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**ANNUAL FINANCIAL REPORT  
WILLIAMSON COUNTY, TENNESSEE**



**FOR THE YEAR ENDED JUNE 30, 2014**



**ANNUAL FINANCIAL REPORT**  
**WILLIAMSON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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

*DIVISION OF LOCAL GOVERNMENT AUDIT*  
*JAMES R. ARNETTE*  
*Director*

*JEFF BAILEY, CPA, CGFM, CFE*  
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*JACOB KENNEDY, CISA*  
*State Auditors*

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## WILLIAMSON COUNTY, TENNESSEE

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# ***Summary of Audit Findings***

Annual Financial Report  
Williamson County, Tennessee  
For the Year Ended June 30, 2014

## ***Scope***

We have audited the basic financial statements of Williamson County as of and for the year ended June 30, 2014.

## ***Results***

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

Our audit resulted in six 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:

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

- ◆ Employees shared usernames and passwords.
- ◆ The accounting software did not have adequate application controls.

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### **OFFICE OF TRUSTEE**

- ◆ The office did not review its software audit logs.

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

- ◆ The office had deficiencies in computer system backup procedures.
- ◆ The court software did not have adequate application controls.
- ◆ Multiple employees operated from the same cash drawer.

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# INTRODUCTORY SECTION

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# Williamson County Officials

## June 30, 2014

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### **Officials**

Rogers Anderson, County Mayor  
Eddie Hood, Highway Superintendent  
Dr. Mike Looney, Director of Schools  
Walter Davis, Trustee  
Brad Coleman, 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 of Deeds  
Jeff Long, Sheriff  
Nena Graham, Director of Accounts and Budgets

### **Board of County Commissioners**

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

### **Board of Education**

Pat Anderson, Chairman	P.J. Mezera	Rick Wimberley
Kenneth Peterson	Cherie Hammond	Eric Welch
Janice Mills	Robert Hullett	Mark Gregory
Timothy McLaughlin	Gary Anderson	Vicki Vogt

### **Highway Commission**

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

(Continued)

## Williamson County Officials (Cont.)

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### **Budget Committee**

Thomas Little, Chairman  
Rogers Anderson, County Mayor  
Tom Bain  
Brian Beathard  
Greg Davis

### **Audit Committee**

Patricia Parsons  
Kerry Perkinson  
Paul Bolin

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## **FINANCIAL SECTION**

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented Williamson County Emergency Communications District, which represent .3 percent, .6 percent, and .4 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Also, we did not audit the financial statements of the discretely presented Williamson County Hospital District, which represent 31.2 percent, 33.7 percent, and 34.2 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors

whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Williamson County Emergency Communications District and the Williamson County Hospital District is based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As described in Note V.B., Williamson County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* and GASB Statement No. 70, *Accounting and Reporting for Nonexchange Financial Guarantees*, which have an effective date of June 30, 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 - 26 and the schedules of funding

progress – pension plan and other postemployment benefits plans on pages 111 - 113 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

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.

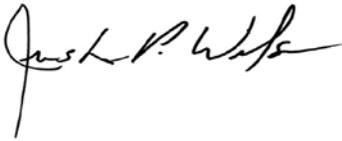
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Rural Debt Service funds, combining and individual fund financial statements of the Williamson County School Department (a discretely presented component unit), and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, 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 miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2015, on our consideration of Williamson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Williamson County's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent vertical stroke at the beginning.

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

January 21, 2015

JPW/sb

## Management's Discussion and Analysis

As management of Williamson County, Tennessee, we offer readers of Williamson County's financial statements this narrative overview and analysis of the financial activities of Williamson County, Tennessee, for the fiscal year ended June 30, 2014. This discussion and analysis focuses on the primary government only and does not include discussions of discretely presented component units.

### Financial Highlights

- The liabilities and deferred inflows of Williamson County exceeded its assets and deferred outflows at the close of the fiscal year by \$143,845,802 (net position). The liabilities include \$346,456,000 in debt that is attributable to the Williamson County School Department.
- The government's total net position increased by \$1,743,691.
- At June 30, 2014, Williamson County's governmental funds reported combined ending fund balances of \$140,267,260, an increase of \$32,524,611 in comparison with the prior year.
- At June 30, 2014, unassigned fund balance for the General Fund was \$26,817,316 or 38 percent of total General Fund expenditures.
- For the fiscal year ended June 30, 2014, Williamson County's total debt had a net increase of \$25,595,000. During the year, \$29,285,000 of debt service principal payments were made. There was \$73,310,000 of new debt issued, which was for various education, parks, and emergency operations capital projects. Of the \$73,310,000 in new debt issued, \$18,430,000 was used to pay off bond anticipation notes for various school and parks capital projects.

### Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all of Williamson County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Williamson County, which are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highway/public works; education; interest on long-term debt; and other debt service. The government-wide financial statements can be found on Exhibits A and B of this report.

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

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

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

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

Williamson County maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General,

Highway/Public Works, General Debt Service, Rural Debt Service, and General Capital Projects funds all of which are considered to be major funds. Data from the other three 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 and Constitutional Officers - Fees funds. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-6 of this report.

**Proprietary fund.** Williamson County has one proprietary fund. The county uses an internal service fund (Self-Insurance Fund) to account for the county's and School Department's self-insured health programs. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the internal service fund. The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47 - 109 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension information and other postemployment benefits information. Required supplementary information can be found after the basic financial statements section of this report.

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

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Williamson County, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$143,845,802 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, 2014, the county had outstanding debt totaling \$346,456,000 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 position. Allocation of school debt to the Williamson County Board of Education resulted in Williamson County having net position of \$202,610,198 at June 30, 2014.

The largest portion of Williamson County Government's net position totaling \$214,946,226 reflects its investment in capital assets (e.g., land, intangibles, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding.

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

### Williamson County's Net Position

	2014 Governmental Activities	2013 Governmental Activities
Current and Other Assets	\$ 247,414,961	\$ 210,554,989
Capital Assets	214,946,226	213,249,633
Deferred Outflows	6,860,788	8,240,706
Total Assets and Deferred Outflows of Resources	<u>\$ 469,221,975</u>	<u>\$ 432,045,328</u>
Long-term Liabilities Outstanding	\$ 525,199,615	\$ 491,796,883
Other Liabilities	7,031,750	7,895,509
Deferred Inflows	80,836,412	77,942,429
Total Liabilities and Deferred Inflows of Resources	<u>\$ 613,067,777</u>	<u>\$ 577,634,821</u>

Williamson County's Net Position (Cont.)

	2014 Governmental Activities	2013 Governmental Activities
Net Position:		
Net Investment in Capital Assets	\$ 112,342,241	\$ 107,419,265
Restricted	27,996,602	26,854,382
Unrestricted	(284,184,645)	(279,863,140)
Total Net Position	\$ (143,845,802)	\$ (145,589,493)

An additional portion of Williamson County's net position totaling \$27,996,602 represents resources that are subject to external restrictions on how they may be used. The restricted net position includes capital projects, debt service, highway/public works, all of the nonmajor funds, and other county general restricted or grant restrictions not accounted for in unrestricted net position.

**Governmental activities.** Governmental activities increased Williamson County's net position by \$1,743,691. Elements of this increase are noted below:

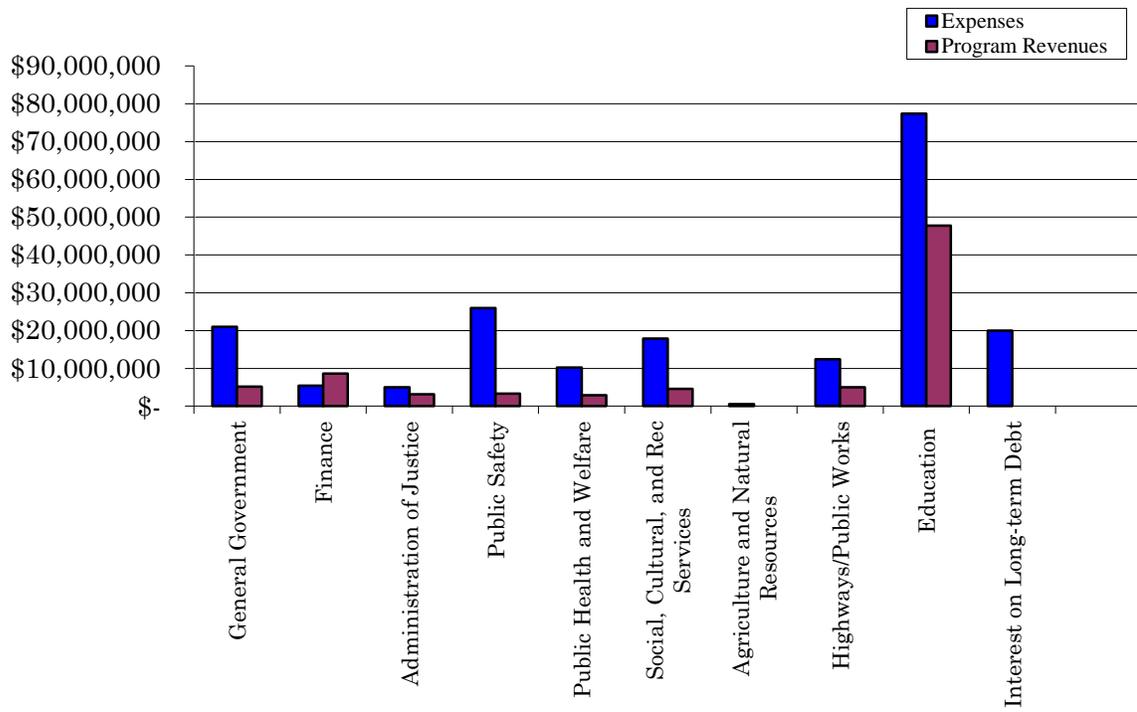
Williamson County's Changes in Net Position

	2014 Governmental Activities	2013 Governmental Activities
Revenues:		
Program Revenues:		
Charges for Services	\$ 71,628,533	\$ 68,961,143
Operating Grants and Contributions	6,466,285	8,255,407
Capital Grants and Contributions	2,549,338	4,015,848
Total Program Revenues	\$ 80,644,156	\$ 81,232,398
General Revenues:		
Property Taxes Levied for General Purposes	\$ 39,708,862	\$ 39,388,208
Property Taxes Levied for Debt Service	39,739,662	38,503,490
Local Option Sales Tax	1,211,443	1,103,506
Hotel/Motel Tax	3,811,085	3,259,702
Wheel Tax	4,122,110	3,999,845
Litigation Tax	716,606	755,666
Business Tax	5,337,831	4,376,230

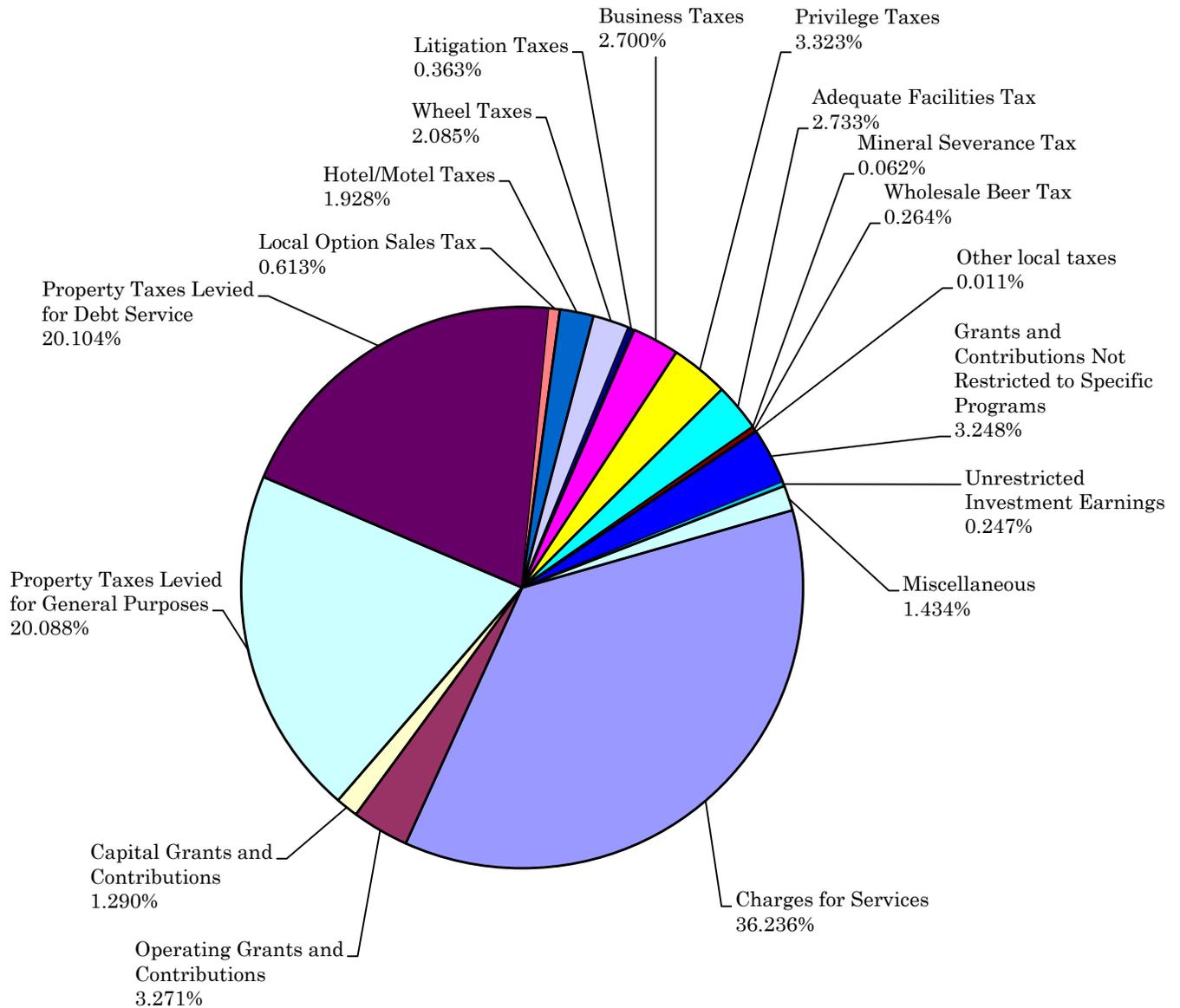
Williamson County's Changes in Net Position (Cont.)

	2014	2013
	Governmental Activities	Governmental Activities
	<u>                    </u>	<u>                    </u>
Privilege Taxes	\$ 6,568,822	\$ 3,899,135
Adequate Facilities Tax	5,403,003	5,750,950
Mineral Severance Tax	121,719	152,137
Wholesale Beer Tax	522,668	553,315
Other Local Taxes	22,632	0
Grants and Contributions Not Restricted to Specific Programs	6,421,006	4,250,762
Unrestricted Investment Earnings	487,544	424,681
Miscellaneous	2,834,229	2,626,757
Total General Revenues	<u>\$ 117,029,222</u>	<u>\$ 109,044,384</u>
Total Revenues	<u>\$ 197,673,378</u>	<u>\$ 190,276,782</u>
 Expenses:		
Governmental Activities:		
General Government	\$ 21,006,640	\$ 23,004,300
Finance	5,447,845	4,292,437
Administration of Justice	5,042,177	4,851,059
Public Safety	29,975,348	22,972,708
Public Health and Welfare	10,210,476	9,422,469
Social, Cultural, and Recreational Services	17,918,463	17,120,630
Agriculture and Natural Resources	514,200	469,184
Highway/Public Works	12,421,184	17,670,024
Education	77,365,919	51,596,342
Interest on Long-term Debt	20,027,435	19,899,850
Total Expenses	<u>\$ 195,929,687</u>	<u>\$ 171,299,003</u>
 Change in Net Position	 \$ 1,743,691	 \$ 18,977,779
Restatement/Reclassification	0	(3,331,178)
Net Position - July 1	<u>(145,589,493)</u>	<u>(161,236,094)</u>
 Net Position - June 30	 <u>\$ (143,845,802)</u>	 <u>\$ (145,589,493)</u>

### Expenses and Program Revenues – Governmental Activities



## Revenues by Source – Governmental Activities



### Financial Analysis of the Government's Funds

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

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

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

**Nonspendable Fund Balance** – As of June 30, 2014, Williamson County does not report any nonspendable fund balance. Nonspendable fund balance would primarily include amounts that cannot be spent because either (a) they are not in spendable form or (b) they are legally or contractually required to be maintained intact.

**Restricted Fund Balance** – As of June 30, 2014, Williamson County reports \$48,450,379 in restricted fund balance, which includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed Fund Balance** – As of June 30, 2014, Williamson County reports \$53,883,344 in committed fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes pursuant to constraints imposed by formal resolution of the County Commission, the county's highest level of decision-making authority.

**Assigned Fund Balance** – As of June 30, 2014, Williamson County reports \$11,116,221 in assigned fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes that are neither restricted nor committed.

**Unassigned Fund Balance** – As of June 30, 2014, Williamson County reports \$26,817,316 in unassigned fund balance. This classification represents fund balance that has not been restricted, committed, or assigned for specific purposes within the General Fund.

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$140,267,260, an increase of \$32,524,611 in comparison with the prior year. Approximately 19 percent of this total amount (\$26,817,316) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$26,817,316 while total fund balance was \$38,931,814. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 38 percent of total General Fund expenditures, while total fund balance represents 55 percent of that same amount.

The fund balance of the General Fund had a minimal increase of \$477,696 from the prior year. The primary factors of the increase were revenues exceeded projections and expenditures were less than budgeted.

The fund balance of the Highway/Public Works Fund had an increase of \$132,184 during the current fiscal year. The primary factors of the increase were revenues exceeded projections and expenditures were less than budgeted.

The fund balance of the General Debt Service Fund had a net decrease of \$1,335,506 from the prior year due to the payment of debt.

The fund balance of the Rural Debt Service Fund had a net increase of \$1,230,805 from the previous year due to revenues exceeding projections.

The fund balance of the General Capital Projects Fund had a net increase of \$31,568,085 from the prior year, which was primarily due to funding received for ongoing construction projects.

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

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

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

During the current fiscal year, the final amended budget for the Highway/Public Works Fund expenditures reflected an increase of 15 percent above the original budget.

### **Capital Assets and Debt Administration**

**Capital assets.** Williamson County's investment in capital assets for its governmental activities as of June 30, 2014, totaled \$214,946,226 (net of accumulated depreciation). This investment in capital assets includes land, intangibles, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net increase in Williamson County's investment in capital assets for the current fiscal year was \$1,696,593. The county purchased land for a future fire station. Williamson County also completed various projects such as a new financial software system coming on line, upgrades in the jail intercom system, as well as parks and convenience center improvements. Construction in progress totaling \$5,018,923 reflects Williamson County's various ongoing construction and renovation projects within the general operations, the parks and recreation facilities, and the emergency operations buildings as well as renovations to a rescue squad building in the southwest section of the county.

Williamson County's Capital Assets  
As of June 30  
(net of depreciation)

	<u>2014</u> Governmental Activities	<u>2013</u> Governmental Activities
Land	\$ 59,044,901	\$ 58,046,253
Intangibles - Indefinite Life	5,645,500	5,645,500
Construction in Progress	5,018,923	2,879,593
Buildings and Improvements	96,450,612	99,949,992
Other Capital Assets	21,961,547	20,681,599
Intangibles	835,631	73,733
Infrastructure	<u>25,989,112</u>	<u>25,972,963</u>
 Total	 <u>\$ 214,946,226</u>	 <u>\$ 213,249,633</u>

**Long-term debt.** At the end of the current fiscal year, Williamson County had total bonded debt outstanding of \$466,400,000. All debt is backed by the full faith and credit of the county. Of the amount outstanding for governmental activities, \$346,456,000 reflects the balance of borrowings for education capital projects for the Williamson County Board of Education, which makes up 74 percent of Williamson County's outstanding debt.

Williamson County's Outstanding Debt  
As of June 30

	<u>2014</u> Governmental Activities	<u>2013</u> Governmental Activities
Bonds Payable	\$ 466,400,000	\$ 422,375,000
Notes Payable	<u>0</u>	<u>18,430,000</u>
 Total	 <u>\$ 466,400,000</u>	 <u>\$ 440,805,000</u>

- For the fiscal year ended June 30, 2014, Williamson County's total debt had a net increase of \$25,595,000. During the year, \$29,285,000 of debt service principal payments were made. There was \$73,310,000 of new debt issued, which was for various education, parks, and emergency operations capital projects. Of the \$73,310,000, \$18,430,000 was to pay off bond anticipation notes for various school and parks capital projects.
- The new debt issues for Williamson County are comprised of the following:

- a) General Obligation and Refunding Bonds of \$55,210,000 were issued for various school projects, an emergency operations center, land purchase for a future fire station, and the payment of bond anticipation notes for various parks projects.
- b) County District School and Refunding Bonds of \$18,100,000 were issued for various school projects and the payment of bond anticipation notes for various rural debt service (K-8) school projects.

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

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

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

- The unemployment rate for the county as of June 30, 2014, was 5.4 percent, which is a .07 percent decrease from the 2013 rate of 6.1 percent. This compares to the state's average unemployment rate of 7.4 percent and the national average rate of 6.3 percent as of the same time period.
- The occupancy rate of the government's central business district for the past three years was 95.7 percent for 2012, 96.7 percent for 2013, and 97.3 percent for 2014.
- Inflationary trends in the region compare favorably to national indices.
- Assessed property value within the county is in excess of \$8.8 billion.

All of these factors were considered in preparing the county's budget for the 2015 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of Williamson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Accounts and Budgets at 1320 West Main Street, Suite 125, Franklin, TN 37064.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

Williamson County, Tennessee  
Statement of Net Position  
June 30, 2014

	Primary Government Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<b>ASSETS</b>				
Cash	\$ 1,760,515	\$ 292,483	\$ 10,407,865	\$ 2,369,819
Equity in Pooled Cash and Investments	145,675,269	72,851,444	0	0
Accounts Receivable	1,621,190	69,373	26,998,625	104,010
Allowance for Uncollectibles	0	0	(7,287,991)	0
Property Taxes Receivable	82,651,056	105,788,259	0	0
Allowance for Uncollectible Property Taxes	(779,464)	(943,453)	0	0
Due from Other Governments	5,165,126	7,456,731	0	63,340
Prepaid Items	0	0	1,208,660	0
Cash Shortage	143,273	0	0	0
Inventories	0	0	3,781,625	0
Investment in Joint Venture	6,794,625	0	13,417,236	0
Goodwill and Other Intangible Assets	0	0	1,732,362	0
Other Receivables	0	0	844,547	0
Notes Receivable - Long-term	4,383,371	0	0	0
Restricted Assets:				
Customer Deposits	0	0	951,243	0
Bond Reserves	0	0	3,024,378	0
Capital Improvements	0	0	70,118,352	0
Capital Assets:				
Assets Not Depreciated:				
Land	59,044,901	34,255,744	7,628,969	0
Intangibles	5,645,500	0	0	0
Construction in Progress	5,018,923	11,033,251	15,059,088	171,171
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	96,450,612	316,206,599	89,579,339	0
Other Capital Assets	21,961,547	18,328,881	20,908,183	134,633
Intangibles	835,631	441,567	0	0
Infrastructure	25,989,112	0	0	0
Total Assets	<u>\$ 462,361,187</u>	<u>\$ 565,780,879</u>	<u>\$ 258,372,481</u>	<u>\$ 2,842,973</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	\$ 6,860,788	\$ 0	\$ 0	\$ 0
Total Deferred Outflows of Resources	<u>\$ 6,860,788</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<b>LIABILITIES</b>				
Accounts Payable	\$ 204,811	\$ 599,389	\$ 8,241,594	\$ 2,574
Accrued Payroll	0	14,278,550	6,757,797	0
Payroll Deductions Payable	5,632	4,089,723	0	0
Contracts Payable	0	1,766,894	0	0
Retainage Payable	0	90,765	0	0
Accrued Interest Payable	4,881,931	0	309,227	0
Due to Litigants, Heirs, and Others	3,400	0	0	0
Other Accrued Expenses	0	0	2,209,436	0
Other Current Liabilities	21,046	0	0	8,717
Estimated Amounts Due to Third-party Payors	0	0	125,000	0
Customer Deposits Payable	1,914,930	282,755	0	0
Noncurrent Liabilities:				
Due Within One Year	41,311,337	412,895	7,278,964	0
Due in More Than One Year (net of unamortized premium on debt)	483,888,278	118,870,818	67,509,853	0
<b>Total Liabilities</b>	<b>\$ 532,231,365</b>	<b>\$ 140,391,789</b>	<b>\$ 92,431,871</b>	<b>\$ 11,291</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 80,836,412	\$ 103,657,116	\$ 0	\$ 0
<b>Total Deferred Inflows of Resources</b>	<b>\$ 80,836,412</b>	<b>\$ 103,657,116</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 112,342,241	\$ 380,266,042	\$ 58,386,762	\$ 305,804
Restricted for:				
Capital Projects	6,590,270	0	0	0
Debt Service	20,048,777	0	0	0
Highways	321,324	0	0	0
Solid Waste	74,043	0	0	0
Instruction	0	17,341	0	0
Academic Excellence	0	0	0	0
Career Ladder	0	112,378	0	0
Drug Control	42,961	0	0	0
Automation Purposes - Register of Deeds	407,956	0	0	0
Automation Purposes - County Clerk	93,700	0	0	0
Unclaimed Property	37,456	0	0	0
Drug Court	48,621	0	0	0
Courtroom Security	17,352	0	0	0
Victims Assistance Program	89,148	0	0	0
Automation Purposes - Administration of Justice	140,062	0	0	0
Automation Purposes - Sheriff	16,745	0	0	0
Alcohol and Drug Treatment	47,566	0	0	0
Sexual Offender Registration	13,686	0	0	0
Other Purposes	6,935	0	0	0
Hospital	0	0	1,876,561	0
Unrestricted	(284,184,645)	(58,663,787)	105,677,287	2,525,878
<b>Total Net Position</b>	<b>\$ (143,845,802)</b>	<b>\$ 321,731,974</b>	<b>\$ 165,940,610</b>	<b>\$ 2,831,682</b>

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, 2014

Functions/Programs	Net (Expense) Revenue and Changes in Net Position									
	Program Revenues					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	Williamson County Emergency Communications District		
Primary Government:										
Governmental Activities:										
General Government	\$ 21,006,640	\$ 4,347,785	\$ 435,887	\$ 359,655	\$ (15,863,313)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	5,447,845	8,642,621	4,636	0	3,199,412	0	0	0	0	0
Administration of Justice	5,042,177	3,100,445	81,657	0	(1,860,075)	0	0	0	0	0
Public Safety	25,975,348	1,524,415	1,557,718	270,310	(22,622,905)	0	0	0	0	0
Public Health and Welfare	10,210,476	1,683,623	1,259,188	0	(7,267,665)	0	0	0	0	0
Social, Cultural, and Recreational Services	17,918,463	4,488,114	3,637	73,815	(13,352,897)	0	0	0	0	0
Agriculture and Natural Resources	514,200	0	0	0	(514,200)	0	0	0	0	0
Highway/Public Works	12,421,184	46,892	3,123,562	1,845,558	(7,405,172)	0	0	0	0	0
Education	77,365,919	47,794,638	0	0	(29,571,281)	0	0	0	0	0
Interest on Long-term Debt	20,027,435	0	0	0	(20,027,435)	0	0	0	0	0
Total Primary Government	\$ 195,929,687	\$ 71,628,533	\$ 6,466,285	\$ 2,549,338	\$ (115,285,531)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Component Units:										
Williamson County School Department	\$ 315,119,332	\$ 12,470,394	\$ 13,362,494	\$ 30,398,688	\$ 0	\$ (258,887,756)	\$ 0	\$ 0	\$ 0	\$ 0
Williamson County Hospital District	159,635,676	160,328,392	1,132,168	0	0	0	1,824,884	0	0	0
Williamson County Emergency Communications District	1,618,830	1,452,929	345,150	0	0	0	0	0	179,249	0
Total Component Units	\$ 476,373,838	\$ 174,251,715	\$ 14,839,812	\$ 30,398,688	\$ 0	\$ (258,887,756)	\$ 1,824,884	\$ 1,824,884	\$ 179,249	\$ 0
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes					\$ 39,708,862	\$ 101,626,420	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes Levied for Debt Service					39,739,662	0	0	0	0	0
Local Option Sales Tax					1,211,443	40,929,436	0	0	0	0
Hotel/Motel Tax					3,811,085	0	0	0	0	0
Wheel Tax					4,122,110	0	0	0	0	0
Litigation Tax					716,606	0	0	0	0	0
Business Tax					5,337,831	0	0	0	0	0
Privilege Tax					6,568,822	0	0	0	0	0

(Continued)

Exhibit B

Williamson County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						
	Program Revenues			Component Units			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District	
General Revenues (Cont.):							
Taxes (Cont.):							
Adequate Facilities Tax				0	0	0	0
Mineral Severance Tax				0	0	0	0
Wholesale Beer Tax				0	0	0	0
Other Local Taxes				18,013	0	0	0
Grants and Contributions Not Restricted to Specific Programs				118,102,444	1,943,624	187,774	
Unrestricted Investment Income				291,026	477,863	7,665	
Miscellaneous				124,945	1,986,115	0	
Total General Revenues				\$ 261,092,284	\$ 4,407,602	\$ 195,439	
Change in Net Position				\$ 2,204,528	\$ 6,232,486	\$ 374,688	
Net Position, July 1, 2013				319,527,446	159,708,124	2,456,994	
Net Position, June 30, 2014				\$ 321,731,974	\$ 165,940,610	\$ 2,831,682	

