not intended to be and should not be used by anyone other than these specified parties.

Williamson County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1)  
For the Year Ended June 30, 2006

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Food Distribution (Noncash Assistance)	10.550	(2)	\$ 654,893
Cooperative Forestry Assistance	10.664	Z-05-021110-01	5,000
Total Passed-through State Department of Agriculture			\$ 659,893
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	(2)	\$ 66,148
National School Lunch Program	10.555	(2)	939,119
Total Passed-through State Department of Education			\$ 1,005,267
Total U.S. Department of Agriculture			\$ 1,665,160
U.S. Department of Housing and Urban Development:			
Direct Program:			
Community Development Block Grants/Brownfields Economic Development Initiative	14.246	N/A	\$ 55,770
Total U.S. Department of Housing and Urban Development			\$ 55,770
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Accountability Incentive Block Grants	16.523	(3)	\$ 5,065
Total U.S. Department of Justice			\$ 5,065
U.S. Department of Labor:			
Passed-through State Department of Education:			
WIA Youth Activities	17.259	N/A	\$ 55,360
Total U.S. Department of Labor			\$ 55,360
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(4)	\$ 290,642
Occupant Protection	20.602	Z-06-027298-00	7,752
Total U.S. Department of Transportation			\$ 298,394
Institute of Museum and Library Services:			
Passed-through State Library and Archives:			
Grants to States	45.310	Z-06-031355-00	\$ 6,500
Total Institute of Museum and Library Services			\$ 6,500
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - State Grant Program	84.002	Z-06-027835-00	\$ 181,388
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	626,564
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	4,134,575
Special Education - Preschool Grants	84.173	N/A	65,351
Vocational Education - Basic Grants to States	84.048	N/A	332,853
Safe and Drug-Free Schools and Communities - National Programs	84.184	(2)	13,500
Safe and Drug-Free Schools and Communities - State Grants	84.186	(2)	81,532
State Grants for Innovative Programs	84.298	N/A	64,200
Education Technology State Grants	84.318	(2)	116,529
English Language Acquisition Grants	84.365	N/A	74,185
Improving Teacher Quality State Grants	84.367	N/A	520,405
Hurricane Education Recovery	84.938	N/A	260,174
Total passed-through State Department of Education			\$ 6,289,868

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.)			
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	GG-04-10219-01	\$ 172,396
Total U.S. Department of Education			<u>\$ 6,643,652</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Labor and Workforce Development:			
Temporary Assistance for Needy Families (Families First)	93.558	Z-06-027236-00	\$ 15,191
Passed-through State Department of Education:			
Child Welfare Services - State Grants (Family Resource Center)	93.645	Z-06-021430-00	28,016
Total U.S. Department of Health and Human Services			<u>\$ 43,207</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.004	(5)	\$ 423,660
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z-06-030980-00	9,216
Total U.S. Department of Homeland Security			<u>\$ 432,876</u>
Total Expenditures of Federal Awards			<u>\$ 9,205,984</u>

State Grants		Contract Number	Expenditures
Waste Tire Grant - State Department of Environment and Conservation	N/A	Z-03-011288-00	\$ 94,172
Waste Tire Grant - State Department of Environment and Conservation	N/A	Z-05-024398-00	11,000
Waste Tire Grant - State Department of Environment and Conservation	N/A	Z-05-024397-00	11,000
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	37,909
Litter Program - State Department of Transportation	N/A	Z-06-028024-00	53,892
Dental Services - State Department of Health	N/A	(2)	29,460
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	Z-06-002660-00	9,000
Families First - State Department of Education	N/A	Z-06-027236-00	7,512
Adult Education - State Department of Education	N/A	Z-06-027835-00	49,178
Early Childhood Education - State Department of Education	N/A	(2)	170,705
Archives Development Grant - State Library and Archives	N/A	(2)	4,360
Museum Grant - State Library and Archives	N/A	(2)	1,951
Development and Coordination of Rural Health Services - State Dept. of Health	N/A	Z-06-026012-01	716,977
Local Park and Recreation Fund Gym Renovation - State Department of Environment and Conservation	N/A	Z-05-022826-00	200,000
Safe Schools Act - State Department of Education	N/A	(2)	103,890
Total State Grants			<u>\$ 1,501,006</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) - GG-0511463-01: \$1,700; GG-0511463-02: \$3,365  
(4) - CM-STP-9400(35): \$240,642; CM-STP-H-9400(39): \$50,000.  
(5) - Z-03-017815-01: \$133,695; Z-03-017815-02: \$16,010; Z-04-020160-03: \$200,783; Z-04-022508-00: \$73,172

Williamson County, Tennessee  
Schedule of Audit Findings Not Corrected  
June 30, 2006

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, 2005, which have not been corrected.