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, 2014

	Major Funds					Nonmajor Funds		Total Governmental Funds
	Highway/ Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern- mental Funds			
\$	19,540	0	0	0	0	3,975	23,515	
Cash	15,461,922	12,329,964	8,940,862	56,749,261	4,809,826		135,246,038	
Equity in Pooled Cash and Investments	34,820	1,052,120	28,429	162,500	99,151		1,512,229	
Accounts Receivable	568,695	0	200,000	923,367	25,000		5,165,126	
Due from Other Governments	0	0	0	130,492	0		378,386	
Due from Other Funds	1,014,019	27,118,899	14,073,500	0	3,382,143		82,651,056	
Property Taxes Receivable	(24,587)	(241,855)	(143,272)	0	(39,215)		(779,464)	
Allowance for Uncollectible Property Taxes	0	0	0	0	0		143,273	
Cash Shortage	0	0	0	0	0		4,383,371	
Notes Receivable - Long-term	0	4,383,371	0	0	0		228,723,530	
Total Assets	\$ 17,054,869	\$ 44,642,499	\$ 23,099,519	\$ 57,965,620	\$ 8,280,880	\$	\$ 228,723,530	

ASSETS

Cash  
 Equity in Pooled Cash and Investments  
 Accounts Receivable  
 Due from Other Governments  
 Due from Other Funds  
 Property Taxes Receivable  
 Allowance for Uncollectible Property Taxes  
 Cash Shortage  
 Notes Receivable - Long-term

LIABILITIES

Accounts Payable  
 Payroll Deductions Payable  
 Claims and Judgments Payable  
 Due to Other Funds  
 Due to Litigants, Heirs, and Others  
 Other Current Liabilities  
 Current Liabilities Payable from Restricted Assets:  
 Customer Deposits Payable  
 Total Liabilities

\$	138,196	256	0	3,882	0	0	142,334
	4,787	0	0	0	845		5,632
	549,000	225,500	0	0	10,500		785,000
	199,123	229,720	0	1,996	0		430,839
	0	0	0	0	3,400		3,400
	0	0	0	0	21,046		21,046
	0	0	0	1,914,930	0		1,914,930
\$	891,106	455,476	0	1,920,808	35,791	\$	3,303,181

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes  
 Deferred Delinquent Property Taxes  
 Other Deferred/Unavailable Revenue  
 Total Deferred Inflows of Resources

\$	36,315,858	938,688	26,572,579	13,727,251	0	3,282,036	80,836,412
	366,102	48,644	264,465	187,977	0	55,893	923,081
	1,175,263	272,680	1,004,145	100,000	823,358	18,150	3,393,596
\$	37,857,223	1,260,012	27,841,189	14,015,228	823,358	3,356,079	85,153,089

(Continued)

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Highway /	Rural	General	Other	Governmental	Funds	
		Public Works						
<b>\$</b>	<b>407,956</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>407,956</b>
Restricted for General Government	131,156	0	0	0	0	0	0	131,156
Restricted for Finance	302,118	0	0	0	0	0	0	302,118
Restricted for Administration of Justice	30,431	0	0	0	0	42,961	0	73,392
Restricted for Public Safety	47,566	0	0	0	0	0	0	47,566
Restricted for Public Health and Welfare	0	0	0	0	0	0	0	0
Restricted for Capital Outlay	0	0	0	34,603,029	0	0	0	34,603,029
Restricted for Debt Service	0	0	0	12,885,162	0	0	0	12,885,162
<b>Committed:</b>								
Committed for General Government	24,296	0	0	0	0	0	0	24,296
Committed for Administration of Justice	1,694	0	0	0	0	0	0	1,694
Committed for Public Health and Welfare	0	0	0	0	0	4,846,049	0	4,846,049
Committed for Social, Cultural, and Recreational Services	44,730	0	0	0	0	0	0	44,730
Committed for Highways/Public Works	0	15,339,381	0	0	0	0	0	15,339,381
Committed for Capital Outlay	0	0	0	20,618,425	0	0	0	20,618,425
Committed for Debt Service	0	0	3,916,148	0	0	9,084,291	0	13,000,439
Committed for Other Purposes	8,330	0	0	0	0	0	0	8,330
<b>Assigned:</b>								
Assigned for General Government	254,605	0	0	0	0	0	0	254,605
Assigned for Finance	107,832	0	0	0	0	0	0	107,832
Assigned for Administration of Justice	10,735	0	0	0	0	0	0	10,735
Assigned for Public Safety	431,206	0	0	0	0	0	0	431,206
Assigned for Public Health and Welfare	24,995	0	0	0	0	0	0	24,995
Assigned for Social, Cultural, and Recreational Services	214,027	0	0	0	0	0	0	214,027
Assigned for Agriculture and Natural Resources	351	0	0	0	0	0	0	351
Assigned for Other Purposes	10,072,470	0	0	0	0	0	0	10,072,470
Unassigned	26,817,316	0	0	0	0	0	0	26,817,316
<b>Total Fund Balances</b>	<b>\$ 38,931,814</b>	<b>\$ 15,339,381</b>	<b>\$ 16,801,310</b>	<b>\$ 55,221,454</b>	<b>\$ 4,889,010</b>	<b>\$ 4,889,010</b>	<b>\$ 4,889,010</b>	<b>\$ 140,267,260</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 77,680,143</b>	<b>\$ 17,054,869</b>	<b>\$ 44,642,499</b>	<b>\$ 23,099,519</b>	<b>\$ 57,965,620</b>	<b>\$ 8,280,880</b>	<b>\$ 8,280,880</b>	<b>\$ 228,723,530</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 Position  
June 30, 2014

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	140,267,260
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	59,044,901	
Add: intangibles		5,645,500	
Add: construction in progress		5,018,923	
Add: buildings and improvements net of accumulated depreciation		96,450,612	
Add: other capital assets net of accumulated depreciation		21,961,547	
Add: intangibles net of accumulated depreciation		835,631	
Add: infrastructure net of accumulated depreciation		<u>25,989,112</u>	214,946,226
(2) Investment in joint venture used in governmental activities is not a financial resource and therefore is not reported in governmental funds.			6,794,625
(3) Internal service funds are used to account for the county's and the School Department's self-insured health programs. The assets and liabilities are included in governmental activities in the statement of net position.			5,386,960
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Add: deferred amount on refunded debt	\$	6,860,788	
Less: unamortized debt premiums		(25,225,739)	
Less: bonds payable		(466,400,000)	
Less: accrued interest on bonds and notes		(4,881,931)	
Less: landfill closure/postclosure care costs		(67,020)	
Less: other postemployment benefits liability		(23,335,519)	
Less: compensated absences payable		<u>(2,508,129)</u>	(515,557,550)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>4,316,677</u>
Net position of governmental activities (Exhibit A)		\$	<u>(143,845,802)</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, 2014

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General			Other Governmental Funds	Total Governmental Funds		
			General	Debt Service	Rural Debt Service			Capital Projects	
<b>Revenues</b>									
Local Taxes	\$ 43,803,125	\$ 7,973,100	\$ 26,459,070	\$ 14,874,737	\$ 15,363,904	\$ 3,172,192	\$ 111,646,128		
Licenses and Permits	1,715,951	0	0	0	0	0	1,715,951		
Fines, Forfeitures, and Penalties	787,808	0	0	0	0	48,383	836,191		
Charges for Current Services	5,702,526	0	0	0	0	783,461	6,485,987		
Other Local Revenues	839,684	331,223	470,183	63,416	66,058	398,161	2,168,725		
Fees Received from County Officials	12,166,258	0	0	0	0	0	12,166,258		
State of Tennessee	4,484,197	3,334,611	0	0	35,064	182,735	8,036,607		
Federal Government	2,004,901	0	622,437	876,537	604,618	0	4,108,493		
Other Governments and Citizens Groups	794,668	30,692	205,349	0	2,450,200	4,550	3,485,459		
<b>Total Revenues</b>	<b>\$ 72,299,118</b>	<b>\$ 11,669,626</b>	<b>\$ 27,757,039</b>	<b>\$ 15,814,690</b>	<b>\$ 18,519,844</b>	<b>\$ 4,589,482</b>	<b>\$ 150,649,799</b>		
<b>Expenditures</b>									
Current:									
General Government	\$ 10,311,595	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10,311,595		
Finance	3,804,423	0	0	0	0	0	3,804,423		
Administration of Justice	3,729,580	0	0	0	0	0	3,729,580		
Public Safety	18,193,050	0	0	0	0	84,285	18,277,335		
Public Health and Welfare	4,120,171	0	0	0	0	3,395,828	7,515,999		
Social, Cultural, and Recreational Services	12,430,756	0	0	0	0	0	12,430,756		
Agriculture and Natural Resources	365,404	0	0	0	0	0	365,404		
Other Operations	17,451,066	0	0	0	0	658,022	18,109,088		
Highways	0	11,445,555	0	0	0	0	11,445,555		
Debt Service:									
Principal on Debt	0	0	31,115,000	16,600,000	0	0	47,715,000		
Interest on Debt	0	0	11,144,139	8,941,215	0	0	20,085,354		
Other Debt Service	0	0	584,696	312,254	0	0	896,950		
Capital Projects	0	0	0	0	8,808,048	0	8,808,048		
Capital Projects - Donated	0	0	0	0	30,360,000	0	30,360,000		
<b>Total Expenditures</b>	<b>\$ 70,406,045</b>	<b>\$ 11,445,555</b>	<b>\$ 42,843,835</b>	<b>\$ 25,853,469</b>	<b>\$ 39,168,048</b>	<b>\$ 4,138,135</b>	<b>\$ 193,855,087</b>		

(Continued)

Exhibit C-3

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other	Governmental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,893,073	\$ 224,071	\$ (15,086,796)	\$ (10,038,779)	\$ (20,648,204)	\$ 451,347	\$ (43,205,288)	
Other Financing Sources (Uses)								
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,835,000	\$ 0	\$ 53,835,000	
Refunding Debt Issued	0	0	13,430,000	6,045,000	0	0	19,475,000	
Premiums on Debt Issued	0	0	321,290	224,584	5,263,368	0	5,809,242	
Insurance Recovery	0	3,113	0	0	0	0	3,113	
Transfers In	68,254	0	0	5,000,000	1,510,000	0	6,578,254	
Transfers Out	(1,483,631)	(95,000)	0	0	(8,392,079)	0	(9,970,710)	
Total Other Financing Sources (Uses)	\$ (1,415,377)	\$ (91,887)	\$ 13,751,290	\$ 11,269,584	\$ 52,216,289	\$ 0	\$ 75,729,899	
Net Change in Fund Balances	\$ 477,696	\$ 132,184	\$ (1,335,506)	\$ 1,230,805	\$ 31,568,085	\$ 451,347	\$ 32,524,611	
Fund Balance, July 1, 2013	38,454,118	15,207,197	18,136,816	7,853,486	23,653,369	4,437,663	107,742,649	
Fund Balance, June 30, 2014	\$ 38,931,814	\$ 15,339,381	\$ 16,801,310	\$ 9,084,291	\$ 55,221,454	\$ 4,889,010	\$ 140,267,260	

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, 2014

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)		\$ 32,524,611
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 7,964,948	
Less: current-year depreciation expense	<u>(7,522,763)</u>	442,185
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	\$ 1,666,326	
Less: loss on disposal of capital assets	<u>(411,918)</u>	1,254,408
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2013	\$ (4,248,885)	
Add: deferred delinquent property taxes and other deferred June 30, 2014	<u>4,316,677</u>	67,792
(4) The issuance of long-term debt (e.g. 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 position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Less: bond proceeds	\$ (73,310,000)	
Less: change in deferred amount on refunding debt	(1,379,918)	
Add: change in premium on debt issuances	2,396,940	
Less: premium on debt issued during the year	(5,809,242)	
Add: principal payments on notes	18,430,000	
Add: principal payments on bonds	<u>29,285,000</u>	(30,387,220)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ (61,137)	
Change in other postemployment benefits liability	(3,265,299)	
Change in landfill closure/postclosure care costs	(990)	
Change in compensated absences payable	<u>(100,769)</u>	(3,428,195)
(6) Internal service funds are used to account for the county's and the School Department's self-insured health programs. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>1,270,110</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,743,691</u>

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

Exhibit C-5

Williamson County, Tennessee  
 Statement of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 General Fund  
 For the Year Ended June 30, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 43,803,125	\$ 0	\$ 0	\$ 43,803,125	\$ 38,416,718	\$ 38,466,718	\$ 5,336,407
Licenses and Permits	1,715,951	0	0	1,715,951	1,170,000	1,170,000	545,951
Fines, Forfeitures, and Penalties	787,808	0	0	787,808	428,250	448,250	339,558
Charges for Current Services	5,702,526	0	0	5,702,526	5,367,600	5,414,787	287,739
Other Local Revenues	839,684	0	0	839,684	750,000	790,173	49,511
Fees Received from County Officials	12,166,258	0	0	12,166,258	11,360,000	11,360,000	806,258
State of Tennessee	4,484,197	0	0	4,484,197	4,410,900	4,129,454	354,743
Federal Government	2,004,901	0	0	2,004,901	2,930,219	3,482,120	(1,477,219)
Other Governments and Citizens Groups	794,668	0	0	794,668	205,000	691,934	102,734
<b>Total Revenues</b>	<b>\$ 72,299,118</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 72,299,118</b>	<b>\$ 65,038,687</b>	<b>\$ 65,953,436</b>	<b>\$ 6,345,682</b>
<b>Expenditures</b>							
<b>General Government</b>							
County Commission	\$ 800,000	(3,500)	630	797,130	672,365	862,365	65,235
Board of Equalization	2,358	0	0	2,358	7,700	7,700	5,342
Beer Board	1,650	0	0	1,650	2,700	2,700	1,050
Other Boards and Committees	400	0	0	400	3,300	3,300	2,900
County Mayor/Executive	436,132	(2,592)	70,500	504,040	701,274	701,274	197,234
Personnel Office	217,346	0	0	217,346	266,622	266,622	49,276
County Attorney	523,061	0	0	523,061	665,000	665,000	141,939
Election Commission	648,519	(157)	29,881	678,243	570,502	813,320	135,077
Register of Deeds	624,570	0	0	624,570	602,154	672,854	48,284
Development	2,143,736	(3,902)	6,951	2,146,785	2,325,196	2,345,196	198,411
Planning	15,097	(4,751)	8,211	18,557	23,855	23,855	5,298
Building	29,045	(3,325)	1,069	26,789	36,125	36,125	9,336
Engineering	32,905	(15,027)	6,907	24,785	47,997	47,997	23,212
Codes Compliance	17,543	(2,520)	6,746	21,769	50,381	50,381	28,612
Geographical Information Systems	1,142,131	(37,937)	26,056	1,130,250	1,219,060	1,219,060	88,810
County Buildings	2,963,125	(107,999)	90,189	2,945,315	3,187,082	3,187,082	241,767
Other Facilities	101,296	0	554	101,850	106,260	106,260	4,410
Preservation of Records	187,970	(8,175)	6,334	186,129	219,459	224,139	38,010

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Risk Management	\$ 163,466	\$ (139)	\$ 576	\$ 163,903	\$ 202,434	\$ 202,434	\$ 38,531
Other Risk Management	261,245	0	0	261,245	283,497	283,497	22,252
<u>Finance</u>							
Accounting and Budgeting	819,304	(24,022)	720	796,002	874,279	874,279	78,277
Property Assessor's Office	1,392,748	(68,781)	86,313	1,410,280	1,558,656	1,563,292	153,012
County Trustee's Office	529,001	(6,284)	2,886	525,603	584,390	584,390	58,787
County Clerk's Office	885,217	(685)	537	885,069	964,769	1,014,769	129,700
Other Finance	178,153	0	17,377	195,530	285,000	285,000	89,470
<u>Administration of Justice</u>							
Circuit Court	1,444,991	(6,185)	11,096	1,449,902	1,504,709	1,538,709	88,807
General Sessions Court	864,557	(1,862)	5,039	867,734	799,401	1,053,955	186,221
Drug Court	90,235	0	0	90,235	0	90,235	0
Chancery Court	445,042	(743)	164	444,463	434,618	451,618	7,155
Juvenile Court	409,822	0	1,042	410,864	419,878	419,878	9,014
Judicial Commissioners	219,911	0	332	220,243	246,248	245,973	25,730
Other Administration of Justice	168,118	0	0	168,118	186,674	186,674	18,556
Victims Assistance Programs	86,904	0	0	86,904	0	86,904	0
<u>Public Safety</u>							
Sheriff's Department	8,631,560	(295,158)	163,736	8,500,138	9,387,952	9,785,284	1,285,146
Traffic Control	93,130	0	0	93,130	116,119	116,119	22,989
Jail	5,360,275	(153,428)	149,730	5,356,577	5,580,263	5,867,596	511,019
Workhouse	126,542	(7,956)	10,855	129,441	201,313	150,859	21,418
Juvenile Services	1,508,261	(5,844)	3,009	1,505,426	1,492,779	1,522,779	17,353
Fire Prevention and Control	547,093	(62,702)	11,454	495,845	496,359	496,359	514
Other Emergency Management	5,541	(2,378)	0	3,163	25,000	34,600	31,437
County Coroner/Medical Examiner	194,400	0	0	194,400	188,520	202,520	8,120
Other Public Safety	1,726,248	(20,136)	92,423	1,798,535	1,883,703	1,945,801	147,266
<u>Public Health and Welfare</u>							
Local Health Center	972,451	(14,126)	5,973	964,298	1,457,462	1,582,712	618,414
Rabies and Animal Control	992,623	(9,615)	16,555	999,563	993,233	1,082,257	82,694

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
<u>Public Health and Welfare (Cont.)</u>							
Ambulance/Emergency Medical Services	\$ 1,943,624	\$ 0	\$ 0	\$ 1,943,624	\$ 1,943,624	\$ 1,943,624	\$ 0
Other Local Health Services	0	0	0	0	9,576	9,576	9,576
Regional Mental Health Center	21,780	0	0	21,780	21,780	21,780	0
Appropriation to State	103,816	0	0	103,816	103,816	103,816	0
General Welfare Assistance	17,617	0	0	17,617	17,617	17,617	0
Aid to Dependent Children	10,538	0	0	10,538	11,000	11,000	462
Other Public Health and Welfare	57,722	(5,482)	2,467	54,707	66,932	66,932	12,225
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	45,464	0	0	45,464	45,464	45,464	0
Senior Citizens Assistance	83,530	0	0	83,530	87,760	87,760	4,230
Libraries	2,037,019	(20,530)	16,360	2,032,849	2,012,843	2,189,116	156,267
Parks and Fair Boards	9,205,626	(110,545)	167,196	9,262,277	9,363,648	10,068,853	806,576
Other Social, Cultural, and Recreational	1,059,117	(35,577)	30,469	1,054,009	1,231,272	1,241,272	187,263
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	316,904	(2,071)	351	315,184	358,607	358,607	43,423
Soil Conservation	48,500	0	0	48,500	48,513	48,513	13
<u>Other Operations</u>							
Public Transportation	312,317	0	0	312,317	1,755,219	1,755,219	1,442,902
Veterans' Services	14,651	(40)	0	14,611	14,786	15,406	795
Other Charges	2,619,773	(39,023)	24,276	2,605,026	2,703,697	2,723,697	118,671
Employee Benefits	13,208,279	0	0	13,208,279	13,816,475	13,816,475	608,196
Miscellaneous	1,296,046	0	0	1,296,046	1,341,227	1,416,227	120,181
<b>Total Expenditures</b>	<b>\$ 70,406,045</b>	<b>\$ (1,083,197)</b>	<b>\$ 1,074,964</b>	<b>\$ 70,397,812</b>	<b>\$ 75,828,144</b>	<b>\$ 78,844,677</b>	<b>\$ 8,446,865</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 1,893,073</b>	<b>\$ 1,083,197</b>	<b>\$ (1,074,964)</b>	<b>\$ 1,901,306</b>	<b>\$ (10,789,457)</b>	<b>\$ (12,891,241)</b>	<b>\$ 14,792,547</b>
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 68,254	\$ 0	\$ 0	\$ 68,254	\$ 74,932	\$ 74,932	\$ (6,678)

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Other Financing Sources (Uses) (Cont.)							
Transfers Out	\$ (1,483,631)	0 \$	0 \$	(1,483,631) \$	0 \$	(1,483,631) \$	0
Total Other Financing Sources	\$ (1,415,377)	0 \$	0 \$	(1,415,377) \$	74,932 \$	(1,408,699) \$	(6,678)
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 477,696	1,083,197 \$	(1,074,964) \$	485,929 \$	(10,714,525) \$	(14,299,940) \$	14,785,869
	38,454,118	(1,083,197)	0	37,370,921	36,280,742	36,280,742	1,090,179
Fund Balance, June 30, 2014	\$ 38,931,814	0 \$	(1,074,964) \$	37,856,850 \$	25,566,217 \$	21,980,802 \$	15,876,048

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

Exhibit C-6

Williamson County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 7,973,100	\$ 0	\$ 0	\$ 7,973,100	\$ 7,969,178	\$ 7,969,178	\$ 3,922
Other Local Revenues	331,223	0	0	331,223	60,000	60,000	271,223
State of Tennessee	3,334,611	0	0	3,334,611	2,800,000	2,800,000	534,611
Other Governments and Citizens Groups	30,692	0	0	30,692	50,000	50,000	(19,308)
Total Revenues	\$ 11,669,626	\$ 0	\$ 0	\$ 11,669,626	\$ 10,879,178	\$ 10,879,178	\$ 790,448
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 962,659	\$ (27,364)	\$ 67,954	\$ 1,003,249	\$ 831,146	\$ 1,081,146	\$ 77,897
Highway and Bridge Maintenance	5,318,955	(1,423,306)	1,013,450	4,909,099	5,477,954	5,507,954	598,855
Operation and Maintenance of Equipment	1,487,651	(295,211)	228,319	1,420,759	1,731,968	1,731,968	311,209
Quarry Operations	540,872	(70,181)	173,067	643,758	752,613	752,613	108,855
Other Charges	596,695	0	34,018	630,713	755,000	855,000	224,287
Employee Benefits	1,308,007	0	0	1,308,007	1,346,200	1,346,200	38,193
Capital Outlay	1,230,716	(35,788)	248,442	1,443,370	180,000	1,492,350	48,980
Total Expenditures	\$ 11,445,555	\$ (1,851,850)	\$ 1,765,250	\$ 11,358,955	\$ 11,074,881	\$ 12,767,231	\$ 1,408,276
Excess (Deficiency) of Revenues Over Expenditures	\$ 224,071	\$ 1,851,850	\$ (1,765,250)	\$ 310,671	\$ (195,703)	\$ (1,888,053)	\$ 2,198,724
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 3,113	\$ 0	\$ 0	\$ 3,113	\$ 0	\$ 0	\$ 3,113
Transfers Out	(95,000)	0	0	(95,000)	0	(95,000)	0
Total Other Financing Sources	\$ (91,887)	\$ 0	\$ 0	\$ (91,887)	\$ 0	\$ (95,000)	\$ 3,113
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 132,184	\$ 1,851,850	\$ (1,765,250)	\$ 218,784	\$ (195,703)	\$ (1,983,053)	\$ 2,201,837
Fund Balance, July 1, 2013	15,207,197	(1,851,850)	0	13,355,347	13,291,447	13,291,447	63,900
Fund Balance, June 30, 2014	\$ 15,339,381	\$ 0	\$ (1,765,250)	\$ 13,574,131	\$ 13,095,744	\$ 11,308,394	\$ 2,265,737

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

Exhibit D-1

Williamson County, Tennessee  
Statement of Net Position  
Proprietary Fund  
June 30, 2014

	Governmental Activities - Internal Service Fund
	<u>Self- Insurance Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash With Paying Agents	\$ 1,737,000
Equity in Pooled Cash and Investments	10,429,231
Accounts Receivable	<u>108,961</u>
Total Assets	<u>\$ 12,275,192</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Payroll Deductions Payable	\$ 10,024
Claims and Judgments Payable	<u>6,878,208</u>
Total Liabilities	<u>\$ 6,888,232</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 5,386,960</u>
Total Net Position	<u>\$ 5,386,960</u>

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 Position  
Proprietary Fund  
For the Year Ended June 30, 2014

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>Operating Revenues</u>	
Charges for Services	\$ 54,096,314
Other Local Revenues	3,725,736
Total Operating Revenues	<u>\$ 57,822,050</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 5,258,838
Life Insurance	147,023
Dental Insurance	3,091,588
Flexible Benefit Charges	1,894,189
Medical Claims	37,121,396
Other Self-Insured Claims	9,038,906
Total Operating Expenses	<u>\$ 56,551,940</u>
Operating Income (Loss)	\$ 1,270,110
Net Position, July 1, 2013	<u>4,116,850</u>
Net Position, June 30, 2014	<u><u>\$ 5,386,960</u></u>

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

Exhibit D-3

Williamson County, Tennessee  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2014

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>Cash Flows from Operating Activities</u>	
Receipts from Interfund Services Provided	\$ 47,993,866
Receipts from Customers and Users	9,752,967
Payments to Suppliers	(55,849,840)
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ 1,896,993 <hr/>
Increase (Decrease) in Cash	\$ 1,896,993
Cash, July 1, 2013	<hr/> 10,269,238 <hr/>
Cash, June 30, 2014	<hr/> <hr/> \$ 12,166,231 <hr/> <hr/>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 1,270,110
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
(Increase) Decrease in Accounts Receivable	(75,217)
Increase (Decrease) in Accounts Payable	(8,272)
Increase (Decrease) in Claims and Judgments Payable	<hr/> 710,372 <hr/>
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ 1,896,993 <hr/> <hr/>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Cash With Paying Agents Per Net Position	\$ 1,737,000
Equity in Pooled Cash and Investments Per Net Position	<hr/> 10,429,231 <hr/>
Cash, June 30, 2014	<hr/> <hr/> \$ 12,166,231 <hr/> <hr/>

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, 2014

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 8,073,292
Equity in Pooled Cash and Investments	2,593,981
Investments	22,820
Accounts Receivable	82,034
Due from Other Governments	8,308,214
Due from Other Funds	68,631
Taxes Receivable	10,823,005
Allowance for Uncollectible Taxes	<u>(96,523)</u>
Total Assets	<u>\$ 29,875,454</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 19,585,256
Due to Other Funds	16,178
Due to Joint Venture	1,773,688
Due to Litigants, Heirs, and Others	<u>8,500,332</u>
Total Liabilities	<u>\$ 29,875,454</u>

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

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**WILLIAMSON COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements**

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**WILLIAMSON COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements (Cont.)**

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**WILLIAMSON COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2014**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. Reporting Entity**

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

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

The Williamson County School Department operates the public school system in the county, and the voters of Williamson County elect its board. The School Department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

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

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

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

Administrative Offices:

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

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

**Related Organization** – The Williamson County Industrial Development Board and the War Memorial Public Library Board of Trustees are related organizations of Williamson County. The county’s officials are responsible for appointing the members of the boards, but the county’s accountability for these organizations does not extend beyond making the appointments.

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

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given

function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Williamson County issues all debt for the discretely presented Williamson County School Department. Net debt issues totaling \$30,360,000 were contributed by the county to the School Department during the year ended June 30, 2014.

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of

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

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

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

Williamson County reports the following major governmental funds:

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

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

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

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

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

Additionally, Williamson County reports the following fund types:

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

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

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

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

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

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

**Special Revenue Funds** – These funds account for and report the proceeds of specific revenue sources that are restricted, committed, or

assigned to expenditure for specified purposes other than debt service or capital projects.

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

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes 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; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Williamson County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General, General Debt Service, and General Purpose School funds. In addition, investments are held separately by the Constitutional Officers - Agency Fund of the county. Williamson County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's

Investment Pool are reported at fair value. 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. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. 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.

## **2. Receivables and Payables**

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

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

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 a deferred inflow of resources 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 as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets (customer deposits payable) reflected in the primary government's General Capital Projects Fund represent deposits placed with Williamson County for road damage (\$1,914,930) and in the School Department's Central Cafeteria Fund represent deposits for student meals (\$282,755). Claims and judgments payable are discussed in Note V.A. Risk Management.

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

### **3. Capital Assets**

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

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

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

\*applicable legal life of the asset

**4. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These revenues are from the following sources: current and delinquent property taxes and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**5. Compensated Absences**

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

financial statements for the county and the discretely presented School Department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

## **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 Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

## **7. Net Position and Fund Equity**

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

- a. Net investment in capital assets – 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 position – Consists of net position 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 position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2014, Williamson County had \$346,456,000 in outstanding debt for capital purposes for the discretely presented Williamson County School Department. This debt is a liability of Williamson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Williamson County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

Department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes, but are neither restricted nor committed (excluding stabilization arrangements). The County Commission has by resolution authorized the county's Budget Committee to make assignments for the general government. The Board of Education makes assignments for the School Department.

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

## **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 Position**

#### **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 Position.

#### **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 Position.

### **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 position 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 position 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 Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted, and the capital projects funds, which adopt project length budgets. All annual appropriations lapse at fiscal year end.

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

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

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

At June 30, 2014, Williamson County and the Williamson County School Department reported the following significant encumbrances:

<u>Funds</u>	<u>Description</u>	<u>Amount</u>
<u>Primary Government</u>		
Major Fund:		
Highway/Public Works	Asphalt	\$ 759,539
<u>School Department</u>		
Major Fund:		
General Purpose School	Buses	1,479,840
"	Textbooks	2,460,994

**B. Cash Shortages – Prior Years**

The audit of Williamson County for the 2005-06 year reported a cash shortage of at least \$45,037.43 as of June 30, 2006, at the Fairview Recreational Center. This cash shortage resulted from collections that were not deposited or otherwise accounted for properly. On October 6, 2008, the defendant pled guilty and was sentenced to four years probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. During the 2013-14 fiscal year, this individual paid restitution totaling \$1,640.50, leaving the outstanding cash shortage of \$34,224.43 as of June 30, 2014.

The audit of Williamson County for the 2008-09 year reported a cash shortage of \$3,386.18 in the Office of County Clerk. In December 2008, the county clerk discovered that collections from a title application transaction totaling \$1,877.68 had been diverted for an employee's personal use. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds, and the county clerk terminated the employee for mishandling the funds. Subsequently, the county clerk's bookkeeper and auditors discovered two additional title applications totaling \$1,508.50 had been stolen. Therefore, the amount of funds diverted from the office totaled \$3,386.18 (\$1,877.68 plus \$1,508.50). On November 10, 2009, the defendant pled guilty to one count of theft over \$1,000 and one count of forgery. The defendant was sentenced to two years' probation, and ordered to pay restitution of \$3,386.18 to Williamson County. As of June 30, 2014, no restitution had been paid, leaving the outstanding cash shortage of \$3,386.18.

A special report of the Williamson County Animal Control Department released on July 26, 2010, for the period May 17, 2005, through March 31, 2010, reported a cash shortage of at least \$106,446.17 from receipts that were not deposited with the county or otherwise accounted for properly. On November 15, 2010, the employee pled guilty to theft over \$60,000 and was sentenced to eight years' confinement, which was suspended to eight years' probation, and was ordered to pay restitution of \$106,446.17. During the 2013-14 fiscal year, this individual paid restitution of \$355.75, leaving the outstanding cash shortage of \$105,661.92 as of June 30, 2014.

**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 position as Equity in Pooled Cash and Investments. Cash and investments reflected on the balance sheets or statements of net position represent nonpooled amounts held separately by individual funds.

### **Deposits**

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

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

### **Investments**

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

**Investment Balances.** As of June 30, 2014, Williamson County had the following investments carried at fair value or cost. Except for nonpooled investments in the Constitutional Officers - Agency Fund, all investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

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

Investment	Weighted Average Maturity (days)	Maturities	Fair Value or Cost
Pooled:			
State Treasurer's Investment Pool	109	N/A	\$ 27,506,581
Nonpooled:			
Constitutional Officers - Agency	Various	N/A	22,820

**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, 2014, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

**B. Notes Receivable**

Notes receivable in the General Debt Service Fund totaling \$4,383,371 resulted from an agreement with the City of Spring Hill to help finance the construction of a recreational facility and related infrastructure and is included in the restricted fund balance account.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2014, 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. Title 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 7-1-13	Increases	Decreases	Balance 6-30-14
Capital Assets Not Depreciated:				
Land	\$ 58,046,253	\$ 1,053,145	\$ (54,497)	\$ 59,044,901
Intangible Assets- Indefinite Life	5,645,500	0	0	5,645,500
Construction in Progress	2,879,593	4,179,574	(2,040,244)	5,018,923
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 66,571,346</b>	<b>\$ 5,232,719</b>	<b>\$ (2,094,741)</b>	<b>\$ 69,709,324</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 140,337,808	\$ 0	\$ (201,483)	\$ 140,136,325
Infrastructure	61,804,284	1,440,837	(128,509)	63,116,612
Intangibles	809,087	849,795	0	1,658,882
Other Capital Assets	53,178,569	4,148,167	(1,052,467)	56,274,269
<b>Total Capital Assets Depreciated</b>	<b>\$ 256,129,748</b>	<b>\$ 6,438,799</b>	<b>\$ (1,382,459)</b>	<b>\$ 261,186,088</b>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 40,387,816	\$ 3,299,576	\$ (1,679)	\$ 43,685,713
Infrastructure	35,831,321	1,296,179	0	37,127,500
Intangibles	735,354	87,897	0	823,251
Other Capital Assets	32,496,970	2,839,111	(1,023,359)	34,312,722
<b>Total Accumulated Depreciation</b>	<b>\$ 109,451,461</b>	<b>\$ 7,522,763</b>	<b>\$ (1,025,038)</b>	<b>\$ 115,949,186</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 146,678,287</b>	<b>\$ (1,083,964)</b>	<b>\$ (357,421)</b>	<b>\$ 145,236,902</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 213,249,633</b>	<b>\$ 4,148,755</b>	<b>\$ (2,452,162)</b>	<b>\$ 214,946,226</b>

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

**Governmental Activities:**

General Government	\$ 1,052,012
Finance	92,563
Public Safety	1,399,114
Public Health and Welfare	566,892
Social, Cultural, and Recreational Services	2,352,962
Agriculture and Natural Resources	4,207
Other Operations	91,446
Highways/Public Works	<u>1,963,567</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 7,522,763</u>

**Discretely Presented Williamson County School Department**

**Governmental Activities:**

	Balance 7-1-13	Increases	Decreases	Balance 6-30-14
Capital Assets Not Depreciated:				
Land	\$ 34,255,744	\$ 0	\$ 0	\$ 34,255,744
Construction in Progress	<u>1,579,471</u>	10,513,180	(1,059,400)	<u>11,033,251</u>
Total Capital Assets Not Depreciated	<u>\$ 35,835,215</u>	\$ 10,513,180	\$ (1,059,400)	<u>\$ 45,288,995</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 444,848,242	\$ 860,753	\$ 0	\$ 445,708,995
Intangibles	756,973	0	0	756,973
Other Capital Assets	<u>34,522,050</u>	1,731,608	(1,099,353)	<u>35,154,305</u>
Total Capital Assets Depreciated	<u>\$ 480,127,265</u>	\$ 2,592,361	\$ (1,099,353)	<u>\$ 481,620,273</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 118,425,621	\$ 11,076,775	\$ 0	\$ 129,502,396
Intangibles	164,011	151,395	0	315,406
Other Capital Assets	<u>15,481,944</u>	2,209,404	(865,924)	<u>16,825,424</u>
Total Accumulated Depreciation	<u>\$ 134,071,576</u>	\$ 13,437,574	\$ (865,924)	<u>\$ 146,643,226</u>
Depreciated, Net	<u>\$ 346,055,689</u>	\$ (10,845,213)	\$ (233,429)	<u>\$ 334,977,047</u>
Governmental Activities Capital Assets, Net	<u>\$ 381,890,904</u>	\$ (332,033)	\$ (1,292,829)	<u>\$ 380,266,042</u>

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

**Governmental Activities:**

Instruction	\$ 14,579
Support Services	13,228,703
Operation of Non-instructional Services	<u>194,292</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 13,437,574</u>

**D. Construction Commitments**

At June 30, 2014, Williamson County had uncompleted construction contracts of approximately \$1,605,480 in the General Capital Projects Fund for reroofing and building construction projects. Funding has been received for these future expenditures.

At June 30, 2014, the School Department had uncompleted construction contracts of approximately \$9,869,206 in the Education Capital Projects Fund for the school building program. Funding has been received for these future expenditures.

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

The composition of interfund balances as of June 30, 2014, was as follows:

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Highway/Public Works	\$ 229,720
"	General Capital Projects	1,996
"	Fiduciary Funds	16,178
General Capital Projects	General	130,492
Fiduciary Funds	"	68,631

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

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2014, consisted of the following amounts:

**Primary Government**

Transfers Out	Transfers In			
	General Fund	Rural Debt Service Fund	General Capital Projects Fund	Fiduciary Funds
General Fund	\$ 0	\$ 0	1,415,000	\$ 68,631
Highway/Public Works Fund	0	0	95,000	0
General Capital Projects Fund	0	5,000,000	0	3,392,079
Fiduciary Funds	68,254	0	0	0
<b>Total</b>	<b>\$ 68,254</b>	<b>\$ 5,000,000</b>	<b>1,510,000</b>	<b>\$ 3,460,710</b>

**Discretely Presented Williamson County School Department**

Transfer Out	Transfer In
	General Purpose School Fund
Nonmajor governmental funds	\$ 493,139

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 Obligations**

**Primary Government**

**General Obligation Bonds and Notes**

Williamson County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented School Department. In addition, general obligation bonds have been issued to refund capital outlay notes. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements

decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2014, will be retired from the debt service funds.

General obligation bonds outstanding as of June 30, 2014, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-14
General Obligation Bonds	1 to 5.75%	5-1-34	\$ 147,025,000	\$ 100,095,000
General Obligation Bonds - Refunding	2 to 5.5	5-1-34	227,895,000	163,080,000
Rural School Bonds	.85 to 5.75	5-1-34	156,935,000	111,750,000
Rural School Bonds - Refunding	2 to 5.5	5-1-34	127,800,000	91,475,000

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2014, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2015	\$ 31,140,000	\$ 20,535,679	\$ 51,675,679
2016	33,165,000	19,381,440	52,546,440
2017	35,690,000	18,002,214	53,692,214
2018	36,235,000	16,523,414	52,758,414
2019	35,580,000	14,959,176	50,539,176
2020-2024	141,820,000	53,010,525	194,830,525
2025-2029	100,570,000	25,038,386	125,608,386
2030-2034	52,200,000	7,421,300	59,621,300
Total	\$ 466,400,000	\$ 174,872,134	\$ 641,272,134

There is \$25,885,601 available in the debt service funds to service long-term debt. Debt per capita, including bonds, totaled \$2,546, based on the 2010 federal census.

#### Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2014, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2013	\$ 422,375,000	\$ 18,430,000
Additions	73,310,000	0
Reductions	<u>(29,285,000)</u>	<u>(18,430,000)</u>
Balance, June 30, 2014	<u>\$ 466,400,000</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 31,140,000</u>	<u>\$ 0</u>
	<u>Compensated Absences</u>	<u>Claims and Judgments</u>
Balance, July 1, 2013	\$ 2,407,360	\$ 6,634,836
Additions	2,128,068	42,601,193
Reductions	<u>(2,027,299)</u>	<u>(41,572,821)</u>
Balance, June 30, 2014	<u>\$ 2,508,129</u>	<u>\$ 7,663,208</u>
Balance Due Within One Year	<u>\$ 2,508,129</u>	<u>\$ 7,663,208</u>
	<u>Closure/ Postclosure Care Costs</u>	<u>Self-Insured Other Postemployment Benefits</u>
Balance, July 1, 2013	\$ 66,030	\$ 20,070,220
Additions	990	5,113,617
Reductions	<u>0</u>	<u>(1,848,318)</u>
Balance, June 30, 2014	<u>\$ 67,020</u>	<u>\$ 23,335,519</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2014	\$ 499,973,876
Less: Due Within One Year	(41,311,337)
Add: Unamortized Premium on Debt	<u>25,225,739</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 483,888,278</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, claims and judgments are comprised of the following amounts.

<u>Fund</u>	<u>Amount</u>
Self-Insurance	\$ 6,878,208
General	549,000
Highway/Public Works	225,500
Solid Waste/Sanitation	<u>10,500</u>
 Total	 <u>\$ 7,663,208</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill closure/postclosure care costs will be paid from the General Capital Projects Fund.

#### Current Refunding

On November 20, 2013, Williamson County currently refunded two general and two rural bond anticipation note issues with a separate general obligation bond and rural school bond issue. The county issued \$12,570,000 of general obligation refunding bonds and \$5,860,000 of rural school refunding bonds to retire the bond anticipation note issues. As a result, the refunded notes are considered defeased, and the liability has been removed from the county's long-term debt. The bond anticipation notes were retired as part of Williamson County's long-term financing strategy.

#### 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, 2014, the following outstanding bonds are considered defeased:

	<u>Amount</u>
2004 GO School and Public Improvement	\$ 3,000,000
2004B General Obligation	9,465,000
2006 GO School and Public Improvement	15,690,000
2004B Rural School	13,150,000
2006 Rural School	13,570,000

**Discretely Presented Williamson County School Department**

**Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented Williamson County School Department for the year ended June 30, 2014, was as follows:

Governmental Activities:

	<u>Compensated Absences</u>	<u>Claims and Judgments</u>
Balance, July 1, 2013	\$ 1,182,047	\$ 271,722
Additions	1,207,562	2,122,091
Reductions	<u>(1,236,855)</u>	<u>(2,153,831)</u>
Balance, June 30, 2014	<u>\$ 1,152,754</u>	<u>\$ 239,982</u>
Balance Due Within One Year	<u>\$ 172,913</u>	<u>\$ 239,982</u>

	<u>State Medicare Postemployment Benefits</u>	<u>Self-Insured Other Postemployment Benefits</u>
Balance, July 1, 2013	\$ 1,478,475	\$ 100,590,463
Additions	126,523	25,400,986
Reductions	<u>(1,800)</u>	<u>(9,703,670)</u>
Balance, June 30, 2014	<u>\$ 1,603,198</u>	<u>\$ 116,287,779</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2014	\$ 119,283,713
Less: Due Within One Year	<u>(412,895)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 118,870,818</u>

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Williamson County School Department. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the Medicare Supplement Plan totaled \$13,495 for the year ended June 30, 2014. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**H. Short-term Debt**

Williamson County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Purpose School Fund. These notes were necessary because funds were not available to meet various operational expenditures coming due before the current tax collections. Short-term debt activity for the year ended June 30, 2014, was as follows:

	Balance 7-1-13	Issued	Paid	Balance 6-30-14
Tax Anticipation Notes	\$ 0	\$ 10,000,000	\$ (10,000,000)	\$ 0

**V. OTHER INFORMATION**

**A. Risk Management**

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

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

deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2012-13	\$ 4,699,436	\$ 38,521,812	\$ (37,053,412)	\$ 6,167,836
2013-14	6,167,836	40,360,007	(39,649,635)	6,878,208

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 \$450,000 up to \$2,000,000. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

**B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* and Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* became effective for the year ended June 30, 2014.

GASB Statement No. 67 replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts or equivalent arrangements.

GASB Statement No. 70 relates to accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees.

**C. Subsequent Events**

On August 31, 2014, Walter Davis left the Office of Trustee and was succeeded by Karen Paris.

On August 28, 2014, Williamson County issued \$33,440,000 in general obligation bonds, \$21,100,000 in county district school bonds, and \$17,500,000 in county district school refunding bonds.

**D. Contingent Liabilities**

The county and the School Department are involved in several pending lawsuits. Attorneys for the county and the School Department estimate that

the potential claims against the county and the School Department not covered by insurance resulting from such litigation would not materially affect the financial statements of the county and the School Department.

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

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

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

State and federal laws and regulations require Williamson County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$67,020 reported as landfill closure and postclosure care liability at June 30, 2014, represents the cumulative amount reported to date based on the use of seven percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of closure and postclosure care of \$890,410 if the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2014. 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 Position. The county's share of 2013-14 revenues (\$197,181) and expenditures (\$100,102) related to the conference center are included in the county's General Fund. Williamson County and the City of Franklin have contracted with Noble Investments, Cool Springs, LLC, for the operation and maintenance of the conference center.

The Twenty-first Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-first Judicial District; Williamson, Perry, Lewis, and Hickman counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors, including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Williamson County does not retain an equity interest in the DTF.

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

Administrative Offices

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

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

**G. Retirement Commitments**

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

**Plan Description**

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

become vested after five years of service, and members joining prior to July 1, 1979, were vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Williamson County participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at <http://www.tn.gov/treasury/tcrs/PS/>.

### **Funding Policy**

Williamson County requires employees to contribute five percent of their earnable compensation to the plan. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2014, was 8.3 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the county is established and may be amended by the TCRS Board of Trustees.

### **Annual Pension Cost**

For the year ended June 30, 2014, Williamson County's annual pension cost of \$5,483,272 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2011, 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 three percent annual rate of inflation, (c) 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), (d) projected 3.5 percent annual increase in the Social Security wage base, and e) projected postretirement increases of 2.5 percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a ten-year period. The county's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2011, was two years. An actuarial valuation was performed as of July 1, 2011, which established contribution rates effective July 1, 2012.

**Trend Information**

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-14	\$5,483,272	100%	\$0
6-30-13	5,218,864	100	0
6-30-12	4,863,867	100	0

**Funded Status and Funding Progress**

As of July 1, 2013, the most recent actuarial valuation date, the plan was 96.93 percent funded. The actuarial accrued liability for benefits was \$149.96 million, and the actuarial value of assets was \$145.36 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$4.6 million. The covered payroll (annual payroll of active employees covered by the plan) was \$62.83 million, and the ratio of the UAAL to the covered payroll was 7.32 percent.

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

**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 SETHEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at [www.tn.gov/treasury/tcrs/Schools](http://www.tn.gov/treasury/tcrs/Schools).

## **Funding Policy**

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2014, was 8.88 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2014, 2013, and 2012, were \$11,316,956, \$10,816,773, and \$10,480,692, respectively, equal to the required contributions for each year.

## **2. Deferred Compensation**

### Primary Government

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

### Discretely Presented Williamson County School Department

The Williamson County School Department offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 457 and the Section 403(b) plan assets remain the property of the contributing employees and are not

presented in the accompanying financial statements. IRC Sections 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

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

### **Self-Insurance Plan**

#### **Plan Description**

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

#### **Funding Policy**

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

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

Annual OPEB Cost and Net OPEB Obligation

	Primary Government	School Department	Total
ARC	\$ 4,982,000	\$ 24,710,000	\$ 29,692,000
Interest on the NOPEBO	868,757	4,560,974	5,429,731
Adjustment to the ARC	(737,140)	(3,869,988)	(4,607,128)
Annual OPEB cost	\$ 5,113,617	\$ 25,400,986	\$ 30,514,603
Amount of contribution	(1,848,318)	(9,703,670)	(11,551,988)
Increase/decrease in NOPEBO	\$ 3,265,299	\$ 15,697,316	\$ 18,962,615
Net OPEB obligation, 7-1-13	20,070,220	100,590,463	120,660,683
Net OPEB obligation, 6-30-14	\$ 23,335,519	\$ 116,287,779	\$ 139,623,298

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-12	Primary Government	\$ 5,610,221	14%	\$ 16,375,070
6-30-13	"	5,096,208	27	20,070,220
6-30-14	"	5,113,617	36	23,335,519
6-30-12	School Department	28,572,714	14	82,163,321
6-30-13	"	25,267,607	27	100,590,463
6-30-14	"	25,400,986	38	116,287,779

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:

	Primary Government	School Department
Actuarial valuation date	7-1-13	7-1-13
Actuarial accrued liability (AAL)	\$ 46,259,000	\$ 209,218,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 46,259,000	\$ 209,218,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 32,111,419	\$ 154,489,957
UAAL as a % of covered payroll	144%	135%

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

results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### Actuarial Methods and Assumptions

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

In the July 1, 2013, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of ten percent, grading down to five percent. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2008.

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

#### Plan Description

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

#### Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop their own contribution policy in terms of subsidizing retired employees' premiums since the committee is not prescriptive on that issue. The state provides a full subsidy based on years of service for post-65

teachers in the Medicare Supplement Plan. The monthly support for noncertified School Department employees is based on years of service. If the retiree has between 15 and 19 years of service, the monthly support is \$25. If the retiree has between 20 and 29 years of service, the monthly support is \$37.50. Retirees with 30 or more years of service receive monthly support of \$50. Expenditures for postretirement health care benefits are included in the government's annual budget. During the year, expenditures totaling \$1,800 were recognized for postemployment health care.

Annual OPEB Cost and Net OPEB Obligation

	<u>Medicare Supplement Plan</u>
ARC	\$ 125,000
Interest on the NOPEBO	59,139
Adjustment to the ARC	<u>(57,616)</u>
Annual OPEB cost	\$ 126,523
Amount of contribution	<u>(1,800)</u>
Increase/decrease in NOPEBO	\$ 124,723
Net OPEB obligation, 7-1-13	<u>1,478,475</u>
 Net OPEB obligation, 6-30-14	 <u>\$ 1,603,198</u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-12	Medicare Supplement	\$ 233,532	1%	\$ 1,235,313
6-30-13	"	244,962	1	1,478,475
6-30-14	"	126,523	1	1,603,198

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:	<u>Medicare Supplement Plan</u>
Actuarial valuation date	7-1-13
Actuarial accrued liability (AAL)	\$ 1,687,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,687,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	N/A
UAAL as a % of covered payroll	N/A

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

#### Actuarial Methods and Assumptions

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

In the July 1, 2013, actuarial valuation for the Medicare Supplement Plan, the projected unit credit actuarial cost method was used and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual healthcare premium trend rate was two percent for fiscal year 2014. The trend will increase to six percent in fiscal year 2015 and then will be reduced by decrements to an ultimate rate of 4.2 percent by fiscal year 2044. The rate includes a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with June 30, 2007.

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

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

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

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

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

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

Office of Director of Schools

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

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

**A. Nature of operations**

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

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

Williamson Medical Center Foundation is a tax-exempt organization, which was established in 2003. The foundation was formed to coordinate the fund-raising and development activities of the medical center, which is the sole member of the organization. The activities of the foundation are reflected in the operating and nonoperating revenues (expenses) and capital grants and contributions as they relate to the foundation in the accompanying statements of revenues, expenses, and changes in net position. All assets of the foundation, other than unconditional promises to give, are shown as part of assets limited as to use in the accompanying Statement of Net Position. No contributions to the foundation were used for capital

purposes, and thus all contributions during 2014 were classified as operating activities.

The medical center follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. As a result, the foundation is included in the accompanying financial statements as a discretely presented component unit of the medical center.

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

Financial statements for the discretely presented individual component unit may be obtained at the following address:

Williamson Medical Center  
4321 Carothers Parkway  
Franklin, TN 37067

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

Basis of Presentation – The medical center utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis, which is an economic resources measurement focus approach to accounting. In December 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*. GASB Statement No. 62 makes the *GASB Accounting Standards Codification* the sole source of authoritative accounting technical literature for governmental entities in the United States of America. In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*. GASB Statements No. 62 and No. 63 were effective for periods beginning after December 15, 2011.

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

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

Assets Limited as to Use – Assets limited as to use include cash and investments designated by the Board of Trustees for future capital improvements and debt repayment, over which the board retains control and may at its discretion use for other purposes; cash and investments from county bond proceeds to be used for capital improvements; and restricted cash and investments 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 recorded at cost. The medical center capitalizes purchases that cost a minimum of \$5,000 and have a useful life greater than two years. Assets are depreciated on a straight-line basis over their estimated useful lives as follows: land improvements two to 25 years; buildings generally 40 years; fixed equipment five to 20 years; and major movable equipment three to 20 years. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation and amortization expense, 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 minor 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 is accounted for under the equity method of accounting and the medical center recognizes its proportionate share in the results of the underlying activities of the joint ventures.

Goodwill and Other Intangible Assets – The medical center evaluates goodwill and intangible assets for impairment on an annual basis or more frequently if impairment indicators arise. In the event goodwill is considered to be impaired, a charge to earnings would be recorded during the period in which management makes such impairment assessment.

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

Patient Service Revenue – The medical center has agreements with third-party payors that provide for payments to the medical center at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per-diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments

under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

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

Income Taxes – The medical center is classified as an organization exempt from federal income taxes as it is a political subdivision of Williamson County. The foundation is classified as an organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Net Position – The medical center's net position is classified in three components. The net position invested in capital assets, net of related debt consist of capital assets net of accumulated depreciation and reduced by the remaining balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted net position is noncapital net position 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. The unrestricted net position is the remaining net position that does not meet the definition of invested in capital assets, net of related debt, or restricted. The medical center first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. During 2014, \$1,241 of net position was released from restrictions and reclassified from restricted to unrestricted.

Operating Revenues and Expenses – The medical center's statement of revenues, expenses, and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care 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 health care 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. These costs are estimated based on the ratio of total costs to gross charges. In addition to these charity care services, the medical center provides a number of other services to benefit underprivileged patients for which little or no payment is received, including providing services to TennCare and state indigent patients and providing various public health education, health evaluation, and screening programs.

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

Adoption of New Accounting Pronouncements – In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. This statement amends the reporting standards for reporting component units in a government's financial statements. The statement requires inclusion of component units if a financial benefit or burden is present or if the financial statements would be misleading if excluded. This accounting standard was effective for the financial statements for fiscal years beginning after June 15, 2012. Therefore the medical center adopted this accounting standard at the beginning of fiscal year 2013. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*. This statement amends accounting standards relating to the application of FASB statements that do not contradict GASB pronouncements and incorporates into the GASB authoritative literature certain accounting and financial reporting guidance to bring all authoritative literature together in one place. This accounting standard was effective for financial statements for fiscal years beginning after December 15, 2011. Therefore, the medical center adopted this accounting standard at the beginning of fiscal year 2013. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and identifies net

position as the residual of all other elements presented in a statement of financial position. This accounting standard was effective for financial statements for fiscal years beginning after December 15, 2011. Therefore, the medical center adopted this accounting standard at the beginning of fiscal year 2013. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassifies, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities and is effective for financial statements for fiscal years beginning after December 15, 2012. Therefore, the medical center expects to adopt this accounting standard at the beginning of fiscal year 2014. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

In March 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement relates to accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees and is effective for financial statements for fiscal years beginning after June 15, 2013. Therefore, the medical center adopted this accounting standard at the beginning of fiscal year 2014. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

New Accounting Pronouncements – In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This statement relates to accounting and financial reporting for government combinations and disposals of government operations and is effective for financial statements for fiscal years beginning after December 15, 2013. Therefore, the medical center expects to adopt this accounting standard at the beginning of fiscal year 2015.

The medical center is currently assessing the impact of adopting this accounting standard.

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

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

**C. Fair Value Measurements**

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2), and the reporting entity's own assumptions about market participant assumptions (Level 3). The medical center does not have any fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2014. All of the medical center's investments are classified as Level 1 under the hierarchy above.

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

Non-financial Assets – The medical center's non-financial assets, which include property and equipment, and goodwill, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required, and the medical center is required to evaluate the non-financial instrument for impairment, a resulting asset impairment would require that the non-financial asset be recorded at the fair value. During the year ended June 30, 2014, there were no triggering events that prompted an asset impairment test of the medical center's non-financial assets. Accordingly, the medical center did not measure any non-recurring, non-financial assets or recognize any amounts in earnings related to changes in fair value for non-financial assets for the year ended June 30, 2014.

**D. Net Patient Service Revenue**

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

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

Gross Patient Service Charges	\$ 477,340,939
Less:	
Medicare Contractual Adjustments	(144,882,435)
TennCare Contractual Adjustments	(22,432,357)
Other Contractual Adjustments	(139,640,330)
Bad Debt	(12,911,855)
Charity Care	(1,390,925)
	<hr/>
Net Patient Service Revenue	<u><u>\$ 156,083,037</u></u>

Net patient accounts receivable consists of the following:

Commercial and Managed Care Plans	\$ 10,171,780
Medicare	4,667,986
TennCare	605,112
Patients, Including Self-Insured	10,185,325
Less: Allowance for Uncollectible Accounts	<u>(7,287,991)</u>
	<hr/>
Total	<u><u>\$ 18,342,212</u></u>

**E. Third-party Reimbursement Programs**

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

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

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

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

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

Net patient service revenue related to Medicare and TennCare was approximately \$50,027,000 and \$3,528,000, respectively, in 2014.

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.

The American Recovery and Reinvestment Act of 2009 (ARRA) established incentive payments under the Medicare and Medicaid programs for hospitals that implemented "meaningful use" certified electronic health record (EHR) technology. In order to receive incentive payments, a hospital that is able to meet the meaningful use criteria must attest that during the EHR reporting period, the hospital used certified EHR technology and specify that the technology used, satisfied the required meaningful use objectives and associated measures for the applicable stage, and must also specify the EHR reporting period and provide the result of each applicable measure for all patients admitted to the inpatient or emergency department of the hospital during the EHR reporting period for which a selected measure is applicable. A hospital may receive an incentive payment for up to four years, provided it successfully demonstrates meaningful use of certified EHR technology for the EHR reporting period. Hospitals that adopt a certified EHR system and are meaningful users can begin receiving incentive payments in any federal fiscal year from 2011 (October 1, 2010 – September 30, 2011) to 2015; however, the incentive payments will decrease for hospitals that first start receiving payments in federal fiscal year 2014 or 2015.

The medical center met the Medicare meaningful use criteria during 2013. The medical center accrued income of \$900,000 in 2014 relating to the Medicare meaningful use criteria. The \$900,000 of accrued income is recorded in other receivables in the accompanying statement of net position. The medical center expects to attest for the additional meaningful use funds during October 2014. The income is reported as other revenue on the

accompanying statements of revenue, expenses, and changes in net position. The medical center does not expect to receive any Medicaid EHR incentive payments.