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
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**OFFICE OF JUVENILE COURT CLERK**

05.04	242	The office did not have formal policies and procedures for computer operations
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**OTHER FINDING**

05.05	242	Duties were not segregated adequately in the Offices of County Clerk, Juvenile Court Clerk, and Register
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**WILLIAMSON COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2006**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

1. An unqualified opinion was issued on the financial statements of Williamson County.
2. The audit of the financial statements of Williamson County disclosed reportable conditions in internal control. One of the conditions was considered to be a material weakness.
3. The audit disclosed one instance of noncompliance that was material to the financial statements of Williamson County.
4. The audit disclosed no reportable conditions 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 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555), the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), Improving Teacher Quality State Grants (CFDA No. 84.367), and Homeland Security Grant Program (CFDA No. 97.004) were determined to be major programs.
8. A threshold of \$300,000 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 written responses of the director of accounts and budgets are paraphrased in this report. Other officials offered oral responses to certain findings and recommendations; however, these oral responses have not been included in this report.

### **PARKS AND RECREATION DEPARTMENT**

**FINDING 06.01      COLLECTIONS OF AT LEAST \$45,037.43 WERE NOT ACCOUNTED FOR AT THE FAIRVIEW RECREATION CENTER**  
(Internal Control – Material Weakness Under Government Auditing Standards)

On November 9, 2006, the director of the county's Parks and Recreation Department received information alleging that an employee at the Fairview Recreation Center was stealing money, and on November 13, 2006, the director of accounts and budgets informed auditors about the potential cash shortage. The director of the Parks and Recreation Department questioned the suspected employee, and advised us that the employee admitted to taking funds for a year or two. The park's director immediately terminated the employee's position with the department, and on November 14, 2006, notified the Fairview Police Department and requested an investigation.

We reviewed the accounting records at the Fairview Recreation Center from September 1, 1999, to November 21, 2006, and noted the following deficiencies:

- A. Collections of at least \$45,037.43 were not deposited or otherwise accounted for. This shortage could be larger because several receipts were missing. Without receipts we are unable to determine if all funds have been accounted for.
- B. Receipts were not deposited intact. Receipts making up the various deposits attached as supporting documentation to the revenue reports were not in sequential order.
- C. Official prenumbered receipts marked as "void" did not always have the customer and office copy attached to the book copy.
- D. Parks and Recreation Department central office personnel reconciled monthly bank statements with faxed copies of the daily summary reports and bank deposit slips. Supporting documentation (original receipts) maintained at the Fairview Recreation Center was not reviewed and reconciled with the revenue reports and bank deposits.

- E. In numerous instances the daily receipts did not agree with the daily summary report and bank deposit slip filed with central office officials. Several duplicate receipts attached to the daily summary report were altered with ink or correction fluid to ensure that daily totals agreed with the bank deposit; however, the book copy receipt was not altered.
- F. An unofficial prenumbered receipt book was used for fees collected to supervise the facility for after business-hours rentals, rental damage deposits, and some league fees. Funds were retained by employees for providing after-hours supervision of the facility. These funds were not paid through the county's payroll system and were in addition to the employees' regular salaries. Since these supplemental payments were not paid through the county's payroll system, the payments were not subjected to income tax, social security, and Medicare deductions. Also, the county did not report and pay its required matching social security and Medicare associated with these supplemental payments. Refunds of room damage deposits were not made by official prenumbered checks as required by Section 5-8-207, Tennessee Code Annotated (TCA).
- G. Duties were not adequately segregated. Employees who were responsible for maintaining accounting records were also involved in receipting and depositing funds.
- H. Funds were not adequately safeguarded because collections were in envelopes and bags that were accessible to the public and numerous employees. Certain funds were kept in a safe; however, numerous employees had the combination to the safe.
- I. Management of the Recreation Department did not adequately supervise the operations of the Fairview Recreation Center. Original receipts and cash register tapes were not periodically inspected and reconciled with the daily revenue reports and bank deposits. This reconciliation would have indicated that all collections were not being deposited to the bank.