**F. Assets Limited as to Use**

Assets limited as to use consist of the following:

By Board for Capital Improvements:	\$ 70,118,352
By Board for Bond Principal and Interest Payments:	
Cash	3,024,378
By Donors:	
Cash and Cash Equivalents	131,200
Investments	<u>820,043</u>
 Total Assets Limited as to Use	 <u><u>\$ 74,093,973</u></u>

Balances consist of cash and mutual funds at June 30, 2014. The mutual funds are held by the foundation, which is a discretely presented component unit of the medical center and a 501(c)(3) organization. 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.

All assets limited as to use relating to the primary enterprise at June 30, 2014, are insured by the Federal Deposit Insurance Corporation, registered or otherwise collateralized by the financial institution through the State of Tennessee Collateral Bank Pool. See Note VI.P. for additional information related to the medical center’s risks with respect to its investments.

**G. Capital Contributions**

During 2003, the county contributed \$20 million in funds toward the medical center’s facility expansion and renovation project pursuant to a resolution of the County Commission. These funds were raised from a county bond issue, which will be repaid, along with interest, from county revenues. In March 2011, the county requested that the medical center pay the principal and interest payments related to the debt. In June 2011, the medical center Board of Trustees approved the payment of the 2012 principal and interest payments, which approximated \$1,667,000. The medical center subsequently made this payment. No additional payments have been requested by the county in 2014.

## H. Property and Equipment

The major classifications and changes in property and equipment, as of and for the year ended June 30, 2014, are as follows:

	Balance 7-1-13	Additions	Retirements	Balance 6-30-14
Land	\$ 7,449,198	\$ 179,771	\$ 0	\$ 7,628,969
Land Improvements	2,383,068	0	0	2,383,068
Building and Improvements	132,300,829	5,024,810	0	137,325,639
Equipment	77,293,101	7,592,634	(593,979)	84,291,756
Equipment Under Capital Leases	14,621,390	0	0	14,621,390
Subtotal	\$ 234,047,586	\$ 12,797,215	\$ (593,979)	\$ 246,250,822
Less: Accumulated Depreciation and Amortization	(118,074,548)	(10,653,762)	593,979	(128,134,331)
Add: Construction in Progress	1,182,230	13,876,858	0	15,059,088
Total	\$ 117,155,268	\$ 16,020,311	\$ 0	\$ 133,175,579

Construction in progress at June 30, 2014, consists primarily of the Vanderbilt Pediatrics Clinic expansion project. Estimated costs to complete these projects totaled approximately \$53,000,000 at June 30, 2014.

## I. Investment in Joint Ventures

The medical center 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 owned approximately seven percent at June 30, 2014. Equity earnings are distributed based upon tons of laundry processed by S.H.S.

The medical center paid S.H.S. approximately \$559,000 for laundry services for 2014.

On July 31, 2013, the medical center purchased a 20 percent ownership interest in Williamson Imaging, LLC, doing business as Cool Springs Imaging, LLC for \$4,500,000. In connection with this purchase and the purchase of the 49 percent ownership interest in Vanderbilt Health and Williamson Medical Center Clinics and Services, LLC, the medical center acquired a \$6,700,000 note payable (see Note VI.K.)

Summary information for the joint ventures as of June 30, 2014, and for the year then ended, is as follows:

Total Assets	\$ 32,411,666
Total Liabilities	<u>\$ 4,036,981</u>
Net Revenues	<u>\$ 30,639,269</u>
Net Earnings	<u>\$ 5,019,802</u>

Medical Center's Interest:

Investment in Joint Ventures	<u>\$ 13,417,236</u>
Equity in Earnings of Joint Ventures	<u>\$ 1,466,983</u>

**J. Williamson County Ambulance Service**

Pursuant to terms of an agreement with the county, which has been and may continue to be renewed annually upon agreement by both parties, the medical center controls and operates the Williamson County Ambulance Service. In accordance with this agreement, the county made unrestricted donations to the medical center of \$1,943,624 in 2014, which is included in nonoperating income in the accompanying statements of revenues, expenses, and changes in net position. 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 \$1,653,910 at June 30, 2014.

**K. Long-term Debt**

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

	Balance 7-1-13	Additions	Reductions	Balance 6-30-14	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	\$ 2,150,000	\$ 0	\$ (700,000)	\$ 1,450,000	\$ 700,000
Hospital Revenue and Tax Bonds Series 2004A	1,430,000	0	(700,000)	730,000	730,000
General Obligation Refunding Bonds Series 2012A	17,780,000	0	0	17,780,000	120,000
3.14% Note Payable to Bank (one-month LIBOR + 2.9%)	3,966,667	0	(1,516,667)	2,450,000	1,400,004
3.005% Note Payable to Bank	5,878,031	0	(578,468)	5,299,563	527,791
2.70% Note Payable to Bank	0	4,075,000	(55,658)	4,019,342	225,175

	Balance 7-1-13	Additions	Reductions	Balance 6-30-14	Amounts Due Within One Year
2.46% Note					
Payable to Bank	\$ 0	\$ 6,700,000	\$ (1,165,775)	\$ 5,534,225	\$ 1,304,153
4.5% Note					
Payable to Bank	1,219,322	0	(193,106)	1,026,216	202,023
1.47% Note					
Payable to Bank (one-month LIBOR + 1.25%)	7,320,000	0	(916,834)	6,403,166	915,000
General Obligation School and Public Improvement Bonds, Series 2013	0	27,790,000	0	27,790,000	885,000
Premium on Series 2013 Bonds	0	2,210,000	(63,926)	2,146,074	109,587
Total	\$ 39,744,020	\$ 40,775,000	\$ (5,890,434)	\$ 74,628,586	\$ 7,118,733

On December 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004B for the purpose of constructing improvements and renovations to and equipping of the medical center. Specifically, the 2004B Bonds were used for the multi-phase facility expansion and renovation project, which extended over several years and was substantially completed in 2007. The remaining Series 2004B Bonds bear interest rates ranging from 3.625 percent to four percent and are due through May 1, 2016.

On June 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004A to construct improvements and renovations to and for equipping of the medical center. Specifically, the 2004A Bonds were also used for the multi-phase facility expansion and renovation project. The remaining Series 2004A Bonds bear interest at 4.125 percent and are due through May 1, 2015.

In June 2012, the county issued \$17,780,000 in General Obligation Refunding Bonds, Series 2012A to refund a portion of the Series 2004B and 2004A Bonds (\$8,790,000 of the Series 2004B Bonds and \$8,990,000 of the Series 2004A Bonds). The Series 2012A Bonds bear interest at rates ranging from two to four percent and are due through May 1, 2025, with the first principal payment due May 1, 2015.

The Series 2004A, Series 2004B, and the Series 2012A Bonds are collateralized by a pledge of the net revenues of the medical center and security interests in accounts receivable and certain other assets. In the event of a deficiency, the bonds are payable from unlimited ad valorem taxes levied on all taxable property within the county. The trust indentures related to the bonds contain certain covenants and restrictions, involving the issuance of additional debt and income available for debt service.

In November 2013, the county issued \$30,000,000 in General Obligations School and Public Improvement Bonds, Series 2013 for the purpose of funding the Vanderbilt Pediatrics Clinic expansion project pursuant to a resolution of the County Commission. The bonds were issued at a premium resulting in future principal payments of \$27,790,000. The bond premium totaling \$2,210,000 is amortized as a reduction to interest expense over the term of the bonds. The Series 2013 Bonds bear interest at rates ranging from three percent to five percent and are due through May 1, 2034, with the first payment due May 2015. The medical center made no principal payments during 2014.

The medical center also issues notes payable to finance certain property and equipment additions. The 3.14 percent note payable to the bank represents amounts drawn under a \$10 million line of credit, which converted to a term loan on March 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in March 2016. This loan is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 3.005 percent note payable to bank represents amounts drawn under a \$7.5 million construction loan, which converted to a term loan on December 1, 2008, and was amended again in November 2013 to extend monthly principal and interest payments of \$56,631 through November 2016. This loan is secured by security interests in accounts receivable, excluding Medicare payments. The 2.7 percent note payable to bank is payable in monthly amounts of principal and interest ranging from \$18,716 to \$19,871 through March 2017 with all outstanding principal and interest payments due in April 2017 and is secured by certain accounts receivable of the medical center. The 2.46 percent note payable to bank is payable in monthly amounts of principal and interest ranging from \$103,306 to \$112,660 through July 2016 with all outstanding principal and interest payments due in August 2016 and is secured by certain personal property of the medical center. The 4.5 percent note payable to the bank is payable in monthly amounts of principal and interest of \$20,390 through February 2019 and is secured by the medical center's deposit accounts and security interest in accounts receivable, excluding Medicare payments. The 1.59 percent note payable to the bank was paid on October 2012. The 1.47 percent note payable to bank was refinanced in July 2013 and bears interest at a variable rate based on the banks index rate (LIBOR) plus 1.25 percent, is due in monthly installments of \$76,250 plus interest through August 2016 and is secured by accounts receivable. As part of the acquisition of the remaining ownership interest in the Surgery Center (see Note above), the medical center assumed a note payable to bank.

The debt service requirements at June 30, 2014, related to long-term debt are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2015	\$ 7,118,733	\$ 2,300,000
2016	6,977,851	2,100,000
2017	18,243,127	1,700,000
2018	3,131,179	1,450,000
2019	3,169,556	1,320,000
2020-2024	17,032,935	4,690,000
2025-2029	9,212,936	2,260,000
2030-2034	9,742,269	640,000
Total	<u>\$ 74,628,586</u>	<u>\$ 16,460,000</u>

The medical center capitalized interest relating to construction projects totaling \$667,000 in 2014.

**L. Other Receivables**

Other current and long-term receivables at June 30, 2014, include receivables from certain physicians, Medicare meaningful use funds and donors. 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 totaled \$172,806 at June 30, 2014. Under terms of the related agreements, such receivables will be forgiven over a period of time, generally over three years, as long as the physician continues to practice in the area. The medical center is amortizing these loans over the physicians' service commitments. Medicare meaningful use funds totaled \$900,000 at June 30, 2014 (see Note VI.E.) Contributions receivable totaled \$880,000 at June 30, 2014. The foundation solicits pledges of support from board members and others for contributions to be used for specific purposes. The pledges are discounted when recorded to reflect the present value of expected future collections due after one year. Contributions receivable are reported as restricted net assets in the accompanying financial statements and are scheduled to be received as follows:

	<u>2014</u>
Receivables in Less than a Year	\$ 250,000
Receivables in One to Five Years	1,000,000
	<u>\$ 1,250,000</u>
Less Allowance for Uncollectible Pledges	(250,000)
Less Discounts	(120,000)
	<u><u>\$ 880,000</u></u>
Total	

**M. Employees Retirement Plan**

The medical center participates in a tax-sheltered annuity program for substantially all of its employees who have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately \$2,345,000 in 2014 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. The medical center's contribution percentage is three percent of covered wages for non-management employees, seven percent for management employees, and ten percent for executives, as of June 30, 2014. The medical center also matches employee contributions up to two percent of compensation. Employees may make voluntary contributions so long as the total amount contributed by the employee does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. The plan's investments at June 30, 2014, consist of various mutual fund and fixed income investments.

**N. Functional Expenses**

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

Healthcare Services	\$ 90,706,351
General and Administrative	<u>67,691,113</u>
Total	<u>\$ 158,397,464</u>

**O. Leases**

The medical center leases equipment and office space under capital and operating lease agreements. Future minimum lease payments under capital leases and noncancellable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2014, are as follows:

Year Ending June 30	Capital Leases	Operating Leases
2015	\$ 163,442	\$ 1,487,000
2016	0	1,153,000
2017	0	720,000
2018	0	473,000
2019	0	335,000
Total Future Minimum Lease Payments	\$ 163,442	<u>\$ 4,168,000</u>
Less: Amounts Representing Interest of 4.5%	<u>(3,191)</u>	
Present Value of Net Minimum Lease Payments	<u>\$ 160,251</u>	

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

Balance 7-1-13	Additions	Reductions	Balance 6-30-14	Due Within One Year
\$ 501,215	\$ 0	\$ (340,984)	\$ 160,231	\$ 160,231

The medical center generates rental income primarily from operating leases of two medical office buildings. Rental revenue was \$2,131,489 in 2014 and is included in other revenue.

Approximate future minimum rental revenue under noncancellable leases at June 30, 2014, was as follows:

Year Ending June 30	Amount
2015	\$ 2,030,000
2016	2,091,000
2017	2,153,000
2018	2,216,000
2019	<u>2,282,000</u>
Total	<u>\$ 10,772,000</u>

Future minimum rental payments generally include minor annual increases for inflation.

**P. Commitments and Contingencies**

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

The medical center maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are \$1 million per claim and \$4 million in the aggregate annually with a deductible of \$100,000 per claim. In addition, the medical center maintains a \$4 million annual

aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past five fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2014, that have resulted in the assertion of claims, although other claims may be asserted, arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

The health care 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 health care 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 health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

The medical center is self-insured for medical and other health care 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 \$100,000 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. Expenses under this program totaled approximately \$8,893,000 for the year ended June 30, 2014.

The medical center is exposed to risks related to its cash and investments, a portion of which is included in assets limited as to use, although certain risks such as credit risk are mitigated due to the medical center's practice of maintaining investments primarily in cash and cash equivalents. The medical center's investment policy includes certificates of deposit, bank demand and savings accounts, and investment vehicles of the United States government. The medical center is subject to investment rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment; however, the medical center's cash and investments are short-term in nature. The

medical center's investment policy does not specifically address custodial credit risk, the risk that in the event of failure of a counterparty to a transaction, the medical center will not be able to recover the value of the investment or any collateral securities that are in the possession of an outside party, or concentration of credit risk, the risk that the amount of investments the medical center has with any one issuer exceeds five percent of its total investment. Substantially all of the medical center's cash and assets limited as to use are with two financial institutions.

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

The Centers for Medicare and Medicaid Services (CMS) have implemented a Recovery Audit Contractors (RAC) program. The purpose of the program is to reduce improper Medicare payments through the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits, and they are being compensated on a contingency basis based on the amount of overpayments that are recovered. While management believes that all Medicare billings are proper and adequate support is maintained, certain aspects of Medicare billing, coding and support are subject to interpretation and may be viewed differently by the RAC auditors. The medical center has not recorded any potential losses as of June 30, 2014; however, the amount of actual losses incurred could differ materially from this estimate.

In March 2010, Congress adopted comprehensive health care insurance legislation, the Patient Care Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the Health Care Reform Legislation). The Health Care Reform Legislation, among other matters, is designed to expand access to health care coverage to substantially all citizens through a combination of public program expansion and private industry health insurance. Provisions of the Health Care Reform Legislation become effective at various dates over the next several years and a number of additional steps are required to implement these requirements. Due to the complexity of the Health Care Reform Legislation, reconciliation and implementation of the legislation continue to be under consideration by lawmakers, and it is not certain as to what changes may be made in the future regarding health care policies. Changes to existing Medicaid coverage and payments are also expected to occur as a result of this legislation. While the full impact of Health Care Reform Legislation is not yet fully known, changes to policies regarding reimbursement, universal health insurance and managed competition may materially impact the medical center's operations.

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

**A. Summary of Significant Accounting Policies**

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the Williamson County Commission approved resolution number 3-88-7, which established a district for its county, the Williamson County Emergency Communications District (the “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 Williamson County Commission at its February 14, 2005, meeting added an eighth representative seat with the new director to be appointed from within the corporate limits of Franklin. The directors serve without compensation for terms of four years.

Financial Reporting Entity - Component Unit – 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 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 Governmental Accounting Standards Board (GASB).

The GASB specifies that component units must be legally separate organizations, which 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, 2014, 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.

Basis of Presentation – The financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

As a component unit of Williamson County, 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 position, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured 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 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 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 on the Statement of Net Position. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets, restricted for capital projects, and unrestricted components. As of June 30, 2014, the district had no debt that related to the aforementioned categories.

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

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, and

certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2014, there were no certificates of deposit that qualified as cash equivalents.

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

The budget for operations is prepared on the modified-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.

Equipment – Equipment is stated at cost or estimated historical cost if actual cost is not available and depreciated from two to ten years by the straight-line method of depreciation. The district defines capital assets as assets with an initial, individual cost of more than \$10,000 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 nonoperating 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 revenues and expenses during the reported period. Actual results could differ from those estimates.

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

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 principal ongoing operations. All other revenues and expenses are reported as nonoperating revenues and expenses and consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

**B. Cash and Certificates of Deposit Investments**

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, 2014, the board of directors chose to limit the investment of funds to certificates of deposits at banks. Cash reserves for operations were held in bank checking and savings accounts.

Cash – At June 30, 2014, the carrying amount of cash deposits and cash on hand was \$1,619,819, and the bank balance was \$1,857,198 as listed below. At June 30, 2014, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool. The Tennessee Bank Collateral pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

Cash Accounts	Interest Rate	June 30, 2014	
		Carrying Amount	Bank Balance
Franklin Synergy Bank Checking	0.07%	\$ 1,272,953	\$ 1,586,623
Franklin Synergy Bank Money Market	0.42	270,575	270,575
		\$ 1,543,528	\$ 1,857,198
Cash on Hand		76,291	
Total		\$ 1,619,819	

Certificates of Deposit – At June 30, 2014, the district held the following certificates of deposit:

Bank	Maturity	Interest	Amount
Franklin Synergy Bank	12-19-14	0.34 %	\$ 250,000
Franklin Synergy Bank	12-19-14	0.34	250,000
Franklin Synergy Bank	12-19-14	0.34	250,000
Total			\$ 750,000

The certificates of deposit are insured by the Federal Deposit Insurance Corporation or the Tennessee Bank Collateral Pool and are shown at their fair value.

**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, 2014:

AT&T	\$ 43,431
Fairview	18,000
Windstream	16,611
Others	<u>25,968</u>
Total	<u>\$ 104,010</u>

**D. Capital Assets**

Capital assets are summarized as follows:

	Balance 7-1-13	Additions	Balance 6-30-14
Communications Equipment	\$ 1,990,383	\$ 70,754	\$ 2,061,137
Office Furniture and Equipment	69,510	0	69,510
Subtotal	<u>\$ 2,059,893</u>	<u>\$ 70,754</u>	<u>\$ 2,130,647</u>
Less: Accumulated Depreciation	(1,921,791)	(74,223)	(1,996,014)
Subtotal	<u>\$ 138,102</u>	<u>\$ (3,469)</u>	<u>\$ 134,633</u>
Capital Assets, Not Depreciated- Construction in Progress	<u>0</u>	<u>171,171</u>	<u>171,171</u>
Total	<u>\$ 138,102</u>	<u>\$ 167,702</u>	<u>\$ 305,804</u>

**E. Risk Management**

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district is covered under insurance

policies maintained by Williamson County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**F. Accounts Payable**

Accounts payable include the following:

Administrative Fees-Service Charge to Various Telephone Companies	\$ 2,574
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**G. Due to Others**

During the year ended June 30, 2012, the district was notified by a telephone company that the district was overpaid for emergency telephone fees totaling \$8,717. The balance due to others as of June 30, 2014, was \$8,717.

**H. Related-party Transactions**

Williamson County provides dispatch employees and certain services to the district. The district and the county signed an interlocal contract effective from July 1, 1998, to June 30, 1999, that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the district quarterly and are included in the Statement of Revenues, Expenses, and Changes in Net Position as contracts with government agencies. Amounts paid or payable to Williamson County for the fiscal year ended 2014 totaled \$1,192,673.

**I. Commitments**

The district entered into a contract dated February 11, 2014, with a vendor to purchase a NG CAD system for \$220,102. As of June 30, 2014, \$171,171 had been remitted to the vendor with the remaining \$48,931 due upon installation of the equipment and acceptance of the system.

**J. Subsequent Event**

Beginning January 1, 2015, all telephone surcharge revenue will be remitted to the district by the Tennessee Emergency Communications Board according to the 911 funding Modernization and IP Transition Act of 2014. Management expects the remittance change to materially decrease the district's revenue.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Williamson County, Tennessee  
Schedule of Funding Progress – Pension Plan  
Primary Government and Discretely Presented Williamson County School Department  
June 30, 2014

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-13	\$ 145,364	\$ 149,961	\$ 4,597	96.93	% \$ 62,827	7.32
6-30-11	122,226	127,375	5,149	95.96	58,312	8.83
6-30-09	93,313	97,035	3,721	96.16	56,545	6.58

Exhibit F-2

Williamson County, Tennessee  
Schedule of Funding Progress – Other Postemployment Benefits Plans  
Primary Government and Discretely Presented Williamson County School Department  
June 30, 2014

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Primary Government:							
Health and Dental	7-1-11	\$ 0	\$ 41,828	\$ 41,828	0	\$ 30,495	137 %
"	7-1-12	0	46,259	46,259	0	31,895	145
"	7-1-13	0	46,259	46,259	0	32,111	144
School Department:							
Health and Dental	7-1-11	0	185,332	185,332	0	139,170	133
"	7-1-12	0	209,218	209,218	0	145,717	144
"	7-1-13	0	209,218	209,218	0	154,490	135
School Department:							
State Medicare Supplement	7-1-10	0	2,145	2,145	0	N/A	N/A
"	7-1-11	0	1,939	1,939	0	N/A	N/A
"	7-1-13	0	1,687	1,687	0	N/A	N/A

**WILLIAMSON COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2014**

NONE

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

Exhibit G-1

Williamson County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	<u>Special Revenue Funds</u>			
	Solid Waste / Sanitation	Drug Control	Constitu- tional Officers - Fees	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash	\$ 575	\$ 0	\$ 3,400	\$ 3,975
Equity in Pooled Cash and Investments	4,745,819	64,007	0	4,809,826
Accounts Receivable	99,151	0	0	99,151
Due from Other Governments	25,000	0	0	25,000
Property Taxes Receivable	3,382,143	0	0	3,382,143
Allowance for Uncollectible Property Taxes	(39,215)	0	0	(39,215)
Total Assets	<u>\$ 8,213,473</u>	<u>\$ 64,007</u>	<u>\$ 3,400</u>	<u>\$ 8,280,880</u>
<u>LIABILITIES</u>				
Payroll Deductions Payable	\$ 845	\$ 0	\$ 0	\$ 845
Claims and Judgments Payable	10,500	0	0	10,500
Due to Litigants, Heirs, and Others	0	0	3,400	3,400
Other Current Liabilities	0	21,046	0	21,046
Total Liabilities	<u>\$ 11,345</u>	<u>\$ 21,046</u>	<u>\$ 3,400</u>	<u>\$ 35,791</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 3,282,036	\$ 0	\$ 0	\$ 3,282,036
Deferred Delinquent Property Taxes	55,893	0	0	55,893
Other Deferred/Unavailable Revenue	18,150	0	0	18,150
Total Deferred Inflows of Resources	<u>\$ 3,356,079</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,356,079</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Public Safety	\$ 0	\$ 42,961	\$ 0	\$ 42,961
Committed:				
Committed for Public Health and Welfare	4,846,049	0	0	4,846,049
Total Fund Balances	<u>\$ 4,846,049</u>	<u>\$ 42,961</u>	<u>\$ 0</u>	<u>\$ 4,889,010</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,213,473</u>	<u>\$ 64,007</u>	<u>\$ 3,400</u>	<u>\$ 8,280,880</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, 2014

	<u>Special Revenue Funds</u>		Total
	Solid		Nonmajor
	Waste /	Drug	Governmental
	Sanitation	Control	Funds
<u>Revenues</u>			
Local Taxes	\$ 3,172,192	\$ 0	\$ 3,172,192
Fines, Forfeitures, and Penalties	0	48,383	48,383
Charges for Current Services	783,461	0	783,461
Other Local Revenues	396,631	1,530	398,161
State of Tennessee	182,735	0	182,735
Other Governments and Citizens Groups	0	4,550	4,550
Total Revenues	<u>\$ 4,535,019</u>	<u>\$ 54,463</u>	<u>\$ 4,589,482</u>
<u>Expenditures</u>			
Current:			
Public Safety	\$ 0	\$ 84,285	\$ 84,285
Public Health and Welfare	3,395,828	0	3,395,828
Other Operations	658,022	0	658,022
Total Expenditures	<u>\$ 4,053,850</u>	<u>\$ 84,285</u>	<u>\$ 4,138,135</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 481,169</u>	<u>\$ (29,822)</u>	<u>\$ 451,347</u>
Net Change in Fund Balances	\$ 481,169	\$ (29,822)	\$ 451,347
Fund Balance, July 1, 2013	<u>4,364,880</u>	<u>72,783</u>	<u>4,437,663</u>
Fund Balance, June 30, 2014	<u>\$ 4,846,049</u>	<u>\$ 42,961</u>	<u>\$ 4,889,010</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, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 3,172,192	\$ 0	\$ 0	\$ 3,172,192	\$ 2,991,618	\$ 2,991,618	\$ 180,574
Charges for Current Services	783,461	0	0	783,461	825,000	825,000	(41,539)
Other Local Revenues	396,631	0	0	396,631	362,300	362,300	34,331
State of Tennessee	182,735	0	0	182,735	150,000	150,000	32,735
Total Revenues	\$ 4,535,019	\$ 0	\$ 0	\$ 4,535,019	\$ 4,328,918	\$ 4,328,918	\$ 206,101
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 3,395,828	\$ (122,909)	\$ 242,869	\$ 3,515,788	\$ 4,563,251	\$ 4,563,251	\$ 1,047,463
<u>Other Operations</u>							
Other Charges	218,206	0	0	218,206	400,000	400,000	181,794
Employee Benefits	439,816	0	0	439,816	491,350	491,350	51,534
Total Expenditures	\$ 4,053,850	\$ (122,909)	\$ 242,869	\$ 4,173,810	\$ 5,454,601	\$ 5,454,601	\$ 1,280,791
Excess (Deficiency) of Revenues Over Expenditures	\$ 481,169	\$ 122,909	\$ (242,869)	\$ 361,209	\$ (1,125,683)	\$ (1,125,683)	\$ 1,486,892
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 481,169	\$ 122,909	\$ (242,869)	\$ 361,209	\$ (1,125,683)	\$ (1,125,683)	\$ 1,486,892
Fund Balance, June 30, 2014	\$ 4,846,049	\$ 0	\$ (242,869)	\$ 4,603,180	\$ 3,027,132	\$ 3,027,132	\$ 1,576,048

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, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 48,383 \$	0 \$	0 \$	48,383 \$	36,000 \$	36,000 \$	12,383
Other Local Revenues	1,530	0	0	1,530	0	0	1,530
Other Governments and Citizens Groups	4,550	0	0	4,550	0	225	4,325
Total Revenues	\$ 54,463 \$	0 \$	0 \$	54,463 \$	36,000 \$	36,225 \$	18,238
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 84,285 \$	(2,141) \$	333 \$	82,477 \$	90,000 \$	90,225 \$	7,748
Total Expenditures	\$ 84,285 \$	(2,141) \$	333 \$	82,477 \$	90,000 \$	90,225 \$	7,748
Excess (Deficiency) of Revenues Over Expenditures	\$ (29,822) \$	2,141 \$	(333) \$	(28,014) \$	(54,000) \$	(54,000) \$	25,986
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ (29,822) \$	2,141 \$	(333) \$	(28,014) \$	(54,000) \$	(54,000) \$	25,986
	72,783	(2,141)	0	70,642	73,428	73,428	(2,786)
Fund Balance, June 30, 2014	\$ 42,961 \$	0 \$	(333) \$	42,628 \$	19,428 \$	19,428 \$	23,200

# Major Governmental Funds

## Debt Service Funds

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

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

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

Exhibit H-1

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 26,459,070	\$ 24,511,257	\$ 24,511,258	\$ 1,947,812
Other Local Revenues	470,183	360,000	360,000	110,183
Federal Government	622,437	676,194	676,194	(53,757)
Other Governments and Citizens Groups	205,349	516,609	516,609	(311,260)
Total Revenues	<u>\$ 27,757,039</u>	<u>\$ 26,064,060</u>	<u>\$ 26,064,061</u>	<u>\$ 1,692,978</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 13,969,000	\$ 15,369,000	\$ 13,969,000	\$ 0
Highways and Streets	171,000	171,000	171,000	0
Education	16,975,000	16,975,000	16,975,000	0
<u>Interest on Debt</u>				
General Government	4,949,941	5,108,000	5,515,111	565,170
Highways and Streets	36,540	37,000	37,000	460
Education	6,157,658	5,722,000	6,157,756	98
<u>Other Debt Service</u>				
General Government	550,295	590,000	606,188	55,893
Education	34,401	0	34,401	0
Total Expenditures	<u>\$ 42,843,835</u>	<u>\$ 43,972,000</u>	<u>\$ 43,465,456</u>	<u>\$ 621,621</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (15,086,796)</u>	<u>\$ (17,907,940)</u>	<u>\$ (17,401,395)</u>	<u>\$ 2,314,599</u>
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 0	\$ 12,570,000	\$ 0	\$ 0
Refunding Debt Issued	13,430,000	0	13,430,001	(1)
Premiums on Debt Issued	321,290	0	321,290	0
Transfers In	0	2,118,787	0	0
Total Other Financing Sources	<u>\$ 13,751,290</u>	<u>\$ 14,688,787</u>	<u>\$ 13,751,291</u>	<u>\$ (1)</u>
Net Change in Fund Balance	\$ (1,335,506)	\$ (3,219,153)	\$ (3,650,104)	\$ 2,314,598
Fund Balance, July 1, 2013	<u>18,136,816</u>	<u>18,461,277</u>	<u>18,461,277</u>	<u>(324,461)</u>
Fund Balance, June 30, 2014	<u>\$ 16,801,310</u>	<u>\$ 15,242,124</u>	<u>\$ 14,811,173</u>	<u>\$ 1,990,137</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, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 14,874,737	\$ 13,527,163	\$ 13,527,163	\$ 1,347,574
Other Local Revenues	63,416	70,000	70,000	(6,584)
Federal Government	876,537	952,239	952,239	(75,702)
Total Revenues	<u>\$ 15,814,690</u>	<u>\$ 14,549,402</u>	<u>\$ 14,549,402</u>	<u>\$ 1,265,288</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 16,600,000	\$ 16,600,000	\$ 16,600,000	\$ 0
<u>Interest on Debt</u>				
Education	8,941,215	8,632,000	9,016,069	74,854
<u>Other Debt Service</u>				
Education	312,254	288,000	322,016	9,762
Total Expenditures	<u>\$ 25,853,469</u>	<u>\$ 25,520,000</u>	<u>\$ 25,938,085</u>	<u>\$ 84,616</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (10,038,779)</u>	<u>\$ (10,970,598)</u>	<u>\$ (11,388,683)</u>	<u>\$ 1,349,904</u>
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 0	\$ 5,860,000	\$ 0	\$ 0
Refunding Debt Issued	6,045,000	0	6,045,000	0
Premiums on Debt Issued	224,584	0	224,584	0
Transfers In	5,000,000	5,000,000	5,000,000	0
Total Other Financing Sources	<u>\$ 11,269,584</u>	<u>\$ 10,860,000</u>	<u>\$ 11,269,584</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 1,230,805	\$ (110,598)	\$ (119,099)	\$ 1,349,904
Fund Balance, July 1, 2013	<u>7,853,486</u>	<u>7,859,263</u>	<u>7,859,263</u>	<u>(5,777)</u>
Fund Balance, June 30, 2014	<u>\$ 9,084,291</u>	<u>\$ 7,748,665</u>	<u>\$ 7,740,164</u>	<u>\$ 1,344,127</u>

# Fiduciary Funds

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

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

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

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

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

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

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

Constitutional Officers - 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 of deeds, 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, 2014

	Agency Funds							Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	District Attorney General	Consti- tional Officers - Agency	Other Agency	
<u>ASSETS</u>								
Cash	\$ 0	\$ 0	0	\$ 8,084	\$ 0	\$ 8,065,208	\$ 0	\$ 8,073,292
Equity in Pooled Cash and Investments	0	76,189	474,371	1,775,386	240,518	0	27,517	2,593,981
Investments	0	0	0	0	0	22,820	0	22,820
Accounts Receivable	0	0	0	0	0	82,034	0	82,034
Due from Other Governments	7,579,821	0	728,393	0	0	0	0	8,308,214
Due from Other Funds	0	0	0	68,631	0	0	0	68,631
Taxes Receivable	0	0	10,823,005	0	0	0	0	10,823,005
Allowance for Uncollectible Taxes	0	0	(96,523)	0	0	0	0	(96,523)
Total Assets	\$ 7,579,821	\$ 76,189	\$ 11,929,246	\$ 1,852,101	\$ 240,518	\$ 8,170,062	\$ 27,517	\$ 29,875,454
<u>LIABILITIES</u>								
Due to Other Taxing Units	\$ 7,579,821	\$ 76,189	\$ 11,929,246	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,585,256
Due to Other Funds	0	0	0	16,178	0	0	0	16,178
Due to Joint Venture	0	0	0	1,773,688	0	0	0	1,773,688
Due to Litigants, Heirs, and Others	0	0	0	62,235	240,518	8,170,062	27,517	8,500,332
Total Liabilities	\$ 7,579,821	\$ 76,189	\$ 11,929,246	\$ 1,852,101	\$ 240,518	\$ 8,170,062	\$ 27,517	\$ 29,875,454

Exhibit I-2

Williamson County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2014

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 43,525,800	\$ 43,525,800	\$ 0
Due from Other Governments	7,029,034	7,579,821	7,029,034	7,579,821
<b>Total Assets</b>	<b>\$ 7,029,034</b>	<b>\$ 51,105,621</b>	<b>\$ 50,554,834</b>	<b>\$ 7,579,821</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 7,029,034	\$ 51,105,621	\$ 50,554,834	\$ 7,579,821
<b>Total Liabilities</b>	<b>\$ 7,029,034</b>	<b>\$ 51,105,621</b>	<b>\$ 50,554,834</b>	<b>\$ 7,579,821</b>
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 45,776	\$ 24,335,515	\$ 24,305,102	\$ 76,189
<b>Total Assets</b>	<b>\$ 45,776</b>	<b>\$ 24,335,515</b>	<b>\$ 24,305,102</b>	<b>\$ 76,189</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 45,776	\$ 24,335,515	\$ 24,305,102	\$ 76,189
<b>Total Liabilities</b>	<b>\$ 45,776</b>	<b>\$ 24,335,515</b>	<b>\$ 24,305,102</b>	<b>\$ 76,189</b>
<u>Cities Adequate Facilities Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 2,283,267	\$ 2,283,267	\$ 0
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 2,283,267</b>	<b>\$ 2,283,267</b>	<b>\$ 0</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 2,283,267	\$ 2,283,267	\$ 0
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 2,283,267</b>	<b>\$ 2,283,267</b>	<b>\$ 0</b>
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 541,866	\$ 34,585,383	\$ 34,652,878	\$ 474,371
Due from Other Governments	706,493	728,393	706,493	728,393
Taxes Receivable	10,950,335	10,823,005	10,950,335	10,823,005
Allowance for Uncollectible Taxes	(104,656)	(96,523)	(104,656)	(96,523)
<b>Total Assets</b>	<b>\$ 12,094,038</b>	<b>\$ 46,040,258</b>	<b>\$ 46,205,050</b>	<b>\$ 11,929,246</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 12,094,038	\$ 46,040,258	\$ 46,205,050	\$ 11,929,246
<b>Total Liabilities</b>	<b>\$ 12,094,038</b>	<b>\$ 46,040,258</b>	<b>\$ 46,205,050</b>	<b>\$ 11,929,246</b>

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Judicial District Drug Fund</b>				
<u>Assets</u>				
Cash	\$ 6,142	\$ 8,084	\$ 6,142	\$ 8,084
Equity in Pooled Cash and Investments	2,198,505	2,014,067	2,437,186	1,775,386
Due from Other Funds	0	68,631	0	68,631
<b>Total Assets</b>	<b>\$ 2,204,647</b>	<b>\$ 2,090,782</b>	<b>\$ 2,443,328</b>	<b>\$ 1,852,101</b>
<u>Liabilities</u>				
Due to Joint Venture	\$ 389,147	\$ 1,773,688	\$ 389,147	\$ 1,773,688
Due to Other Funds	0	16,178	0	16,178
Due to Litigants, Heirs, and Others	1,815,500	300,916	2,054,181	62,235
<b>Total Liabilities</b>	<b>\$ 2,204,647</b>	<b>\$ 2,090,782</b>	<b>\$ 2,443,328</b>	<b>\$ 1,852,101</b>
<b>District Attorney General Fund</b>				
<u>Assets</u>				
Cash	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	274,606	77,430	111,518	240,518
<b>Total Assets</b>	<b>\$ 274,606</b>	<b>\$ 77,430</b>	<b>\$ 111,518</b>	<b>\$ 240,518</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 274,606	\$ 77,430	\$ 111,518	\$ 240,518
<b>Total Liabilities</b>	<b>\$ 274,606</b>	<b>\$ 77,430</b>	<b>\$ 111,518</b>	<b>\$ 240,518</b>
<b>Constitutional Officers - Agency Fund</b>				
<u>Assets</u>				
Cash	\$ 6,687,251	\$ 63,228,835	\$ 61,850,878	\$ 8,065,208
Investments	18,062	22,820	18,062	22,820
Accounts Receivable	46,596	82,034	46,596	82,034
<b>Total Assets</b>	<b>\$ 6,751,909</b>	<b>\$ 63,333,689</b>	<b>\$ 61,915,536</b>	<b>\$ 8,170,062</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 6,751,909	\$ 63,333,689	\$ 61,915,536	\$ 8,170,062
<b>Total Liabilities</b>	<b>\$ 6,751,909</b>	<b>\$ 63,333,689</b>	<b>\$ 61,915,536</b>	<b>\$ 8,170,062</b>
<b>Other Agency Fund</b>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 34,985	\$ 27,517	\$ 34,985	\$ 27,517
<b>Total Assets</b>	<b>\$ 34,985</b>	<b>\$ 27,517</b>	<b>\$ 34,985</b>	<b>\$ 27,517</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 34,985	\$ 27,517	\$ 34,985	\$ 27,517
<b>Total Liabilities</b>	<b>\$ 34,985</b>	<b>\$ 27,517</b>	<b>\$ 34,985</b>	<b>\$ 27,517</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>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 6,693,393	\$ 63,236,919	\$ 61,857,020	\$ 8,073,292
Equity in Pooled Cash and Investments	3,095,738	106,848,979	107,350,736	2,593,981
Investments	18,062	22,820	18,062	22,820
Due from Other Governments	7,735,527	8,308,214	7,735,527	8,308,214
Due from Other Funds	0	68,631	0	68,631
Accounts Receivable	46,596	82,034	46,596	82,034
Taxes Receivable	10,950,335	10,823,005	10,950,335	10,823,005
Allowance for Uncollectible Taxes	(104,656)	(96,523)	(104,656)	(96,523)
Total Assets	<u>\$ 28,434,995</u>	<u>\$ 189,294,079</u>	<u>\$ 187,853,620</u>	<u>\$ 29,875,454</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 19,168,848	\$ 123,764,661	\$ 123,348,253	\$ 19,585,256
Due to Joint Venture	389,147	1,773,688	389,147	1,773,688
Due to Other Funds	0	16,178	0	16,178
Due to Litigants, Heirs, and Others	8,877,000	63,739,552	64,116,220	8,500,332
Total Liabilities	<u>\$ 28,434,995</u>	<u>\$ 189,294,079</u>	<u>\$ 187,853,620</u>	<u>\$ 29,875,454</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 Fund – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

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

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

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

Exhibit J-1

Williamson County, Tennessee  
Statement of Activities  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2014

Functions/Programs	Program Revenues			Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities					
Governmental Activities:								
Instruction	\$ 191,724,140	\$ 531,290	\$ 10,131,396	\$ 0	\$ (181,061,454)			
Support Services	108,408,940	67,493	0	30,398,688	(77,942,759)			
Operation of Non-instructional Services	14,986,252	11,871,611	3,231,098	0	116,457			
Total Governmental Activities	\$ 315,119,332	\$ 12,470,394	\$ 13,362,494	\$ 30,398,688	\$ (258,887,756)			
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 101,626,420			
Local Option Sales Tax					40,929,436			
Other Local Taxes					18,013			
Grants and Contributions Not Restricted to Specific Programs					118,102,444			
Unrestricted Investment Income					291,026			
Miscellaneous					124,945			
Total General Revenues					\$ 261,092,284			
Change in Net Position					\$ 2,204,528			
Net Position, July 1, 2013					319,527,446			
Net Position, June 30, 2014					\$ 321,731,974			

Exhibit J-2

Williamson County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2014

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	
	<u>School</u>	<u>Projects</u>	<u>Governmental</u>	<u>Governmental</u>
			<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 292,183	\$ 292,483
Equity in Pooled Cash and Investments	44,690,906	24,976,666	3,183,872	72,851,444
Accounts Receivable	56,700	0	12,673	69,373
Due from Other Governments	7,289,758	0	166,973	7,456,731
Property Taxes Receivable	105,788,259	0	0	105,788,259
Allowance for Uncollectible Property Taxes	(943,453)	0	0	(943,453)
Total Assets	\$ 156,882,470	\$ 24,976,666	\$ 3,655,701	\$ 185,514,837
<u>LIABILITIES</u>				
Accounts Payable	\$ 547,198	\$ 37,543	\$ 14,648	\$ 599,389
Accrued Payroll	14,143,943	0	134,607	14,278,550
Payroll Deductions Payable	4,068,120	0	21,603	4,089,723
Contracts Payable	0	1,766,894	0	1,766,894
Retainage Payable	0	90,765	0	90,765
Claims and Judgments Payable	239,982	0	0	239,982
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	0	282,755	282,755
Total Liabilities	\$ 18,999,243	\$ 1,895,202	\$ 453,613	\$ 21,348,058
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 103,657,116	\$ 0	\$ 0	\$ 103,657,116
Deferred Delinquent Property Taxes	1,047,690	0	0	1,047,690
Other Deferred/Unavailable Revenue	3,404,907	0	0	3,404,907
Total Deferred Inflows of Resources	\$ 108,109,713	\$ 0	\$ 0	\$ 108,109,713
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 129,719	\$ 0	\$ 0	\$ 129,719
Committed:				
Committed for Education	28,000	0	175,093	203,093
Committed for Capital Outlay	0	23,081,464	0	23,081,464
Assigned:				
Assigned for Education	18,321,378	0	3,026,995	21,348,373
Unassigned	11,294,417	0	0	11,294,417
Total Fund Balances	\$ 29,773,514	\$ 23,081,464	\$ 3,202,088	\$ 56,057,066
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 156,882,470	\$ 24,976,666	\$ 3,655,701	\$ 185,514,837

Exhibit J-3

Williamson County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
Discretely Presented Williamson County School Department  
June 30, 2014

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	56,057,066
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	34,255,744	
Add: construction in progress		11,033,251	
Add: buildings and improvements net of accumulated depreciation		316,206,599	
Add: intangibles net of accumulated depreciation		441,567	
Add: other capital assets net of accumulated depreciation		<u>18,328,881</u>	380,266,042
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(1,152,754)	
Less: other postemployment benefits liability - state Medicare plan		(1,603,198)	
Less: other postemployment benefits liability - self-insurance plan		<u>(116,287,779)</u>	(119,043,731)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>4,452,597</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>321,731,974</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, 2014

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
			<u>Other</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>
				<u>Funds</u>
<u>Revenues</u>				
Local Taxes	\$ 143,538,575	\$ 0	\$ 0	\$ 143,538,575
Licenses and Permits	9,229	0	0	9,229
Charges for Current Services	1,077,483	0	11,001,115	12,078,598
Other Local Revenues	1,144,465	68,856	8,738	1,222,059
State of Tennessee	117,089,231	0	96,896	117,186,127
Federal Government	1,408,916	0	11,591,987	13,000,903
Other Governments and Citizens Groups	0	30,360,000	0	30,360,000
<b>Total Revenues</b>	<b>\$ 264,267,899</b>	<b>\$ 30,428,856</b>	<b>\$ 22,698,736</b>	<b>\$ 317,395,491</b>
<u>Expenditures</u>				
Current:				
Instruction	\$ 169,416,344	\$ 0	\$ 6,483,801	\$ 175,900,145
Support Services	87,144,755	0	1,857,740	89,002,495
Operation of Non-instructional Services	1,350,424	0	13,756,685	15,107,109
Capital Projects	0	17,673,760	0	17,673,760
<b>Total Expenditures</b>	<b>\$ 257,911,523</b>	<b>\$ 17,673,760</b>	<b>\$ 22,098,226</b>	<b>\$ 297,683,509</b>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 6,356,376	\$ 12,755,096	\$ 600,510	\$ 19,711,982
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 493,139	\$ 0	\$ 0	\$ 493,139
Transfers Out	0	0	(493,139)	(493,139)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 493,139</b>	<b>\$ 0</b>	<b>\$ (493,139)</b>	<b>\$ 0</b>
Net Change in Fund Balances	\$ 6,849,515	\$ 12,755,096	\$ 107,371	\$ 19,711,982
Fund Balance, July 1, 2013	22,923,999	10,326,368	3,094,717	36,345,084
<b>Fund Balance, June 30, 2014</b>	<b>\$ 29,773,514</b>	<b>\$ 23,081,464</b>	<b>\$ 3,202,088</b>	<b>\$ 56,057,066</b>

Exhibit J-5

Williamson County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Williamson County School Department  
For the Year Ended June 30, 2014

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)		\$ 19,711,982
(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 assets purchased in the current period	\$ 12,007,453	
Less: current-year depreciation expense	<u>(13,437,574)</u>	(1,430,121)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: loss on disposal of capital assets	\$ (233,429)	
Add: assets donated and capitalized	<u>38,688</u>	(194,741)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2013	\$ (4,542,443)	
Add: deferred delinquent property taxes and other deferred June 30, 2014	<u>4,452,597</u>	(89,846)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ 29,293	
Change in other postemployment benefits liability - state Medicare plan	(124,723)	
Change in other postemployment benefits liability - self-insurance plan	<u>(15,697,316)</u>	<u>(15,792,746)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,204,528</u>

Exhibit J-6

Williamson County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Williamson County School Department  
June 30, 2014

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Cash	\$ 0	\$ 5,591	\$ 286,592	\$ 292,183
Equity in Pooled Cash and Investments	183,806	1,954,449	1,045,617	3,183,872
Accounts Receivable	0	0	12,673	12,673
Due from Other Governments	147,260	19,713	0	166,973
Total Assets	<u>\$ 331,066</u>	<u>\$ 1,979,753</u>	<u>\$ 1,344,882</u>	<u>\$ 3,655,701</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 450	\$ 14,198	\$ 14,648
Accrued Payroll	134,370	0	237	134,607
Payroll Deductions Payable	21,603	0	0	21,603
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	282,755	0	282,755
Total Liabilities	<u>\$ 155,973</u>	<u>\$ 283,205</u>	<u>\$ 14,435</u>	<u>\$ 453,613</u>
<u>FUND BALANCES</u>				
Committed:				
Committed for Education	\$ 175,093	\$ 0	\$ 0	\$ 175,093
Assigned:				
Assigned for Education	0	1,696,548	1,330,447	3,026,995
Total Fund Balances	<u>\$ 175,093</u>	<u>\$ 1,696,548</u>	<u>\$ 1,330,447</u>	<u>\$ 3,202,088</u>
Total Liabilities and Fund Balances	<u>\$ 331,066</u>	<u>\$ 1,979,753</u>	<u>\$ 1,344,882</u>	<u>\$ 3,655,701</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, 2014

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 8,385,149	\$ 2,615,966	\$ 11,001,115
Other Local Revenues	0	7,747	991	8,738
State of Tennessee	0	96,896	0	96,896
Federal Government	8,457,785	3,134,202	0	11,591,987
Total Revenues	<u>\$ 8,457,785</u>	<u>\$ 11,623,994</u>	<u>\$ 2,616,957</u>	<u>\$ 22,698,736</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 6,483,801	\$ 0	\$ 0	\$ 6,483,801
Support Services	1,857,740	0	0	1,857,740
Operation of Non-instructional Services	0	11,507,772	2,248,913	13,756,685
Total Expenditures	<u>\$ 8,341,541</u>	<u>\$ 11,507,772</u>	<u>\$ 2,248,913</u>	<u>\$ 22,098,226</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 116,244</u>	<u>\$ 116,222</u>	<u>\$ 368,044</u>	<u>\$ 600,510</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (191,214)	\$ (247,423)	\$ (54,502)	\$ (493,139)
Total Other Financing Sources (Uses)	<u>\$ (191,214)</u>	<u>\$ (247,423)</u>	<u>\$ (54,502)</u>	<u>\$ (493,139)</u>
Net Change in Fund Balances	\$ (74,970)	\$ (131,201)	\$ 313,542	\$ 107,371
Fund Balance, July 1, 2013	250,063	1,827,749	1,016,905	3,094,717
Fund Balance, June 30, 2014	<u>\$ 175,093</u>	<u>\$ 1,696,548</u>	<u>\$ 1,330,447</u>	<u>\$ 3,202,088</u>

Exhibit J-8

Williamson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Williamson County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 143,538,575	\$ 0	\$ 0	\$ 143,538,575	\$ 136,335,623	\$ 136,535,623	\$ 7,002,952
Licenses and Permits	9,229	0	0	9,229	9,000	9,000	229
Charges for Current Services	1,077,483	0	0	1,077,483	1,129,644	1,129,644	(52,161)
Other Local Revenues	1,144,465	0	0	1,144,465	850,500	1,014,335	130,130
State of Tennessee	117,089,231	0	0	117,089,231	112,562,145	114,853,906	2,235,325
Federal Government	1,408,916	0	0	1,408,916	926,000	1,471,690	(62,774)
<b>Total Revenues</b>	<b>\$ 264,267,899</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 264,267,899</b>	<b>\$ 251,812,912</b>	<b>\$ 255,014,198</b>	<b>\$ 9,253,701</b>

Expenditures

<u>Instruction</u>							
Regular Instruction Program	\$ 131,246,242	(2,049,699)	2,700,473	\$ 131,897,016	\$ 132,581,019	\$ 133,465,071	\$ 1,568,055
Alternative Instruction Program	443,534	0	0	443,534	448,865	448,865	5,331
Special Education Program	30,655,826	(90,619)	90,391	30,655,598	31,140,834	31,703,120	1,047,522
Vocational Education Program	5,572,027	(7,191)	28,504	5,593,340	5,857,859	5,882,196	288,856
Student Body Education Program	1,498,715	(47,895)	18,026	1,468,846	1,600,000	1,600,001	131,155
<u>Support Services</u>							
Attendance	315,833	0	12,325	328,158	375,679	375,679	47,521
Health Services	3,094,718	(5,205)	6,750	3,096,263	3,251,075	3,333,046	236,783
Other Student Support	7,668,699	(1,459)	2,665	7,669,905	7,787,731	7,787,731	117,826
Regular Instruction Program	7,794,246	(1,917)	7,592	7,799,921	8,297,015	8,306,966	507,045
Special Education Program	3,788,434	(32,170)	16,115	3,772,379	3,453,105	3,897,899	125,520
Vocational Education Program	230,036	0	284	230,320	265,812	265,812	35,492
Other Programs	13,495	0	0	13,495	0	13,495	0
Board of Education	4,448,937	(59,449)	51,144	4,440,632	4,349,492	4,549,492	108,860
Director of Schools	1,435,585	(2,321)	11,392	1,444,656	1,586,328	1,613,327	168,671
Office of the Principal	16,712,775	(26,290)	0	16,686,485	16,784,858	16,884,858	198,373
Fiscal Services	1,234,500	0	4,930	1,239,430	1,252,596	1,252,596	13,166
Human Services/Personnel	755,746	(3,500)	1,949	754,195	790,897	790,897	36,702
Operation of Plant	13,971,109	(495,060)	296,124	13,772,173	14,558,938	14,658,938	886,765
Maintenance of Plant	6,061,380	(720,506)	821,593	6,162,467	6,348,869	6,488,038	325,571

(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 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 14,675,638	\$ (1,176,840)	1,504,372	\$ 15,003,170	\$ 13,805,579	\$ 15,700,579	\$ 697,409
Central and Other	4,943,624	(36,677)	129,256	5,036,203	4,055,709	5,199,901	163,698
<u>Operation of Non-instructional Services</u>							
Community Services	584,241	(2,074)	7,802	589,969	594,231	594,231	4,262
Early Childhood Education	766,183	(523)	0	765,660	813,509	813,509	47,849
Total Expenditures	\$ 257,911,523	\$ (4,759,395)	5,711,687	\$ 258,863,815	\$ 260,000,000	\$ 265,626,247	\$ 6,762,432
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,356,376	\$ 4,759,395	(5,711,687)	\$ 5,404,084	\$ (8,187,088)	\$ (10,612,049)	\$ 16,016,133
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 493,139	\$ 0	0	\$ 493,139	\$ 350,000	\$ 350,000	\$ 143,139
Total Other Financing Sources	\$ 493,139	\$ 0	0	\$ 493,139	\$ 350,000	\$ 350,000	\$ 143,139
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 6,849,515	\$ 4,759,395	(5,711,687)	\$ 5,897,223	\$ (7,837,088)	\$ (10,262,049)	\$ 16,159,272
	22,923,999	(4,759,395)	0	18,164,604	17,762,925	17,762,925	401,679
Fund Balance, June 30, 2014	\$ 29,773,514	\$ 0	(5,711,687)	\$ 24,061,827	\$ 9,925,837	\$ 7,500,876	\$ 16,560,951

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, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 8,457,785	0 \$	8,457,785 \$	6,912,811 \$	9,775,912 \$	(1,318,127)
Total Revenues	\$ 8,457,785	0 \$	8,457,785 \$	6,912,811 \$	9,775,912 \$	(1,318,127)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 1,302,738	0 \$	1,302,738 \$	1,109,594 \$	1,631,331 \$	328,593
Special Education Program	4,984,130	0	4,984,130	3,849,689	5,675,757	691,627
Vocational Education Program	196,933	(19,944)	176,989	191,787	177,473	484
<u>Support Services</u>						
Health Services	656,660	0	656,660	691,473	780,349	123,689
Other Student Support	71,440	0	71,440	89,040	91,591	20,151
Regular Instruction Program	683,853	0	683,853	423,483	792,095	108,242
Special Education Program	441,300	0	441,300	389,616	456,637	15,337
Vocational Education Program	4,487	0	4,487	8,666	4,487	0
Total Expenditures	\$ 8,341,541	(19,944) \$	8,321,597 \$	6,753,348 \$	9,609,720 \$	1,288,123
Excess (Deficiency) of Revenues Over Expenditures	\$ 116,244	19,944 \$	136,188 \$	159,463 \$	166,192 \$	(30,004)
<u>Other Financing Sources (Uses)</u>						
Transfers Out	(191,214)	0 \$	(191,214) \$	(159,463) \$	(221,311) \$	30,097
Total Other Financing Sources	\$ (191,214)	0 \$	(191,214) \$	(159,463) \$	(221,311) \$	30,097
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ (74,970)	19,944 \$	(55,026) \$	0 \$	(55,119) \$	93
	250,063	(19,944)	230,119	0	55,119	175,000
Fund Balance, June 30, 2014	\$ 175,093	0 \$	175,093 \$	0 \$	0 \$	175,093

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, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 8,385,149	\$ 0	\$ 0	\$ 8,385,149	\$ 8,360,000	\$ 8,485,500	\$ (100,351)
Other Local Revenues	7,747	0	0	7,747	10,200	10,200	(2,453)
State of Tennessee	96,896	0	0	96,896	100,000	100,000	(3,104)
Federal Government	3,134,202	0	0	3,134,202	2,870,000	3,175,000	(40,798)
Total Revenues	\$ 11,623,994	\$ 0	\$ 0	\$ 11,623,994	\$ 11,340,200	\$ 11,770,700	\$ (146,706)
<u>Expenditures</u>							
Operation of Non-instructional Services	\$ 11,507,772	\$ (208,030)	\$ 80,185	\$ 11,379,927	\$ 11,084,482	\$ 11,832,427	\$ 452,500
Food Service	\$ 11,507,772	\$ (208,030)	\$ 80,185	\$ 11,379,927	\$ 11,084,482	\$ 11,832,427	\$ 452,500
Total Expenditures	\$ 116,222	\$ 208,030	\$ (80,185)	\$ 244,067	\$ 255,718	\$ (61,727)	\$ 305,794
Excess (Deficiency) of Revenues Over Expenditures							
Other Financing Sources (Uses)							
Transfers Out	\$ (247,423)	\$ 0	\$ 0	\$ (247,423)	\$ 0	\$ (270,000)	\$ 22,577
Total Other Financing Sources	\$ (247,423)	\$ 0	\$ 0	\$ (247,423)	\$ 0	\$ (270,000)	\$ 22,577
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ (131,201)	\$ 208,030	\$ (80,185)	\$ (3,356)	\$ 255,718	\$ (331,727)	\$ 328,371
Fund Balance, July 1, 2013	1,827,749	(208,030)	0	1,619,719	1,608,053	1,608,053	11,666
Fund Balance, June 30, 2014	\$ 1,696,548	\$ 0	\$ (80,185)	\$ 1,616,363	\$ 1,863,771	\$ 1,276,326	\$ 340,037

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, 2014

	Actual (GAAP Basis)	Less:		Add:	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Encumbrances 7/1/2013	Encumbrances 6/30/2014			Original	Final	
<u>Revenues</u>								
Charges for Current Services	\$ 2,615,966 \$	0 \$	0 \$	2,615,966 \$	1,903,000 \$	2,521,691 \$	94,275	
Other Local Revenues	991	0	0	991	1,500	1,500	(509)	
Total Revenues	\$ 2,616,957 \$	0 \$	0 \$	2,616,957 \$	1,904,500 \$	2,523,191 \$	93,766	
<u>Expenditures</u>								
<u>Operation of Non-instructional Services</u>								
Community Services	\$ 2,248,913 \$	(16,814) \$	44,612 \$	2,276,711 \$	1,826,298 \$	2,419,313 \$	142,602	
Total Expenditures	\$ 2,248,913 \$	(16,814) \$	44,612 \$	2,276,711 \$	1,826,298 \$	2,419,313 \$	142,602	
Excess (Deficiency) of Revenues Over Expenditures	\$ 368,044 \$	16,814 \$	(44,612) \$	340,246 \$	78,202 \$	103,878 \$	236,368	
<u>Other Financing Sources (Uses)</u>								
Transfers Out	\$ (54,502) \$	0 \$	0 \$	(54,502) \$	0 \$	(54,502) \$	0	
Total Other Financing Sources	\$ (54,502) \$	0 \$	0 \$	(54,502) \$	0 \$	(54,502) \$	0	
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 313,542 \$	16,814 \$	(44,612) \$	285,744 \$	78,202 \$	49,376 \$	236,368	
Fund Balance, July 1, 2013	1,016,905	(16,814)	0	1,000,091	992,947	992,947	7,144	
Fund Balance, June 30, 2014	\$ 1,330,447 \$	0 \$	(44,612) \$	1,285,835 \$	1,071,149 \$	1,042,323 \$	243,512	