We have discussed this finding with the district attorney general.

#### RECOMMENDATION

Officials should seek restitution for any missing funds. Also, officials should take immediate steps to develop improved internal control procedures over the operations of the Fairview Recreation Center and correct the above-noted deficiencies. County officials should randomly perform internal audit procedures at all of the county recreation centers periodically to ensure control over collections. County officials should also consider the establishment of an internal auditor to work with the many offices and departments of the county.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

- A.&B. Revenue reports will be forwarded to the main Parks and Recreation office for review on a regular basis and numbered receipts reconciled. All permanent copies of receipts will be forwarded to the main Parks and Recreation office for accountability and storage.
- C. It is the current policy of the Parks and Recreation management that all void copies be attached in the receipt book. This policy will be enforced.
- D. Monthly bank statements will be reconciled to the original revenue reports sent to the main office.
- E. Duplicate receipts from the revenue report will be periodically checked against the book copy receipt.
- F. Room damage deposits will be deposited into the county’s bank account and refunded by county check to renters when the event is completed. The policy of payment to county supervisors by renters will be reviewed by the county attorney, Parks and Recreation director, and county human resources director.
- G. Segregation of duties will be reviewed, and procedures will be implemented to require personnel to sign-off on various tasks when accounting for funds. Employees of the main office, independent of these tasks, will be reviewing the records on a regular basis.
- H. Procedures of the Parks and Recreation Department call for the use of lockable bank bags in these situations and this procedure will be enforced.
- I. In addition to the above-noted responses, procedures in place will be monitored for compliance. New procedures will be implemented to strengthen the controls of the Parks and Recreation Department and to safeguard the county’s assets.

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OFFICE OF ACCOUNTS AND BUDGETS

FINDING 06.02      **THE COUNTY COMMISSION DID NOT APPROVE A BUDGET AMENDMENT THAT WAS POSTED TO THE HIGHWAY/PUBLIC WORKS FUND**  
(Material Noncompliance Under Government Auditing Standards)

A budget amendment totaling \$181,075 was posted to the accounting records of the Highway/Public Works Fund that was approved by the Budget Committee but was not approved by the County Commission. Section 5-9-407, Tennessee Code Annotated (TCA), requires the County Commission’s approval for budget amendments that affect a major category. Therefore, we did not reflect this budget amendment in the financial statements of this report resulting in expenditures exceeding appropriations in the Highway and Bridge Maintenance major appropriation category (the legal level of control) by \$102,898. Section 5-9-401, TCA, states that “All funds from whatever source derived, including, but

not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.”

RECOMMENDATION

Budget amendments that affect major categories should be approved by the County Commission. Expenditures should be held within appropriations approved by the County Commission.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

We concur with this finding. In the future, we will make every effort to see that the proper procedures are followed to amend the budget.

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OFFICE OF JUVENILE COURT CLERK

FINDING 06.03      **THE OFFICE DID NOT HAVE FORMAL POLICIES AND PROCEDURES FOR COMPUTER OPERATIONS**  
(Internal Control – Reportable Condition Under Government Auditing Standards)

The Office of Juvenile Court Clerk did not have written policies and procedures for routine computer operations. Routine operations include system startup/shutdown, application access, system access security, system backup and retention schedules, hardware/software maintenance, output distribution, and other general data processing functions. Formal policies and procedures are necessary to ensure adequate management control over computer operations.

RECOMMENDATION

Management should prepare a computer policies and procedures manual that defines policies and procedures for operations such as system backups, security measures, and other general data processing functions. Upon completion, the manual should be distributed to all appropriate personnel.

## **OTHER FINDING AND RECOMMENDATION**

### **FINDING 06.04      **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF COUNTY CLERK, JUVENILE COURT CLERK, AND REGISTER****

(Internal Control – Reportable Condition Under Government Auditing Standards)

Duties were not segregated adequately among the officials and employees in the Offices of County Clerk, Juvenile Court Clerk, and Register. Employees responsible for maintaining the accounting records were also involved in receipting, depositing, and/or disbursing funds.

### **RECOMMENDATION**

To strengthen internal controls over operations, these offices should adequately segregate duties among employees.

**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, 2006**

There were no audit findings relative to federal awards presented in the prior audit's Schedule of Findings and Questioned Costs or the current year's Schedule of Findings and Questioned Costs.