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Williamson County, Tennessee  
 Schedule of Changes in Long-term Notes and Bonds  
 For the Year Ended June 30, 2014

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-13	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-14
<b>NOTES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Various Projects	\$ 4,030,000	1.38	6-7-12	11-20-13	\$ 4,030,000	0	0	\$ 4,030,000	0
Various Projects	8,540,000	.94	4-19-13	11-20-13	8,540,000	0	0	8,540,000	0
<u>Payable through Rural Debt Service Fund</u>									
Various Projects	2,690,000	.45	6-7-12	11-20-13	2,690,000	0	0	2,690,000	0
Various Projects	3,170,000	.94	4-19-13	11-20-13	3,170,000	0	0	3,170,000	0
Total Notes Payable					\$ 18,430,000	0	0	\$ 18,430,000	0
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Refunding	34,110,000	4.5 to 5.5	8-1-1998	9-1-14	\$ 5,565,000	0	2,710,000	0	2,855,000
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	3,280,000	0	600,000	0	2,680,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-14	500,000	0	500,000	0	0
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	13,190,000	0	1,380,000	0	11,810,000
General Obligation Refunding - Schools	23,605,000	2 to 5	11-15-04	4-1-21	19,570,000	0	2,045,000	0	17,525,000
Landfill Refunding	955,000	2 to 5	11-15-04	4-1-21	785,000	0	85,000	0	700,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-15	2,000,000	0	1,000,000	0	1,000,000
General Obligation	16,075,000	4 to 4.75	7-1-06	4-1-16	2,540,000	0	800,000	0	1,740,000
School Improvements	8,300,000	4 to 4.75	7-1-06	4-1-16	780,000	0	250,000	0	530,000
Landfill Public Improvement	1,360,000	4 to 4.75	7-1-06	4-1-16	210,000	0	70,000	0	140,000
General Obligation Refunding	16,170,000	5	12-20-06	4-1-22	14,850,000	0	1,385,000	0	13,465,000
General Obligation Refunding - Schools	145,000	5	12-20-06	4-1-22	135,000	0	15,000	0	120,000
Landfill Refunding	440,000	5	12-20-06	4-1-22	405,000	0	40,000	0	365,000
General Obligation	3,565,000	4 to 5	2-22-07	4-1-27	2,865,000	0	155,000	0	2,710,000
School Improvements	4,070,000	4 to 5	2-22-07	4-1-27	3,270,000	0	180,000	0	3,090,000
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	5-1-28	6,735,000	0	340,000	0	6,395,000
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	5-1-28	3,265,000	0	160,000	0	3,105,000
General Obligation Refunding	26,450,000	2.5 to 4.4	2-24-09	4-1-29	23,850,000	0	1,100,000	0	22,750,000
General Obligation - Build America Bonds	24,700,000	2.25 to 5.75	12-3-09	4-1-34	24,600,000	0	250,000	0	24,350,000
General Obligation Refunding	32,960,000	2.5 to 5	4-1-10	4-1-26	32,660,000	0	150,000	0	32,510,000
General Obligation - Build America Bonds	17,950,000	1 to 4.6	10-26-10	4-1-30	17,700,000	0	200,000	0	17,500,000
General Obligation Refunding	24,500,000	2 to 4	12-2-10	3-1-19	17,670,000	0	3,295,000	0	14,375,000
General Obligation Refunding	30,085,000	2 to 4	12-7-12	3-1-25	30,085,000	0	1,835,000	0	28,250,000
General Obligation and Refunding	55,210,000	3 to 5	11-20-13	5-1-34	0	55,210,000	0	0	55,210,000
Total Payable through General Debt Service Fund					\$ 226,510,000	\$ 55,210,000	\$ 18,545,000	\$ 0	\$ 263,175,000

(Continued)

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-13	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-14
<u>BONDS PAYABLE (CONT.)</u>									
<u>Payable through Rural Debt Service Fund</u>									
Rural School Refunding	\$ 22,015,000	4.5 to 5.5	8-1-1998	9-1-15	\$ 1,930,000	\$ 0	\$ 940,000	\$ 0	\$ 990,000
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	6,485,000	0	1,165,000	0	5,320,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-14	455,000	0	455,000	0	0
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-15	2,000,000	0	1,000,000	0	1,000,000
Rural School	20,045,000	4 to 4.75	7-1-06	4-1-16	3,040,000	0	970,000	0	2,070,000
Rural School	27,560,000	4 to 4.5	2-22-07	4-1-27	23,960,000	0	1,370,000	0	22,590,000
Rural School	19,250,000	3.5 to 4.25	2-28-08	5-1-28	18,150,000	0	500,000	0	17,650,000
Rural School Refunding	23,660,000	2.5 to 5	2-24-09	4-1-29	22,210,000	0	900,000	0	21,310,000
Rural School - Build America Bonds	39,000,000	2.25 to 5.75	12-31-09	4-1-34	38,900,000	0	250,000	0	38,650,000
Rural School Refunding	38,930,000	3 to 5	4-1-10	4-1-26	38,010,000	0	850,000	0	37,160,000
Rural School - Build America Bonds	18,000,000	.85 to 5	10-26-10	4-1-30	17,750,000	0	200,000	0	17,550,000
Rural School Refunding	14,500,000	2 to 4	12-22-10	3-1-19	11,170,000	0	1,730,000	0	9,440,000
Rural School Refunding	11,085,000	2 to 4	12-7-12	3-1-25	11,805,000	0	410,000	0	11,395,000
Rural School and Refunding	18,100,000	2 to 5	11-20-13	5-1-34	0	18,100,000	0	0	18,100,000
Total Payable through Rural Debt Service Fund					\$ 195,865,000	\$ 18,100,000	\$ 10,740,000	\$ 0	\$ 203,225,000
Total Bonds Payable					\$ 422,375,000	\$ 73,310,000	\$ 29,285,000	\$ 0	\$ 466,400,000

Exhibit K-2

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

Year Ending June 30	Bonds		Total
	Principal	Interest	
2015	\$ 31,140,000	\$ 20,535,679	\$ 51,675,679
2016	33,165,000	19,381,440	52,546,440
2017	35,690,000	18,002,214	53,692,214
2018	36,235,000	16,523,414	52,758,414
2019	35,580,000	14,959,176	50,539,176
2020	33,290,000	13,417,063	46,707,063
2021	30,700,000	11,886,165	42,586,165
2022	27,135,000	10,471,650	37,606,650
2023	25,175,000	9,204,224	34,379,224
2024	25,520,000	8,031,423	33,551,423
2025	24,885,000	6,931,198	31,816,198
2026	22,580,000	5,917,241	28,497,241
2027	19,645,000	4,908,880	24,553,880
2028	17,740,000	4,041,525	21,781,525
2029	15,720,000	3,239,542	18,959,542
2030	12,315,000	2,511,275	14,826,275
2031	9,405,000	1,927,375	11,332,375
2032	9,765,000	1,472,775	11,237,775
2033	10,180,000	1,000,975	11,180,975
2034	10,535,000	508,900	11,043,900
Total	\$ 466,400,000	\$ 174,872,134	\$ 641,272,134

Exhibit K-3

Williamson County, Tennessee  
Schedule of Investments  
June 30, 2014

Fund and Type	Date of Purchase	Date of Maturity	Interest Rates	Amount
<u>Constitutional Officers - Agency Fund</u> <u>Clerk and Master</u> Putnam Fund for Growth and Income	April 2001	various	varies	<u>\$ 22,820</u>

Exhibit K-4

Williamson County, Tennessee  
Schedule of Notes Receivable  
June 30, 2014

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance
<u>General Debt Service Fund</u>						
Spring Hill Recreation Center	City of Spring Hill	\$ 1,395,000	2-22-07	4-1-27	4 to 5 %	\$ 1,060,000
Spring Hill Recreation Center	City of Spring Hill	2,858,428	4-1-10	4-1-26	3 to 5	2,845,000
Spring Hill Recreation Center	City of Spring Hill	1,010,000	4-1-10	4-1-16	4 to 4.375	430,000
Road Construction for Spring Hill Recreation Center	City of Spring Hill	221,650	10-1-09	7-31-14	4.563	48,371
Total Notes Receivable						<u>\$ 4,383,371</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, 2014

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	General Capital Projects	Various capital projects	\$ 1,415,000
"	Judicial District Drug	Salaries	68,631
Highway/Public Works	General Capital Projects	Various capital projects	95,000
General Capital Projects	Rural Debt Service	Allocation of school privilege tax	5,000,000
"	Cities Adequate Facilities Tax	Allocation of cities share of adequate facilities tax	2,283,267
"	Special School District	Allocation of ADA share of privilege tax	614,296
"	"	Allocation of ADA share of adequate facilities tax	494,516
Judicial District Drug	General	Salaries	68,254
Total Transfers Primary Government			<u>\$ 10,038,964</u>
<u>DISCRETELY PRESENTED WILLIAMSON</u> <u>COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 191,214
Central Cafeteria	"	"	247,423
Extended School Program	"	"	54,502
Total Transfers Discretely Presented Williamson County School Department			<u>\$ 493,139</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, 2014

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, TCA	\$ 141,773	\$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, TCA	117,374	100,000	"
Director of Schools	State Board of Education and Williamson County Board of Education	188,708 (2)	100,000	(1)
Trustee	Section 8-24-102, TCA	106,704	5,000,000	Cincinnati Insurance Company
"	"		4,740,065	Travelers Casualty and Surety Company of America
Assessor of Property	Section 8-24-102, TCA	106,704	10,000	Cincinnati Insurance Company
County Clerk	Section 8-24-102, TCA	106,704	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	106,704	50,000	"
Clerk and Master	Section 8-24-102, TCA	106,704	50,000	"
Juvenile Court Clerk	Section 8-24-102, TCA	106,704	50,000	"
Register of Deeds	Section 8-24-102, TCA	106,704	25,000	"
Sheriff	Section 8-24-102, TCA	117,374 (3)	25,000	"
Director of Accounts and Budgets	County Commission	95,389	15,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			250,000	Self-insured
Public Employee Dishonesty			250,001 to 5,000,000	Travelers Casualty and Surety Company of America

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

(2) Includes a vacation pay of \$5,168 and a CEO supplement of \$800.

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

Exhibit K-7

Williamson County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 For the Year Ended June 30, 2014

	Special Revenue Funds				Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service	
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 35,016,063	\$ 3,110,211	\$ 0	\$ 879,388	\$ 25,599,657	\$ 13,288,465	
Trustee's Collections - Prior Year	364,455	31,842	0	12,162	266,606	264,496	
Circuit/Clerk and Master Collections - Prior Years	192,334	15,733	0	4,586	144,291	58,062	
Interest and Penalty	81,115	7,385	0	2,777	52,934	28,867	
Payments in-Lieu-of Taxes - T.V.A.	910	133	0	111	666	444	
Payments in-Lieu-of Taxes - Other	47,067	6,888	0	2,357	34,439	22,960	
<u>County Local Option Taxes</u>							
Local Option Sales Tax	0	0	0	0	0	1,211,443	
Hotel/Motel Tax	3,811,085	0	0	0	0	0	
Wheel Tax	622,110	0	0	3,500,000	0	0	
Litigation Tax - General	36,304	0	0	0	0	0	
Litigation Tax - Special Purpose	63,104	0	0	0	0	0	
Litigation Tax - Jail, Workhouse, or Courthouse	1,679	0	0	0	360,477	0	
Litigation Tax - Courthouse Security	255,042	0	0	0	0	0	
Business Tax	1,887,831	0	0	3,450,000	0	0	
Mixed Drink Tax	56,377	0	0	0	0	0	
Mineral Severance Tax	0	0	0	121,719	0	0	
Other County Local Option Taxes	0	0	0	0	0	0	
<u>Statutory Local Taxes</u>							
Bank Excise Tax	838,070	0	0	0	0	0	
Wholesale Beer Tax	522,668	0	0	0	0	0	
Beer Privilege Tax	2,280	0	0	0	0	0	
Interstate Telecommunications Tax	4,631	0	0	0	0	0	
<b>Total Local Taxes</b>	<b>\$ 43,803,125</b>	<b>\$ 3,172,192</b>	<b>\$ 0</b>	<b>\$ 7,973,100</b>	<b>\$ 26,459,070</b>	<b>\$ 14,874,737</b>	

(Continued)

Exhibit K-7

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

	Special Revenue Funds					Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service		
<u>Licenses and Permits</u>								
<u>Licenses</u>								
Animal Vaccination		0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
Cable TV Franchise	813,276	0	0	0	0	0	0	0
<u>Permits</u>								
Beer Permits	1,425	0	0	0	0	0	0	0
Building Permits	720,556	0	0	0	0	0	0	0
Electrical Permits	1,235	0	0	0	0	0	0	0
Other Permits	52,864	0	0	0	0	0	0	0
Total Licenses and Permits	\$ 1,715,951	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>								
<u>Circuit Court</u>								
Fines	26,828	0	0	0	0	0	0	0
Officers Costs	33,270	0	0	0	0	0	0	0
Drug Control Fines	0	0	16,667	0	0	0	0	0
Jail Fees	8,952	0	0	0	0	0	0	0
Judicial Commissioner Fees	1,145	0	0	0	0	0	0	0
DUI Treatment Fines	8,933	0	0	0	0	0	0	0
Data Entry Fee - Circuit Court	5,504	0	0	0	0	0	0	0
Courtroom Security Fee	1,699	0	0	0	0	0	0	0
<u>Criminal Court</u>								
Drug Control Fines	1,694	0	0	0	0	0	0	0
Drug Court Fees	5,363	0	0	0	0	0	0	0
Data Entry Fee - Criminal Court	21,617	0	0	0	0	0	0	0
Courtroom Security Fee	7,366	0	0	0	0	0	0	0
Victims Assistance Assessments	21,950	0	0	0	0	0	0	0

(Continued)

Exhibit K-7

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

	Special Revenue Funds					Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	General Debt Service	Rural Debt Service	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>								
<u>General Sessions Court</u>								
Fines	\$ 94,017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	
Officers Costs	156,245	0	0	0	0	0	0	
Game and Fish Fines	830	0	0	0	0	0	0	
Drug Control Fines	0	0	31,716	0	0	0	0	
Drug Court Fees	40,563	0	0	0	0	0	0	
Jail Fees	22,112	0	0	0	0	0	0	
Judicial Commissioner Fees	9,257	0	0	0	0	0	0	
DUI Treatment Fines	38,633	0	0	0	0	0	0	
Data Entry Fee - General Sessions Court	48,880	0	0	0	0	0	0	
Victims Assistance Assessments	63,169	0	0	0	0	0	0	
Juvenile Court								
Fines	80,045	0	0	0	0	0	0	
Judicial Commissioner Fees	348	0	0	0	0	0	0	
Data Entry Fee - Juvenile Court	5,475	0	0	0	0	0	0	
Chancery Court								
Officers Costs	13,155	0	0	0	0	0	0	
Data Entry Fee - Chancery Court	13,102	0	0	0	0	0	0	
Other Courts - In-county								
Drug Court Fees	2,695	0	0	0	0	0	0	
DUI Treatment Fines	2,243	0	0	0	0	0	0	
Judicial District Drug Program								
Victims Assistance Assessments	4,029	0	0	0	0	0	0	
Other Fines, Forfeitures, and Penalties								
Other Fines, Forfeitures, and Penalties	48,689	0	0	0	0	0	0	
Total Fines, Forfeitures, and Penalties	\$ 787,808	\$ 0	\$ 48,383	\$ 0	\$ 0	\$ 0	0	

(Continued)

Exhibit K-7

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

	Special Revenue Funds					Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	General Debt Service	Rural Debt Service	
<u>Charges for Current Services</u>								
<u>General Service Charges</u>								
Tipping Fees	\$ 0	783,461	0	0	0	0	0	
Other General Service Charges	16,875	0	0	0	0	0	0	
Service Charges	99,200	0	0	0	0	0	0	
<u>Fees</u>								
Engineer Review Fees	12,000	0	0	0	0	0	0	
Recreation Fees	4,420,110	0	0	0	0	0	0	
Copy Fees	27,425	0	0	0	0	0	0	
Library Fees	68,004	0	0	0	0	0	0	
Telephone Commissions	117,650	0	0	0	0	0	0	
Data Processing Fee - Register	101,232	0	0	0	0	0	0	
Probation Fees	606,606	0	0	0	0	0	0	
Data Processing Fee - Sheriff	16,745	0	0	0	0	0	0	
Sexual Offender Registration Fee - Sheriff	2,700	0	0	0	0	0	0	
Data Processing Fee - County Clerk	28,657	0	0	0	0	0	0	
<u>Education Charges</u>								
Transportation from Individuals	18,890	0	0	0	0	0	0	
<u>Other Charges for Services</u>								
Other Charges for Services	166,432	0	0	0	0	0	0	
<b>Total Charges for Current Services</b>	<b>\$ 5,702,526</b>	<b>\$ 783,461</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	
<u>Other Local Revenues</u>								
<u>Recurring Items</u>								
Investment Income	\$ 158,279	\$ 22,914	\$ 0	\$ 0	\$ 228,581	\$ 63,416		
Lease/Rentals	343,678	24,600	0	0	143,224	0		
Sale of Materials and Supplies	979	154,669	0	37,390	0	0		

(Continued)

Exhibit K-7

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

	Special Revenue Funds					Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	General Debt Service	Rural Debt Service	
<u>Other Local Revenues (Cont.)</u>								
<u>Recurring Items (Cont.)</u>								
Commissary Sales	\$ 115	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Sale of Gasoline	0	0	0	7,035	0	0	0	
Sale of Maps	72,747	0	0	0	0	0	0	
Sale of Recycled Materials	3,644	191,536	0	0	0	0	0	
Miscellaneous Refunds	70,448	2	0	230,159	0	0	0	
Expenditure Credits	12,000	0	0	0	0	0	0	
<u>Nonrecurring Items</u>								
Sale of Equipment	46,632	0	1,530	54,172	0	0	0	
Sale of Property	15,420	0	0	0	0	0	0	
Damages Recovered from Individuals	1,626	0	0	0	0	0	0	
Contributions and Gifts	15,000	0	0	0	0	0	0	
<u>Other Local Revenues</u>								
Other Local Revenues	99,116	2,910	0	2,467	98,378	0	0	
Total Other Local Revenues	\$ 839,684	\$ 396,631	\$ 1,530	\$ 331,223	\$ 470,183	\$ 63,416	\$ 63,416	
<u>Fees Received from County Officials</u>								
<u>Fees in-Lieu-of Salary</u>								
County Clerk	\$ 2,631,580	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Circuit Court Clerk	359,394	0	0	0	0	0	0	
General Sessions Court Clerk	703,724	0	0	0	0	0	0	
Clerk and Master	535,100	0	0	0	0	0	0	
Juvenile Court Clerk	42,555	0	0	0	0	0	0	
Register	1,773,921	0	0	0	0	0	0	
Sheriff	150,180	0	0	0	0	0	0	
Trustee	5,969,804	0	0	0	0	0	0	
Total Fees Received from County Officials	\$ 12,166,258	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	

(Continued)

Exhibit K-7

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

	Special Revenue Funds					Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	General Debt Service	Rural Debt Service	
<u>State of Tennessee</u>								
<u>General Government Grants</u>								
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Solid Waste Grants	0	174,161	0	0	0	0	0	
<u>Public Safety Grants</u>								
Law Enforcement Training Programs	72,000	0	0	0	0	0	0	
<u>Public Works Grants</u>								
State Aid Program	0	0	0	226,049	0	0	0	
Litter Program	56,325	0	0	0	0	0	0	
<u>Other State Revenues</u>								
Income Tax	1,779,988	0	0	0	0	0	0	
Beer Tax	17,803	0	0	0	0	0	0	
Alcoholic Beverage Tax	229,541	0	0	0	0	0	0	
Contracted Prisoner Boarding	1,176,104	0	0	0	0	0	0	
Gasoline and Motor Fuel Tax	0	0	0	2,976,388	0	0	0	
Petroleum Special Tax	0	0	0	132,174	0	0	0	
Registrar's Salary Supplement	18,955	0	0	0	0	0	0	
Other State Grants	1,069,620	0	0	0	0	0	0	
Other State Revenues	54,861	8,574	0	0	0	0	0	
Total State of Tennessee	\$ 4,484,197	\$ 182,735	\$ 0	\$ 3,334,611	\$ 0	\$ 0	\$ 0	
<u>Federal Government</u>								
<u>Federal Through State</u>								
Civil Defense Reimbursement	\$ 1,192,673	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Homeland Security Grants	0	0	0	0	0	0	0	
Other Federal through State	661,996	0	0	0	0	0	0	

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Debt Service Funds		
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service	
<u>Federal Government (Cont.)</u>							
<u>Direct Federal Revenue</u>							
Asset Forfeiture Funds	52,696 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
Tax Credit Bond Rebate	0	0	0	0	622,437	876,537	876,537
Other Direct Federal Revenue	97,536	0	0	0	0	0	0
<u>Total Federal Government</u>	<u>2,004,901 \$</u>	<u>0 \$</u>	<u>0 \$</u>	<u>0 \$</u>	<u>622,437 \$</u>	<u>876,537 \$</u>	<u>876,537</u>
<u>Other Governments and Citizens Groups</u>							
<u>Other Governments</u>							
Prisoner Board	3,832 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
Paving and Maintenance	0	0	0	30,692	0	0	0
Contributions	8,000	0	0	0	205,349	0	0
Contracted Services	258,893	0	0	0	0	0	0
<u>Citizens Groups</u>							
Donations	523,943	0	4,550	0	0	0	0
<u>Total Other Governments and Citizens Groups</u>	<u>794,668 \$</u>	<u>0 \$</u>	<u>4,550 \$</u>	<u>30,692 \$</u>	<u>205,349 \$</u>	<u>0</u>	<u>0</u>
<u>Total</u>	<u>72,299,118 \$</u>	<u>4,535,019 \$</u>	<u>54,463 \$</u>	<u>11,669,626 \$</u>	<u>27,757,039 \$</u>	<u>15,814,690</u>	<u>15,814,690</u>

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	0	\$	77,893,784
Trustee's Collections - Prior Year	0		939,561
Circuit/Clerk and Master Collections - Prior Years	0		415,006
Interest and Penalty	0		173,078
Payments in-Lieu-of Taxes - T.V.A.	0		2,264
Payments in-Lieu-of Taxes - Other	0		113,711
<u>County Local Option Taxes</u>			
Local Option Sales Tax	0		1,211,443
Hotel/Motel Tax	0		3,811,085
Wheel Tax	0		4,122,110
Litigation Tax - General	0		36,304
Litigation Tax - Special Purpose	0		63,104
Litigation Tax - Jail, Workhouse, or Courthouse	0		362,156
Litigation Tax - Courthouse Security	0		255,042
Business Tax	0		5,337,831
Mixed Drink Tax	0		56,377
Mineral Severance Tax	0		121,719
Other County Local Option Taxes	15,363,904		15,363,904
<u>Statutory Local Taxes</u>			
Bank Excise Tax	0		838,070
Wholesale Beer Tax	0		522,668
Beer Privilege Tax	0		2,280
Interstate Telecommunications Tax	0		4,631
<u>Total Local Taxes</u>	\$ 15,363,904	\$	111,646,128

(Continued)

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

	Capital Projects Fund	Total
	General Capital Projects	
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Animal Vaccination	0 \$	126,595
Cable TV Franchise	0	813,276
<u>Permits</u>		
Beer Permits	0	1,425
Building Permits	0	720,556
Electrical Permits	0	1,235
Other Permits	0	52,864
Total Licenses and Permits	0 \$	1,715,951
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	0 \$	26,828
Officers Costs	0	33,270
Drug Control Fines	0	16,667
Jail Fees	0	8,952
Judicial Commissioner Fees	0	1,145
DUI Treatment Fines	0	8,933
Data Entry Fee - Circuit Court	0	5,504
Courtroom Security Fee	0	1,699
<u>Criminal Court</u>		
Drug Control Fines	0	1,694
Drug Court Fees	0	5,363
Data Entry Fee - Criminal Court	0	21,617
Courtroom Security Fee	0	7,366
Victims Assistance Assessments	0	21,950

(Continued)

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

	<u>Capital Projects Fund</u>	Total
	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>General Sessions Court</u>		
Fines	0 \$	94,017
Officers Costs	0	156,245
Game and Fish Fines	0	830
Drug Control Fines	0	31,716
Drug Court Fees	0	40,563
Jail Fees	0	22,112
Judicial Commissioner Fees	0	9,257
DUI Treatment Fines	0	38,633
Data Entry Fee - General Sessions Court	0	48,880
Victims Assistance Assessments	0	63,169
Juvenile Court		
Fines	0	80,045
Judicial Commissioner Fees	0	348
Data Entry Fee - Juvenile Court	0	5,475
Chancery Court		
Officers Costs	0	13,155
Data Entry Fee - Chancery Court	0	13,102
Other Courts - In-county		
Drug Court Fees	0	2,695
DUI Treatment Fines	0	2,243
Judicial District Drug Program		
Victims Assistance Assessments	0	4,029
Other Fines, Forfeitures, and Penalties		
Other Fines, Forfeitures, and Penalties	0	48,689
Total Fines, Forfeitures, and Penalties	<u>0 \$</u>	<u>836,191</u>

(Continued)

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

	<u>Capital Projects Fund</u>	Total
	General Capital Projects	
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Tipping Fees	0 \$	783,461
Other General Service Charges	0	16,875
Service Charges	0	99,200
<u>Fees</u>		
Engineer Review Fees	0	12,000
Recreation Fees	0	4,420,110
Copy Fees	0	27,425
Library Fees	0	68,004
Telephone Commissions	0	117,650
Data Processing Fee - Register	0	101,232
Probation Fees	0	606,606
Data Processing Fee - Sheriff	0	16,745
Sexual Offender Registration Fee - Sheriff	0	2,700
Data Processing Fee - County Clerk	0	28,657
<u>Education Charges</u>		
Transportation from Individuals	0	18,890
<u>Other Charges for Services</u>		
Other Charges for Services	0	166,432
Total Charges for Current Services	<u>0 \$</u>	<u>6,485,987</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	14,354 \$	487,544
Lease/Rentals	0	511,502
Sale of Materials and Supplies	0	193,038

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>Other Local Revenues (Cont.)</u>			
<u>Recurring Items (Cont.)</u>			
Commissary Sales	0	\$ 115	
Sale of Gasoline	0	7,035	
Sale of Maps	0	72,747	
Sale of Recycled Materials	0	195,180	
Miscellaneous Refunds	0	300,609	
Expenditure Credits	0	12,000	
<u>Nonrecurring Items</u>			
Sale of Equipment	0	102,334	
Sale of Property	0	15,420	
Damages Recovered from Individuals	0	1,626	
Contributions and Gifts	0	15,000	
<u>Other Local Revenues</u>	51,704	254,575	
Other Local Revenues	66,058	\$ 2,168,725	
Total Other Local Revenues			
<u>Fees Received from County Officials</u>			
<u>Fees in-Lieu-of Salary</u>			
County Clerk	0	\$ 2,631,580	
Circuit Court Clerk	0	359,394	
General Sessions Court Clerk	0	703,724	
Clerk and Master	0	535,100	
Juvenile Court Clerk	0	42,555	
Register	0	1,773,921	
Sheriff	0	150,180	
Trustee	0	5,969,804	
Total Fees Received from County Officials	0	\$ 12,166,258	

(Continued)

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

	<u>Capital Projects Fund</u>	<u>Total</u>
	General Capital Projects	Total
State of Tennessee		
<u>General Government Grants</u>		
Juvenile Services Program	0 \$	9,000
Solid Waste Grants	0	174,161
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	0	72,000
<u>Public Works Grants</u>		
State Aid Program	0	226,049
Litter Program	0	56,325
<u>Other State Revenues</u>		
Income Tax	0	1,779,988
Beer Tax	0	17,803
Alcoholic Beverage Tax	0	229,541
Contracted Prisoner Boarding	0	1,176,104
Gasoline and Motor Fuel Tax	0	2,976,388
Petroleum Special Tax	0	132,174
Registrar's Salary Supplement	0	18,955
Other State Grants	35,064	1,104,684
Other State Revenues	0	63,435
<u>Total State of Tennessee</u>	<u>35,064 \$</u>	<u>8,036,607</u>
Federal Government		
<u>Federal Through State</u>		
Civil Defense Reimbursement	0 \$	1,192,673
Homeland Security Grants	163,930	163,930
Other Federal through State	440,688	1,102,684

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects		Total
<u>Federal Government (Cont.)</u>			
<u>Direct Federal Revenue</u>			
Asset Forfeiture Funds	0 \$	52,696	
Tax Credit Bond Rebate	0	1,498,974	
Other Direct Federal Revenue	0	97,536	
<u>Total Federal Government</u>	<u>604,618 \$</u>	<u>4,108,493</u>	
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Prisoner Board	0 \$	3,832	
Paving and Maintenance	0	30,692	
Contributions	0	213,349	
Contracted Services	0	258,893	
<u>Citizens Groups</u>			
Donations	2,450,200	2,978,693	
<u>Total Other Governments and Citizens Groups</u>	<u>2,450,200 \$</u>	<u>3,485,459</u>	
<u>Total</u>	<u>18,519,844 \$</u>	<u>150,649,799</u>	

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, 2014

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects		
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 99,921,372	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	99,921,372
Trustee's Collections - Prior Year	1,039,919	0	0	0	0	0	1,039,919
Circuit/Clerk and Master Collections - Prior Years	407,789	0	0	0	0	0	407,789
Interest and Penalty	233,144	0	0	0	0	0	233,144
Payments in-Lieu-of Taxes - T. V.A.	2,611	0	0	0	0	0	2,611
Payments in-Lieu-of Taxes - Local Utilities	134,332	0	0	0	0	0	134,332
<u>County Local Option Taxes</u>							
Local Option Sales Tax	41,029,436	0	0	0	0	0	41,029,436
Mixed Drink Tax	751,959	0	0	0	0	0	751,959
<u>Statutory Local Taxes</u>							
Interstate Telecommunications Tax	18,013	0	0	0	0	0	18,013
Total Local Taxes	\$ 143,538,575	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 143,538,575

<u>Licenses and Permits</u>							
<u>Licenses</u>							
Marriage Licenses	\$ 9,229	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,229
Total Licenses and Permits	\$ 9,229	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,229

<u>Charges for Current Services</u>							
<u>Education Charges</u>							
Tuition - Regular Day Students	\$ 214,949	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	214,949
Lunch Payments - Children	0	0	5,482,115	0	0	0	5,482,115
Lunch Payments - Adults	0	0	231,840	0	0	0	231,840
Income from Breakfast	0	0	130,444	0	0	0	130,444

(Continued)

Exhibit K-8

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects		
<u>Charges for Current Services (Cont.)</u>							
<u>Education Charges (Cont.)</u>							
A la carte Sales	\$ 0	\$ 0	2,540,750	\$ 0	\$ 0	\$ 0	2,540,750
Contract for Instructional Services with Other LEAs	67,493	0	0	0	0	0	67,493
Receipts from Individual Schools	40,200	0	0	0	0	0	40,200
Community Service Fees - Children	459,751	0	0	2,615,966	0	0	3,075,717
Other Charges for Services	295,090	0	0	0	0	0	295,090
Other Charges for Services	1,077,483	0	8,385,149	2,615,966	0	0	12,078,598
Total Charges for Current Services	\$ 1,077,483	\$ 0	\$ 8,385,149	\$ 2,615,966	\$ 0	\$ 0	\$ 12,078,598
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	216,991	0	4,188	991	68,856	0	291,026
Lease/Rentals	410,745	0	0	0	0	0	410,745
Miscellaneous Refunds	44,038	0	3,559	0	0	0	47,597
<u>Nonrecurring Items</u>							
Sale of Equipment	48,876	0	0	0	0	0	48,876
Damages Recovered from Individuals	30,543	0	0	0	0	0	30,543
Contributions and Gifts	227,344	0	0	0	0	0	227,344
Other Local Revenues	165,928	0	0	0	0	0	165,928
Other Local Revenues	1,144,465	0	7,747	991	68,856	0	1,222,059
Total Other Local Revenues	\$ 1,144,465	\$ 0	\$ 7,747	\$ 991	\$ 68,856	\$ 0	\$ 1,222,059
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
On-behalf Contributions for OPEB	\$ 13,495	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,495

(Continued)

Exhibit K-8

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

	General Purpose School	Special Revenue Funds			Extended School Program	Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria			Education Capital Projects		
<u>State of Tennessee (Cont.)</u>								
<u>State Education Funds</u>								
Basic Education Program	\$ 112,532,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 112,532,000	
Early Childhood Education	482,698	0	0	0	0	0	482,698	
School Food Service	0	0	96,896	0	0	0	96,896	
Energy Efficient School Initiative	52,465	0	0	0	0	0	52,465	
Driver Education	8,790	0	0	0	0	0	8,790	
Other State Education Funds	1,491,979	0	0	0	0	0	1,491,979	
Career Ladder Program	673,792	0	0	0	0	0	673,792	
Career Ladder - Extended Contract	104,320	0	0	0	0	0	104,320	
Other Vocational	3,800	0	0	0	0	0	3,800	
Other State Revenues								
State Revenue Sharing - T.V.A.	1,725,892	0	0	0	0	0	1,725,892	
Total State of Tennessee	\$ 117,089,231	\$ 0	\$ 96,896	\$ 0	\$ 0	\$ 0	\$ 117,186,127	
<u>Federal Government</u>								
<u>Federal Through State</u>								
USDA School Lunch Program	\$ 0	\$ 0	2,021,128	\$ 0	\$ 0	\$ 0	2,021,128	
USDA - Commodities	0	0	804,262	0	0	0	804,262	
Breakfast	0	0	308,812	0	0	0	308,812	
Vocational Education - Basic Grants to States	0	252,793	0	0	0	0	252,793	
Title I Grants to Local Education Agencies	0	1,104,806	0	0	0	0	1,104,806	
Special Education - Grants to States	1,040,080	6,142,393	0	0	0	0	7,182,473	
Special Education Preschool Grants	0	56,341	0	0	0	0	56,341	
English Language Acquisition Grants	0	74,726	0	0	0	0	74,726	
Education for Homeless Children and Youth	0	11,631	0	0	0	0	11,631	

(Continued)

Exhibit K-8

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects		
<u>Federal Government (Cont.)</u>							
<u>Federal Through State (Cont.)</u>							
Eisenhower Professional Development State Grants	\$ 0	\$ 586,198	\$ 0	\$ 0	\$ 0	\$ 0	\$ 586,198
Race-to-the-Top - ARRA	0	228,897	0	0	0	0	228,897
<u>Direct Federal Revenue</u>	368,836	0	0	0	0	0	368,836
ROTC Reimbursement	1,408,916	8,457,785	3,134,202	0	0	0	13,000,903
Total Federal Government	\$ 1,408,916	\$ 8,457,785	\$ 3,134,202	\$ 0	\$ 0	\$ 0	\$ 13,000,903
<u>Other Governments and Citizens Groups</u>							
<u>Other Governments</u>							
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,360,000	\$ 30,360,000
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,360,000	\$ 30,360,000
Total	\$ 264,267,899	\$ 8,457,785	\$ 11,623,994	\$ 2,616,957	\$ 30,428,856	\$ 317,395,491	\$ 317,395,491

Exhibit K-9

Williamson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2014

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	144,225	
Other Per Diem and Fees		3,700	
Audit Services		66,455	
Maintenance and Repair Services - Office Equipment		4,528	
Postal Charges		1,900	
Printing, Stationery, and Forms		476	
Travel		1,218	
Tax Relief Program		577,498	
Total County Commission			\$ 800,000

Board of Equalization

Board and Committee Members Fees	\$	2,358	
Total Board of Equalization			2,358

Beer Board

Board and Committee Members Fees	\$	1,650	
Total Beer Board			1,650

Other Boards and Committees

Board and Committee Members Fees	\$	400	
Total Other Boards and Committees			400

County Mayor/Executive

County Official/Administrative Officer	\$	141,773	
Supervisor/Director		80,870	
Paraprofessionals		14,553	
Secretary(ies)		106,516	
Part-time Personnel		1,323	
Longevity Pay		2,500	
Overtime Pay		201	
Communication		3,699	
Dues and Memberships		664	
Operating Lease Payments		1,182	
Maintenance and Repair Services - Office Equipment		440	
Postal Charges		4,226	
Printing, Stationery, and Forms		450	
Travel		4,938	
Other Contracted Services		66,500	
Office Supplies		1,838	
Other Supplies and Materials		710	
Premiums on Corporate Surety Bonds		175	
Other Charges		3,574	
Total County Mayor/Executive			436,132

Personnel Office

Assistant(s)	\$	88,649	
Supervisor/Director		96,949	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office (Cont.)

Clerical Personnel	\$	24,518	
Longevity Pay		1,900	
Communication		648	
Data Processing Services		255	
Dues and Memberships		339	
Postal Charges		200	
Printing, Stationery, and Forms		2,319	
Office Supplies		1,144	
Periodicals		425	
Total Personnel Office			\$ 217,346

County Attorney

Legal Services	\$	523,061	
Total County Attorney			523,061

Election Commission

County Official/Administrative Officer	\$	96,034	
Assistant(s)		135,211	
Temporary Personnel		17,803	
Part-time Personnel		33,153	
Longevity Pay		2,000	
Overtime Pay		5,542	
Election Commission		3,965	
Election Workers		58,329	
Advertising		4,312	
Communication		306	
Dues and Memberships		4,045	
Freight Expenses		6,236	
Operating Lease Payments		157,461	
Licenses		24,755	
Maintenance and Repair Services - Equipment		28,105	
Maintenance and Repair Services - Office Equipment		30,366	
Postal Charges		14,477	
Printing, Stationery, and Forms		12,640	
Travel		1,721	
Office Supplies		9,847	
Other Charges		671	
Office Equipment		1,540	
Total Election Commission			648,519

Register of Deeds

County Official/Administrative Officer	\$	106,704	
Deputy(ies)		414,954	
Part-time Personnel		2,992	
Longevity Pay		8,150	
Communication		301	
Dues and Memberships		820	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Operating Lease Payments	\$	10,728	
Maintenance and Repair Services - Office Equipment		39,256	
Postal Charges		6,146	
Printing, Stationery, and Forms		25,920	
Travel		525	
Premiums on Corporate Surety Bonds		75	
Data Processing Equipment		7,999	
Total Register of Deeds			\$ 624,570

Development

Assistant(s)	\$	1,251,844	
Supervisor/Director		103,854	
Deputy(ies)		378,997	
Secretary(ies)		304,581	
Temporary Personnel		1,928	
Part-time Personnel		1,947	
Longevity Pay		26,950	
Board and Committee Members Fees		11,184	
Communication		8,667	
Consultants		7,763	
Dues and Memberships		728	
Engineering Services		17,578	
Operating Lease Payments		9,423	
Maintenance and Repair Services - Office Equipment		2,555	
Postal Charges		4,461	
Travel		239	
Office Supplies		9,845	
In Service/Staff Development		712	
Other Charges		480	
Total Development			2,143,736

Planning

Advertising	\$	1,793	
Consultants		2,029	
Dues and Memberships		1,210	
Evaluation and Testing		5,126	
Maintenance and Repair Services - Vehicles		420	
Gasoline		596	
Instructional Supplies and Materials		1,002	
In Service/Staff Development		2,921	
Total Planning			15,097

Building

Advertising	\$	23	
Communication		345	
Dues and Memberships		425	
Maintenance and Repair Services - Vehicles		3,573	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Gasoline	\$	14,439	
Uniforms		2,156	
In Service/Staff Development		8,084	
Total Building			\$ 29,045

Engineering

Board and Committee Members Fees	\$	2,207	
Dues and Memberships		1,130	
Evaluation and Testing		9,198	
Maintenance and Repair Services - Vehicles		3,200	
Permits		3,460	
Gasoline		5,479	
Instructional Supplies and Materials		5,241	
Uniforms		147	
In Service/Staff Development		2,843	
Total Engineering			32,905

Codes Compliance

Advertising	\$	95	
Communication		972	
Consultants		7,500	
Maintenance and Repair Services - Vehicles		2,631	
Travel		917	
Gasoline		1,831	
Periodicals		134	
Uniforms		500	
In Service/Staff Development		2,963	
Total Codes Compliance			17,543

Geographical Information Systems

Supervisor/Director	\$	97,198	
Data Processing Personnel		530,874	
Secretary(ies)		34,775	
Part-time Personnel		13,821	
Longevity Pay		8,050	
Communication		134,633	
Consultants		9,500	
Dues and Memberships		1,430	
Licenses		290,247	
Maintenance and Repair Services - Vehicles		439	
Travel		23	
Other Contracted Services		8,166	
Gasoline		2,621	
Instructional Supplies and Materials		659	
Office Supplies		6,728	
In Service/Staff Development		2,967	
Total Geographical Information Systems			1,142,131

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Supervisor/Director	\$	106,475	
Deputy(ies)		71,427	
Foremen		57,913	
Mechanic(s)		641,080	
Nightwatchmen		27,581	
Clerical Personnel		38,334	
Custodial Personnel		303,424	
Part-time Personnel		213,548	
Longevity Pay		15,300	
Overtime Pay		38,334	
Communication		41,057	
Contracts with Private Agencies		52,469	
Operating Lease Payments		1,500	
Maintenance and Repair Services - Buildings		429,814	
Maintenance and Repair Services - Vehicles		17,036	
Travel		766	
Custodial Supplies		68,076	
Electricity		653,190	
Gasoline		57,417	
Natural Gas		55,934	
Office Supplies		1,800	
Uniforms		10,441	
Water and Sewer		52,959	
In Service/Staff Development		7,114	
Other Charges		136	
Total County Buildings			\$ 2,963,125

Other Facilities

Assistant(s)	\$	32,594	
Supervisor/Director		50,378	
Part-time Personnel		11,041	
Longevity Pay		800	
Communication		408	
Maintenance and Repair Services - Office Equipment		102	
Maintenance and Repair Services - Vehicles		1,321	
Gasoline		499	
Office Supplies		1,462	
Other Supplies and Materials		2,691	
Total Other Facilities			101,296

Preservation of Records

County Official/Administrative Officer	\$	48,354	
Assistant(s)		93,668	
Temporary Personnel		100	
Longevity Pay		1,700	
Communication		3,024	
Operating Lease Payments		1,940	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records (Cont.)

Licenses	\$	2,460	
Maintenance and Repair Services - Office Equipment		8,581	
Postal Charges		376	
Office Supplies		15,072	
Other Supplies and Materials		12,502	
In Service/Staff Development		193	
Total Preservation of Records			\$ 187,970

Risk Management

County Official/Administrative Officer	\$	85,155	
Assistant(s)		72,608	
Longevity Pay		1,000	
Communication		1,880	
Dues and Memberships		140	
Travel		449	
Data Processing Supplies		16	
Instructional Supplies and Materials		784	
Office Supplies		1,434	
Total Risk Management			163,466

Other Risk Management

Paraprofessionals	\$	73,445	
Clerical Personnel		157,568	
Temporary Personnel		9,414	
Longevity Pay		2,050	
Communication		1,430	
Operating Lease Payments		1,547	
Postal Charges		8,647	
Printing, Stationery, and Forms		4,074	
Travel		529	
Office Supplies		2,541	
Total Other Risk Management			261,245

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	95,389	
Assistant(s)		60,584	
Accountants/Bookkeepers		320,692	
Purchasing Personnel		99,195	
Temporary Personnel		1,040	
Longevity Pay		5,500	
Overtime Pay		10,662	
Communication		2,614	
Operating Lease Payments		1,175	
Maintenance and Repair Services - Office Equipment		177,661	
Postal Charges		5,157	
Printing, Stationery, and Forms		4,995	

(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.)

Travel	\$	39	
Office Supplies		7,666	
Premiums on Corporate Surety Bonds		375	
In Service/Staff Development		2,766	
Other Charges		209	
Data Processing Equipment		12,317	
Furniture and Fixtures		11,268	
Total Accounting and Budgeting			\$ 819,304

Property Assessor's Office

County Official/Administrative Officer	\$	106,704	
Deputy(ies)		1,042,316	
Salary Supplements		9,266	
Longevity Pay		14,050	
Overtime Pay		9,889	
Advertising		79	
Communication		1,422	
Consultants		113,455	
Data Processing Services		12,456	
Dues and Memberships		3,255	
Operating Lease Payments		17,418	
Maintenance and Repair Services - Office Equipment		22,439	
Maintenance and Repair Services - Vehicles		585	
Postal Charges		10,568	
Printing, Stationery, and Forms		2,325	
Travel		3,645	
Gasoline		2,963	
Office Supplies		14,091	
Periodicals		926	
Premiums on Corporate Surety Bonds		263	
In Service/Staff Development		2,865	
Other Charges		1,768	
Total Property Assessor's Office			1,392,748

County Trustee's Office

County Official/Administrative Officer	\$	106,704	
Assistant(s)		279,238	
Part-time Personnel		26,038	
Longevity Pay		3,900	
Advertising		710	
Communication		1,328	
Data Processing Services		58,661	
Dues and Memberships		1,255	
Maintenance and Repair Services - Office Equipment		25,637	
Postal Charges		5,924	
Printing, Stationery, and Forms		9,769	
Travel		1,325	

(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.)

Premiums on Corporate Surety Bonds	\$	7,439	
In Service/Staff Development		525	
Other Charges		548	
Total County Trustee's Office			\$ 529,001

County Clerk's Office

County Official/Administrative Officer	\$	106,704	
Assistant(s)		648,701	
Part-time Personnel		9,998	
Longevity Pay		7,850	
Advertising		721	
Communication		314	
Dues and Memberships		845	
Operating Lease Payments		3,217	
Maintenance and Repair Services - Office Equipment		24,141	
Postal Charges		56,208	
Printing, Stationery, and Forms		9,414	
Other Supplies and Materials		8,826	
Premiums on Corporate Surety Bonds		113	
Office Equipment		8,165	
Total County Clerk's Office			885,217

Other Finance

Duplicating Supplies	\$	34,934	
Data Processing Equipment		99,676	
Furniture and Fixtures		43,543	
Total Other Finance			178,153

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	106,704	
Deputy(ies)		1,076,477	
Part-time Personnel		83,262	
Longevity Pay		18,800	
Jury and Witness Expense		43,924	
Communication		6,322	
Dues and Memberships		645	
Operating Lease Payments		39,669	
Legal Notices, Recording, and Court Costs		630	
Postal Charges		20,749	
Printing, Stationery, and Forms		9,026	
Travel		215	
Food Supplies		1,710	
Office Supplies		13,234	
Premiums on Corporate Surety Bonds		129	
Other Charges		137	
Office Equipment		23,358	
Total Circuit Court			1,444,991

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

Judge(s)	\$	305,328	
Assistant(s)		164,258	
Probation Officer(s)		141,419	
Secretary(ies)		79,914	
Clerical Personnel		28,348	
Temporary Personnel		900	
Part-time Personnel		12,214	
Longevity Pay		3,200	
Overtime Pay		1,429	
Communication		3,261	
Contracts with Government Agencies		101,558	
Dues and Memberships		925	
Evaluation and Testing		6,772	
Operating Lease Payments		2,353	
Printing, Stationery, and Forms		1,004	
Travel		1,537	
Office Supplies		7,713	
Periodicals		1,941	
In Service/Staff Development		430	
Other Charges		53	
Total General Sessions Court			\$ 864,557

Drug Court

Drug Treatment	\$	90,235	
Total Drug Court			90,235

Chancery Court

County Official/Administrative Officer	\$	106,704	
Assistant(s)		266,849	
Part-time Personnel		8,352	
Longevity Pay		4,950	
Overtime Pay		3,198	
Communication		2,476	
Dues and Memberships		795	
Maintenance and Repair Services - Office Equipment		29,744	
Postal Charges		12,431	
Printing, Stationery, and Forms		4,236	
Office Supplies		3,755	
Periodicals		776	
Other Supplies and Materials		541	
Premiums on Corporate Surety Bonds		235	
Total Chancery Court			445,042

Juvenile Court

County Official/Administrative Officer	\$	106,704	
Assistant(s)		242,083	
Part-time Personnel		20,395	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Longevity Pay	\$	4,800	
Overtime Pay		721	
Communication		3,705	
Dues and Memberships		890	
Operating Lease Payments		5,970	
Legal Notices, Recording, and Court Costs		25	
Maintenance and Repair Services - Office Equipment		1,642	
Postal Charges		6,000	
Printing, Stationery, and Forms		4,720	
Other Contracted Services		10,074	
Office Supplies		1,556	
Premiums on Corporate Surety Bonds		113	
In Service/Staff Development		100	
Other Charges		324	
Total Juvenile Court			\$ 409,822

Judicial Commissioners

Assistant(s)	\$	195,362	
Part-time Personnel		17,854	
Longevity Pay		3,600	
Overtime Pay		2,040	
Dues and Memberships		525	
Travel		52	
Office Supplies		478	
Total Judicial Commissioners			219,911

Other Administration of Justice

County Official/Administrative Officer	\$	66,330	
Assistant(s)		71,125	
Part-time Personnel		30,663	
Total Other Administration of Justice			168,118

Victim Assistance Programs

Contributions	\$	86,904	
Total Victim Assistance Programs			86,904

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	117,374	
Deputy(ies)		5,790,058	
Accountants/Bookkeepers		57,408	
Salary Supplements		72,000	
Clerical Personnel		462,664	
Longevity Pay		66,600	
Overtime Pay		257,692	
Communication		46,648	
Contracts with Private Agencies		96,908	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Evaluation and Testing	\$	2,005	
Operating Lease Payments		8,095	
Maintenance and Repair Services - Vehicles		137,049	
Postal Charges		6,032	
Transportation - Other than Students		21,699	
Travel		1,272	
Data Processing Supplies		15,187	
Gasoline		454,545	
Law Enforcement Supplies		20,013	
Office Supplies		37,207	
Periodicals		1,035	
Tires and Tubes		46,834	
Uniforms		132,826	
Other Supplies and Materials		12,790	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		130,956	
Other Charges		26,279	
Data Processing Equipment		148,915	
Law Enforcement Equipment		225,136	
Motor Vehicles		129,838	
Other Equipment		32,640	
Other Capital Outlay		73,780	
Total Sheriff's Department	\$		8,631,560

Traffic Control

Guards	\$	89,716	
Advertising		793	
Uniforms		2,621	
Total Traffic Control			93,130

Jail

Guards	\$	3,116,204	
Longevity Pay		13,300	
Overtime Pay		108,466	
Communication		24,477	
Evaluation and Testing		9,170	
Laundry Service		50,900	
Operating Lease Payments		4,892	
Maintenance and Repair Services - Buildings		127,120	
Maintenance and Repair Services - Equipment		20,975	
Maintenance and Repair Services - Vehicles		8,642	
Medical and Dental Services		844,610	
Postal Charges		1,975	
Drugs and Medical Supplies		7,765	
Electricity		229,426	
Food Supplies		451,362	
Gasoline		16,694	

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Natural Gas	\$	51,077	
Office Supplies		35,615	
Periodicals		227	
Prisoners Clothing		15,119	
Uniforms		34,961	
Water and Sewer		135,493	
Other Supplies and Materials		30,987	
In Service/Staff Development		20,818	
Total Jail			\$ 5,360,275

Workhouse

Deputy(ies)	\$	75,906	
Longevity Pay		1,750	
Maintenance and Repair Services - Vehicles		4,484	
Gasoline		15,605	
Instructional Supplies and Materials		18,425	
Office Supplies		1,900	
Other Road Materials		2,028	
Small Tools		1,932	
Uniforms		2,486	
Other Supplies and Materials		2,026	
Total Workhouse			126,542

Juvenile Services

Judge(s)	\$	156,270	
Assistant(s)		980,956	
Teachers		137,155	
Part-time Personnel		87,355	
Longevity Pay		13,650	
Overtime Pay		2,403	
Communication		8,817	
Dues and Memberships		720	
Operating Lease Payments		8,506	
Legal Services		21,366	
Maintenance and Repair Services - Office Equipment		6,666	
Medical and Dental Services		829	
Postal Charges		2,860	
Printing, Stationery, and Forms		3,220	
Transportation - Other than Students		1,397	
Travel		4,571	
Food Supplies		16,031	
Instructional Supplies and Materials		455	
Office Supplies		12,118	
Other Supplies and Materials		38,432	
In Service/Staff Development		3,989	
Other Charges		495	
Total Juvenile Services			1,508,261

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Contributions		545,093	
Total Fire Prevention and Control			\$ 547,093

Other Emergency Management

Postal Charges	\$	60	
In Service/Staff Development		5,481	
Total Other Emergency Management			5,541

County Coroner/Medical Examiner

Contracts with Private Agencies	\$	78,720	
Medical and Dental Services		31,800	
Other Contracted Services		48,300	
Drugs and Medical Supplies		35,580	
Total County Coroner/Medical Examiner			194,400

Other Public Safety

County Official/Administrative Officer	\$	90,771	
Assistant(s)		149,476	
Supervisor/Director		129,813	
Salary Supplements		3,686	
Dispatchers/Radio Operators		728,615	
Secretary(ies)		75,861	
Part-time Personnel		34,780	
Longevity Pay		8,800	
Overtime Pay		73,499	
Advertising		20	
Communication		28,051	
Contracts with Government Agencies		24,899	
Dues and Memberships		2,744	
Evaluation and Testing		4,112	
Operating Lease Payments		37,287	
Maintenance Agreements		98,294	
Maintenance and Repair Services - Equipment		41,562	
Maintenance and Repair Services - Office Equipment		1,599	
Maintenance and Repair Services - Vehicles		10,323	
Postal Charges		212	
Rentals		580	
Travel		877	
Other Contracted Services		9,965	
Electricity		12,511	
Gasoline		20,942	
Natural Gas		3,103	
Office Supplies		6,389	
Uniforms		12,109	
Other Supplies and Materials		13,486	
In Service/Staff Development		9,446	
Other Equipment		92,436	
Total Other Public Safety			1,726,248

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Medical Personnel	\$	178,838	
Secretary(ies)		32,406	
Clerical Personnel		27,290	
Custodial Personnel		24,981	
Part-time Personnel		14,435	
Longevity Pay		4,750	
Board and Committee Members Fees		1,727	
Communication		10,104	
Contracts with Government Agencies		591,755	
Contributions		1,200	
Dues and Memberships		890	
Laundry Service		239	
Maintenance and Repair Services - Buildings		5,807	
Travel		4,015	
Drugs and Medical Supplies		18,445	
Food Supplies		751	
Instructional Supplies and Materials		10,082	
Office Supplies		12,941	
Utilities		30,422	
Liability Insurance		1,065	
Other Charges		308	
Total Local Health Center			\$ 972,451

Rabies and Animal Control

Assistant(s)	\$	52,021
Supervisor/Director		64,093
Paraprofessionals		95,595
Attendants		324,987
Custodial Personnel		19,600
Part-time Personnel		52,415
Longevity Pay		1,850
Overtime Pay		37,228
Advertising		2,149
Communication		5,539
Contracts with Private Agencies		3,689
Operating Lease Payments		1,896
Maintenance and Repair Services - Buildings		3,965
Maintenance and Repair Services - Office Equipment		130
Maintenance and Repair Services - Vehicles		7,491
Postal Charges		449
Printing, Stationery, and Forms		1,951
Veterinary Services		19,053
Other Contracted Services		8,194
Animal Food and Supplies		31,826
Custodial Supplies		3,846
Drugs and Medical Supplies		102,977
Electricity		30,797

(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.)

Equipment Parts - Light	\$	6,886	
Gasoline		20,620	
Instructional Supplies and Materials		416	
Natural Gas		12,691	
Office Supplies		3,619	
Uniforms		3,802	
Water and Sewer		8,033	
Other Supplies and Materials		34,343	
In Service/Staff Development		3,035	
Other Capital Outlay		27,437	
Total Rabies and Animal Control			\$ 992,623

Ambulance/Emergency Medical Services

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

Regional Mental Health Center

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

Appropriation to State

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

General Welfare Assistance

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

Aid to Dependent Children

Contributions	\$	10,538	
Total Aid to Dependent Children			10,538

Other Public Health and Welfare

Communication	\$	6,035	
Dues and Memberships		1,000	
Operating Lease Payments		7,027	
Maintenance and Repair Services - Vehicles		6,142	
Postal Charges		607	
Printing, Stationery, and Forms		1,144	
Travel		2,802	
Data Processing Supplies		1,656	
Gasoline		14,180	
Office Supplies		8,127	
Periodicals		81	
Uniforms		3,754	
Other Supplies and Materials		3,392	
Premiums on Corporate Surety Bonds		50	
In Service/Staff Development		1,725	
Total Other Public Health and Welfare			57,722

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Adult Activities

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

Senior Citizens Assistance

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

Libraries

County Official/Administrative Officer	\$ 72,475	
Librarians	1,097,414	
Temporary Personnel	21,683	
Part-time Personnel	189,222	
Longevity Pay	15,500	
Communication	6,674	
Contributions	71,950	
Data Processing Services	5,470	
Dues and Memberships	705	
Operating Lease Payments	11,323	
Maintenance and Repair Services - Office Equipment	4,639	
Postal Charges	1,836	
Printing, Stationery, and Forms	2,510	
Travel	296	
Other Contracted Services	21,849	
Data Processing Supplies	101,111	
Library Books/Media	217,087	
Office Supplies	12,240	
Periodicals	7,500	
Utilities	130,831	
Other Supplies and Materials	42,904	
In Service/Staff Development	1,800	
Total Libraries		2,037,019

Parks and Fair Boards

County Official/Administrative Officer	\$ 106,662	
Assistant(s)	1,619,264	
Supervisor/Director	444,117	
Mechanic(s)	36,483	
Clerical Personnel	216,491	
Custodial Personnel	160,911	
Maintenance Personnel	388,868	
Temporary Personnel	555,896	
Part-time Personnel	2,799,553	
Longevity Pay	30,950	
Overtime Pay	12,747	
Other Per Diem and Fees	3,600	
Advertising	33,222	
Communication	61,909	

(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.)

Contracts with Private Agencies	\$	74,375	
Dues and Memberships		4,672	
Evaluation and Testing		4,051	
Maintenance and Repair Services - Buildings		171,195	
Maintenance and Repair Services - Equipment		76,645	
Maintenance and Repair Services - Office Equipment		26,609	
Maintenance and Repair Services - Vehicles		38,319	
Pest Control		1,940	
Postal Charges		12,213	
Printing, Stationery, and Forms		57,064	
Rentals		8,178	
Disposal Fees		30,741	
Permits		2,665	
Other Contracted Services		25,263	
Custodial Supplies		100,613	
Drugs and Medical Supplies		6,330	
Electricity		836,189	
Fertilizer, Lime, and Seed		76,142	
Food Supplies		8,302	
Fuel Oil		2,133	
Gasoline		109,564	
Instructional Supplies and Materials		98,980	
Natural Gas		207,383	
Office Supplies		13,621	
Periodicals		232	
Sand		3,398	
Uniforms		16,918	
Water and Sewer		181,047	
Clay		12,345	
Chemicals		58,110	
Other Supplies and Materials		120,958	
Refunds		27,406	
Surcharge		18,544	
In Service/Staff Development		925	
Other Charges		114,829	
Other Capital Outlay		187,054	
Total Parks and Fair Boards			\$ 9,205,626

Other Social, Cultural, and Recreational

Supervisor/Director	\$	69,306
Foremen		43,555
Clerical Personnel		73,698
Cafeteria Personnel		57,349
Maintenance Personnel		217,433
Temporary Personnel		27,573
Longevity Pay		5,050
Overtime Pay		7,150

(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.)

Communication	\$	11,542	
Dues and Memberships		1,079	
Operating Lease Payments		1,734	
Maintenance and Repair Services - Buildings		20,007	
Maintenance and Repair Services - Equipment		8,802	
Maintenance and Repair Services - Vehicles		2,484	
Postal Charges		250	
Rentals		14,785	
Disposal Fees		104,371	
Other Contracted Services		12,311	
Custodial Supplies		13,669	
Electricity		167,261	
Food Supplies		62,395	
Gasoline		9,100	
Natural Gas		43,700	
Office Supplies		999	
Periodicals		300	
Small Tools		2,677	
Tires and Tubes		314	
Uniforms		5,271	
Water and Sewer		23,527	
Other Supplies and Materials		51,425	
Total Other Social, Cultural, and Recreational			\$ 1,059,117

Agriculture and Natural Resources

Agricultural Extension Service

Assistant(s)	\$	79,394	
Salary Supplements		159,982	
Secretary(ies)		23,580	
Longevity Pay		950	
Board and Committee Members Fees		750	
Social Security		7,465	
Extension Service Medicare		2,429	
State Retirement		20,612	
Communication		6,403	
Dues and Memberships		1,107	
Janitorial Services		5,433	
Operating Lease Payments		2,581	
Maintenance and Repair Services - Equipment		1,300	
Maintenance and Repair Services - Vehicles		394	
Travel		2,528	
Gasoline		1,996	
Total Agricultural Extension Service			316,904

Soil Conservation

Secretary(ies)	\$	41,787	
Longevity Pay		1,450	
Other Charges		5,263	
Total Soil Conservation			48,500

(Continued)

Exhibit K-9

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

General Fund (Cont.)

Other Operations

Public Transportation

Other Contracted Services	\$ 312,317	
Total Public Transportation		\$ 312,317

Veterans' Services

Supervisor/Director	\$ 13,915	
Dues and Memberships	25	
Office Supplies	91	
Other Supplies and Materials	620	
Total Veterans' Services		14,651

Other Charges

Dues and Memberships	\$ 51,106	
Building and Contents Insurance	194,384	
Excess Risk Insurance	710,520	
Trustee's Commission	954,185	
Vehicle and Equipment Insurance	120,518	
Workers' Compensation Insurance	589,060	
Total Other Charges		2,619,773

Employee Benefits

Social Security	\$ 2,144,170	
State Retirement	2,551,778	
Life Insurance	40,475	
Medical Insurance	7,780,000	
Disability Insurance	27,019	
Unemployment Compensation	13,338	
Local Retirement	150,000	
Employer Medicare	501,499	
Total Employee Benefits		13,208,279

Miscellaneous

Contracts with Private Agencies	\$ 100,102	
Contributions	1,195,944	
Total Miscellaneous		1,296,046

Total General Fund		\$ 70,406,045
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Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$ 75,275	
Deputy(ies)	179,405	
Laborers	540,530	
Guards	475,588	
Clerical Personnel	92,074	
Longevity Pay	12,550	
Overtime Pay	36,189	

(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.)  
Sanitation Management (Cont.)

Advertising	\$	3,133	
Communication		15,974	
Dues and Memberships		845	
Evaluation and Testing		620	
Maintenance and Repair Services - Buildings		21,445	
Maintenance and Repair Services - Equipment		116,225	
Maintenance and Repair Services - Office Equipment		1,904	
Maintenance and Repair Services - Vehicles		86,281	
Postal Charges		134	
Printing, Stationery, and Forms		253	
Rentals		623	
Travel		1,376	
Other Contracted Services		1,156,680	
Diesel Fuel		361,963	
Electricity		31,610	
Gasoline		18,711	
Lubricants		9,511	
Natural Gas		2,792	
Office Supplies		1,988	
Periodicals		163	
Tires and Tubes		53,752	
Uniforms		13,522	
Water and Sewer		2,630	
Other Supplies and Materials		28,164	
In Service/Staff Development		1,789	
Other Charges		52,129	
Total Sanitation Management			\$ 3,395,828

Other Operations

<u>Other Charges</u>			
Building and Contents Insurance	\$	8,424	
Excess Risk Insurance		101,621	
Trustee's Commission		71,699	
Vehicle and Equipment Insurance		588	
Workers' Compensation Insurance		35,874	
Total Other Charges			218,206

Employee Benefits

Social Security	\$	84,617	
State Retirement		77,180	
Life Insurance		1,350	
Medical Insurance		250,000	
Disability Insurance		280	
Unemployment Compensation		6,600	
Employer Medicare		19,789	
Total Employee Benefits			439,816

Total Solid Waste/Sanitation Fund \$ 4,053,850

(Continued)

Exhibit K-9

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

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	2,849	
Confidential Drug Enforcement Payments		5,000	
Maintenance and Repair Services - Vehicles		449	
Towing Services		905	
Other Supplies and Materials		9,868	
Trustee's Commission		498	
In Service/Staff Development		4,952	
Other Capital Outlay		59,764	
Total Drug Enforcement			\$ 84,285

Total Drug Control Fund

\$ 84,285

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	117,374	
Accountants/Bookkeepers		60,632	
Dispatchers/Radio Operators		52,957	
Secretary(ies)		43,846	
Longevity Pay		47,250	
Board and Committee Members Fees		6,899	
Advertising		134	
Communication		7,748	
Engineering Services		515,991	
Evaluation and Testing		3,308	
Operating Lease Payments		1,283	
Legal Services		22,765	
Legal Notices, Recording, and Court Costs		32	
Maintenance and Repair Services - Office Equipment		110	
Postal Charges		675	
Electricity		45,611	
Natural Gas		21,478	
Office Supplies		859	
Water and Sewer		6,268	
Other Charges		7,439	
Total Administration			\$ 962,659

Highway and Bridge Maintenance

Foremen	\$	155,954	
Equipment Operators		2,070,468	
Part-time Personnel		67,782	
Overtime Pay		86,944	
Contracts with Private Agencies		75,897	
Rentals		12,842	
Other Contracted Services		39,950	
Asphalt - Cold Mix		1,552	
Asphalt - Hot Mix		2,516,095	

(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.)

Asphalt - Liquid	\$	32,308	
Other Road Materials		99,440	
Pipe		68,440	
Road Signs		37,730	
Salt		27,264	
Uniforms		25,364	
Other Charges		925	
Total Highway and Bridge Maintenance			\$ 5,318,955

Operation and Maintenance of Equipment

Foremen	\$	57,595	
Mechanic(s)		154,123	
Nightwatchmen		109,557	
Part-time Personnel		6,779	
Diesel Fuel		349,936	
Equipment Parts - Heavy		435,909	
Equipment and Machinery Parts		525	
Garage Supplies		46,605	
Gasoline		159,597	
Lubricants		27,322	
Tires and Tubes		139,703	
Total Operation and Maintenance of Equipment			1,487,651

Quarry Operations

Equipment Operators	\$	316,510	
Overtime Pay		20,473	
Explosive and Drilling Services		86,151	
Maintenance and Repair Services - Vehicles		75,478	
Electricity		40,573	
Other Supplies and Materials		1,687	
Total Quarry Operations			540,872

Other Charges

Building and Contents Insurance	\$	50,425	
Excess Risk Insurance		317,813	
Trustee's Commission		116,498	
Vehicle and Equipment Insurance		27,361	
Workers' Compensation Insurance		84,598	
Total Other Charges			596,695

Employee Benefits

Social Security	\$	201,097	
State Retirement		271,704	
Life Insurance		4,200	
Medical Insurance		780,000	
Disability Insurance		600	
Unemployment Compensation		3,374	
Employer Medicare		47,032	
Total Employee Benefits			1,308,007

(Continued)

Exhibit K-9

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

Bridge Construction	\$ 56,285	
Highway Construction	58,638	
Highway Equipment	866,181	
Land	247,576	
Site Development	2,036	
Total Capital Outlay		\$ 1,230,716

Total Highway/Public Works Fund

\$ 11,445,555

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 9,969,000	
Principal on Notes	4,000,000	
Total General Government		\$ 13,969,000

Highways and Streets

Principal on Bonds	\$ 171,000	
Total Highways and Streets		171,000

Education

Principal on Bonds	\$ 8,405,000	
Principal on Notes	8,570,000	
Total Education		16,975,000

Interest on Debt

General Government

Interest on Bonds	\$ 4,928,298	
Interest on Notes	21,643	
Total General Government		4,949,941

Highways and Streets

Interest on Bonds	\$ 36,540	
Total Highways and Streets		36,540

Education

Interest on Bonds	\$ 6,106,237	
Interest on Notes	51,421	
Total Education		6,157,658

Other Debt Service

General Government

Fiscal Agent Charges	\$ 6,125	
Trustee's Commission	527,981	
Underwriter's Discount	7,165	
Other Debt Issuance Charges	9,024	
Total General Government		550,295

(Continued)

Exhibit K-9

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

General Debt Service Fund (Cont.)

Other Debt Service (Cont.)

Education

Underwriter's Discount	\$ 15,225	
Other Debt Issuance Charges	19,176	
Total Education		\$ 34,401

Total General Debt Service Fund

\$ 42,843,835

Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 10,740,000	
Principal on Notes	5,860,000	
Total Education		\$ 16,600,000

Interest on Debt

Education

Interest on Bonds	\$ 8,918,067	
Interest on Notes	23,148	
Total Education		8,941,215

Other Debt Service

Education

Fiscal Agent Charges	\$ 3,136	
Trustee's Commission	283,600	
Underwriter's Discount	10,478	
Other Debt Issuance Charges	15,040	
Total Education		312,254

Total Rural Debt Service Fund

25,853,469

General Capital Projects Fund

Capital Projects

General Administration Projects

Underwriter's Discount	\$ 48,987	
Other Debt Issuance Charges	62,308	
Building Improvements	390,447	
Data Processing Equipment	40,156	
Land	14,450	
Motor Vehicles	6,834	
Other Equipment	235,020	
Other Capital Outlay	75,177	
Total General Administration Projects		\$ 873,379

Public Safety Projects

Trustee's Commission	\$ 3,404	
Building Construction	612,269	
Building Improvements	166,586	
Data Processing Equipment	99,440	

(Continued)

Exhibit K-9

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Safety Projects (Cont.)

Land	\$ 633,814	
Motor Vehicles	6,980	
Other Equipment	89,780	
Other Capital Outlay	1,708,020	
Total Public Safety Projects		\$ 3,320,293

Public Health and Welfare Projects

Solid Waste Equipment	\$ 15,233	
Other Equipment	41,460	
Other Construction	8,534	
Other Capital Outlay	406,566	
Total Public Health and Welfare Projects		471,793

Social, Cultural, and Recreation Projects

Trustee's Commission	\$ 6,144	
Building Improvements	143,380	
Land	113,468	
Motor Vehicles	89,950	
Other Equipment	309,116	
Other Construction	2,313,429	
Other Capital Outlay	554,577	
Total Social, Cultural, and Recreation Projects		3,530,064

Other General Government Projects

Motor Vehicles	\$ 313,042	
Total Other General Government Projects		313,042

Highway and Street Capital Projects

Consultants	\$ 336	
Trustee's Commission	399	
Highway Construction	37,610	
Total Highway and Street Capital Projects		38,345

Education Capital Projects

Trustee's Commission	\$ 143,836	
Underwriter's Discount	50,180	
Other Debt Issuance Charges	67,116	
Total Education Capital Projects		261,132

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 30,360,000	
Total Capital Projects Donated to School Department		30,360,000

Total General Capital Projects Fund \$ 39,168,048

Total Governmental Funds - Primary Government \$ 193,855,087

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, 2014

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 86,024,520	
Career Ladder Program	368,258	
Career Ladder Extended Contracts	79,844	
Homebound Teachers	165,900	
Educational Assistants	1,686,610	
Longevity Pay	33,925	
Other Salaries and Wages	738,379	
Certified Substitute Teachers	946,492	
Non-certified Substitute Teachers	1,459,144	
Social Security	5,448,785	
State Retirement	7,749,597	
Life Insurance	94,754	
Medical Insurance	17,747,974	
Dental Insurance	935,200	
Unemployment Compensation	24,567	
Employer Medicare	1,281,845	
Maintenance and Repair Services - Equipment	79,945	
Other Contracted Services	1,605,352	
Instructional Supplies and Materials	1,130,281	
Textbooks	3,248,194	
Other Supplies and Materials	4,476	
Other Charges	25,796	
Regular Instruction Equipment	366,404	
Total Regular Instruction Program		\$ 131,246,242

Alternative Instruction Program

Teachers	\$ 260,777	
Career Ladder Program	2,000	
Educational Assistants	43,892	
Longevity Pay	500	
Social Security	18,608	
State Retirement	27,019	
Life Insurance	348	
Medical Insurance	76,000	
Dental Insurance	4,000	
Employer Medicare	4,352	
Other Supplies and Materials	4,675	
Other Equipment	1,363	
Total Alternative Instruction Program		443,534

Special Education Program

Teachers	\$ 13,814,106
Career Ladder Program	65,356
Educational Assistants	4,278,740
Speech Pathologist	1,815,095
Longevity Pay	60,150

(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.)

Other Salaries and Wages	\$	164,860	
Social Security		1,189,043	
State Retirement		1,754,652	
Life Insurance		30,753	
Medical Insurance		5,868,625	
Dental Insurance		310,500	
Employer Medicare		279,150	
Contracts with Other Public Agencies		57,542	
Contracts with Private Agencies		693,329	
Maintenance and Repair Services - Equipment		8,553	
Other Contracted Services		80,324	
Instructional Supplies and Materials		112,320	
Textbooks		8,952	
Special Education Equipment		63,776	
Total Special Education Program			\$ 30,655,826

Vocational Education Program

Teachers	\$	3,037,307	
Career Ladder Program		16,500	
Educational Assistants		349,130	
Longevity Pay		3,800	
Other Salaries and Wages		95,297	
Social Security		203,515	
State Retirement		285,477	
Life Insurance		3,876	
Medical Insurance		741,000	
Dental Insurance		39,000	
Employer Medicare		48,025	
Maintenance and Repair Services - Equipment		7,253	
Other Contracted Services		263,042	
Instructional Supplies and Materials		159,927	
Other Supplies and Materials		233	
Other Charges		1,688	
Vocational Instruction Equipment		316,957	
Total Vocational Education Program			5,572,027

Student Body Education Program

Other Salaries and Wages	\$	146,973	
Certified Substitute Teachers		54,175	
In-service Training		6,101	
Other Contracted Services		25,822	
Instructional Supplies and Materials		457,063	
Library Books/Media		152,455	
Other Supplies and Materials		64,979	
In Service/Staff Development		64,638	
Fee Waivers		22,864	

(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.)

Student Body Education Program (Cont.)

Other Charges	\$ 75,697	
Regular Instruction Equipment	427,948	
Total Student Body Education Program		\$ 1,498,715

Support Services

Attendance

Supervisor/Director	\$ 73,425	
Longevity Pay	750	
Overtime Pay	1,202	
Other Salaries and Wages	143,665	
Social Security	13,271	
State Retirement	18,606	
Life Insurance	170	
Medical Insurance	43,542	
Dental Insurance	2,500	
Employer Medicare	3,104	
Other Contracted Services	12,325	
In Service/Staff Development	3,273	
Total Attendance		315,833

Health Services

Medical Personnel	\$ 2,120,642	
Longevity Pay	10,150	
Social Security	123,615	
State Retirement	147,343	
Life Insurance	3,073	
Medical Insurance	589,000	
Dental Insurance	31,500	
Employer Medicare	29,484	
Travel	9,212	
Other Contracted Services	4,004	
Drugs and Medical Supplies	14,902	
Other Supplies and Materials	3,221	
In Service/Staff Development	1,926	
Health Equipment	6,646	
Total Health Services		3,094,718

Other Student Support

Career Ladder Program	\$ 19,947	
Guidance Personnel	4,427,603	
Social Workers	203,373	
Secretary(ies)	241,567	
Longevity Pay	3,600	
Social Security	288,257	
State Retirement	424,240	
Life Insurance	4,947	

(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.)

Medical Insurance	\$	940,500	
Dental Insurance		49,500	
Employer Medicare		67,888	
Contracts with Government Agencies		381,050	
Other Contracted Services		447,628	
Other Supplies and Materials		167,401	
Regular Instruction Equipment		1,198	
Total Other Student Support			\$ 7,668,699

Regular Instruction Program

Supervisor/Director	\$	442,401	
Career Ladder Program		40,389	
Librarians		2,305,290	
Secretary(ies)		287,742	
Clerical Personnel		625,021	
Longevity Pay		17,150	
Other Salaries and Wages		1,604,164	
Certified Substitute Teachers		2,630	
In-service Training		94,421	
Social Security		322,335	
State Retirement		472,376	
Life Insurance		6,290	
Medical Insurance		1,159,000	
Dental Insurance		60,999	
Employer Medicare		75,665	
Consultants		2,300	
Travel		22,586	
Other Contracted Services		52,971	
Other Supplies and Materials		99,178	
In Service/Staff Development		96,719	
Regular Instruction Equipment		1,805	
Other Equipment		2,814	
Total Regular Instruction Program			7,794,246

Special Education Program

Supervisor/Director	\$	102,040	
Career Ladder Program		4,936	
Psychological Personnel		1,477,284	
Secretary(ies)		70,521	
Longevity Pay		1,500	
Other Salaries and Wages		517,295	
In-service Training		32,756	
Social Security		132,758	
State Retirement		193,894	
Life Insurance		1,900	
Medical Insurance		365,987	

(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.)

Dental Insurance	\$	19,350	
Employer Medicare		31,062	
Travel		66,156	
Other Contracted Services		626,847	
Other Supplies and Materials		116,658	
In Service/Staff Development		26,533	
Other Equipment		957	
Total Special Education Program			\$ 3,788,434

Vocational Education Program

Career Ladder Program	\$	3,000	
Secretary(ies)		21,360	
Longevity Pay		800	
Other Salaries and Wages		138,303	
Social Security		9,733	
State Retirement		14,387	
Life Insurance		153	
Medical Insurance		23,750	
Dental Insurance		1,250	
Employer Medicare		2,276	
Travel		3,102	
Other Contracted Services		5,831	
Other Supplies and Materials		2,015	
In Service/Staff Development		4,076	
Total Vocational Education Program			230,036

Other Programs

On-behalf Payments to OPEB	\$	13,495	
Total Other Programs			13,495

Board of Education

Other Salaries and Wages	\$	80,011	
Board and Committee Members Fees		72,600	
Social Security		8,230	
State Retirement		6,641	
Life Insurance		51	
Medical Insurance		9,500	
Dental Insurance		500	
Employer Medicare		1,925	
Audit Services		50,315	
Dues and Memberships		36,097	
Legal Services		5,000	
Travel		613	
Other Contracted Services		2,980	
Other Supplies and Materials		7,013	
Liability Insurance		664,999	

(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 (Cont.)

Trustee's Commission	\$	2,563,877	
Workers' Compensation Insurance		883,000	
In Service/Staff Development		2,817	
Criminal Investigation of Applicants - TBI		52,768	
Total Board of Education			\$ 4,448,937

Director of Schools

County Official/Administrative Officer	\$	188,708	
Assistant(s)		127,573	
Secretary(ies)		163,440	
Longevity Pay		3,300	
Other Salaries and Wages		174,132	
Social Security		34,437	
State Retirement		55,068	
Life Insurance		459	
Medical Insurance		85,500	
Dental Insurance		4,500	
Employer Medicare		9,223	
Communication		488,198	
Travel		58	
Other Contracted Services		29,644	
Office Supplies		32,899	
Other Supplies and Materials		934	
In Service/Staff Development		10,013	
Regular Instruction Equipment		27,499	
Total Director of Schools			1,435,585

Office of the Principal

Principals	\$	4,106,937	
Career Ladder Program		50,497	
Accountants/Bookkeepers		1,328,380	
Assistant Principals		5,178,201	
Secretary(ies)		1,485,169	
Longevity Pay		41,075	
Social Security		723,862	
State Retirement		1,051,112	
Life Insurance		10,574	
Medical Insurance		1,995,000	
Dental Insurance		105,000	
Employer Medicare		169,939	
Other Contracted Services		440,739	
Administration Equipment		26,290	
Total Office of the Principal			16,712,775

Fiscal Services

Supervisor/Director	\$	114,688	
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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.)

Support Services (Cont.)

Fiscal Services (Cont.)

Accountants/Bookkeepers	\$	471,203	
Purchasing Personnel		153,308	
Longevity Pay		8,300	
Overtime Pay		1,336	
Other Salaries and Wages		89,879	
Social Security		49,647	
State Retirement		67,348	
Life Insurance		816	
Medical Insurance		152,000	
Dental Insurance		8,000	
Employer Medicare		11,611	
Other Contracted Services		53,507	
In Service/Staff Development		7,975	
Administration Equipment		44,882	
Total Fiscal Services			\$ 1,234,500

Human Services/Personnel

Supervisor/Director	\$	94,120	
Secretary(ies)		273,017	
Longevity Pay		1,950	
Overtime Pay		125	
Other Salaries and Wages		88,349	
Social Security		26,527	
State Retirement		37,754	
Life Insurance		510	
Medical Insurance		95,000	
Dental Insurance		5,000	
Employer Medicare		6,271	
Travel		727	
Other Contracted Services		49,610	
Other Supplies and Materials		55,979	
In Service/Staff Development		2,607	
Administration Equipment		18,200	
Total Human Services/Personnel			755,746

Operation of Plant

Supervisor/Director	\$	103,908	
Secretary(ies)		32,072	
Custodial Personnel		78,728	
Longevity Pay		5,050	
Other Salaries and Wages		78,094	
Social Security		17,660	
State Retirement		24,608	
Life Insurance		255	
Medical Insurance		47,500	
Dental Insurance		2,500	

(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.)

Employer Medicare	\$	4,130	
Janitorial Services		5,249,881	
Disposal Fees		105,422	
Other Contracted Services		70,891	
Electricity		6,154,767	
Natural Gas		483,431	
Water and Sewer		1,053,787	
Other Supplies and Materials		49,657	
Building and Contents Insurance		407,530	
Plant Operation Equipment		1,238	
Total Operation of Plant			\$ 13,971,109

Maintenance of Plant

Supervisor/Director	\$	84,028	
Secretary(ies)		74,646	
Maintenance Personnel		2,147,204	
Longevity Pay		26,900	
Overtime Pay		58,670	
Other Salaries and Wages		125,733	
Social Security		149,271	
State Retirement		206,291	
Life Insurance		3,468	
Medical Insurance		646,000	
Dental Insurance		34,000	
Employer Medicare		35,056	
Maintenance and Repair Services - Buildings		457,379	
Maintenance and Repair Services - Equipment		248,950	
Travel		1,569	
Other Contracted Services		738,346	
General Construction Materials		968,240	
Other Supplies and Materials		7,258	
In Service/Staff Development		16,643	
Other Charges		12,229	
Plant Operation Equipment		19,499	
Total Maintenance of Plant			6,061,380

Transportation

Supervisor/Director	\$	81,105	
Mechanic(s)		441,775	
Bus Drivers		4,833,597	
Clerical Personnel		32,197	
Longevity Pay		119,400	
Overtime Pay		33,805	
Other Salaries and Wages		861,791	
Social Security		372,039	
State Retirement		522,191	

(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.)

Transportation (Cont.)

Life Insurance	\$	15,172	
Medical Insurance		2,983,000	
Dental Insurance		157,000	
Employer Medicare		87,269	
Contracts with Parents		4,388	
Contracts with Public Carriers		7,000	
Maintenance and Repair Services - Buildings		213	
Maintenance and Repair Services - Vehicles		86,013	
Other Contracted Services		23,452	
Gasoline		1,864,024	
Lubricants		53,371	
Tires and Tubes		267,997	
Vehicle Parts		407,214	
Other Supplies and Materials		24,528	
Vehicle and Equipment Insurance		166,562	
In Service/Staff Development		5,971	
Other Charges		21,944	
Transportation Equipment		1,202,620	
Total Transportation			\$ 14,675,638

Central and Other

Supervisor/Director	\$	186,408	
Data Processing Personnel		1,577,086	
Longevity Pay		16,100	
Overtime Pay		5,336	
Social Security		105,171	
State Retirement		148,178	
Life Insurance		1,683	
Medical Insurance		313,500	
Dental Insurance		16,500	
Employer Medicare		24,605	
Travel		17,870	
Other Contracted Services		1,215,501	
Other Supplies and Materials		86,705	
In Service/Staff Development		5,072	
Data Processing Equipment		1,223,909	
Total Central and Other			4,943,624

Operation of Non-instructional Services

Community Services

Supervisor/Director	\$	81,264	
Clerical Personnel		42,720	
Longevity Pay		2,650	
Other Salaries and Wages		214,406	
Social Security		20,686	
State Retirement		27,233	

(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.)

Community Services (Cont.)

Life Insurance	\$	306	
Medical Insurance		57,000	
Dental Insurance		3,000	
Employer Medicare		4,824	
Travel		2,624	
Other Contracted Services		97,824	
Other Supplies and Materials		10,973	
In Service/Staff Development		7,884	
Other Equipment		10,847	
Total Community Services			\$ 584,241

Early Childhood Education

Teachers	\$	450,269	
Career Ladder Program		1,000	
Educational Assistants		93,829	
In-service Training		268	
Social Security		32,786	
State Retirement		40,095	
Life Insurance		472	
Medical Insurance		95,000	
Dental Insurance		5,000	
Employer Medicare		7,668	
Travel		894	
Other Contracted Services		350	
Instructional Supplies and Materials		6,994	
Other Supplies and Materials		16,664	
In Service/Staff Development		2,042	
Regular Instruction Equipment		12,852	
Total Early Childhood Education			<u>766,183</u>

Total General Purpose School Fund \$ 257,911,523

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	702,496
Educational Assistants		34,438
Other Salaries and Wages		72,080
Certified Substitute Teachers		25,368
Social Security		50,486
State Retirement		70,049
Life Insurance		697
Medical Insurance		129,834
Dental Insurance		6,834
Employer Medicare		11,824
Instructional Supplies and Materials		117,931

(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.)

Regular Instruction Program (Cont.)

Other Charges	\$	4,119	
Regular Instruction Equipment		76,582	
Total Regular Instruction Program			\$ 1,302,738

Special Education Program

Teachers	\$	73,389	
Educational Assistants		2,631,420	
Other Salaries and Wages		120,652	
Social Security		163,299	
State Retirement		221,730	
Life Insurance		8,190	
Medical Insurance		1,519,215	
Dental Insurance		80,381	
Employer Medicare		38,281	
Maintenance and Repair Services - Equipment		1,108	
Other Contracted Services		125,419	
Instructional Supplies and Materials		1,046	
Total Special Education Program			4,984,130

Vocational Education Program

Teachers	\$	25,009	
Clerical Personnel		21,360	
Social Security		2,860	
State Retirement		3,032	
Life Insurance		36	
Medical Insurance		6,650	
Dental Insurance		350	
Employer Medicare		669	
Instructional Supplies and Materials		29,547	
Vocational Instruction Equipment		107,420	
Total Vocational Education Program			196,933

Support Services

Health Services

Medical Personnel	\$	485,124	
Social Security		30,048	
State Retirement		37,027	
Life Insurance		481	
Medical Insurance		89,617	
Dental Insurance		4,300	
Employer Medicare		6,643	
Travel		3,420	
Total Health Services			656,660

Other Student Support

Other Salaries and Wages	\$	3,870	
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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.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Social Security	\$	232	
State Retirement		333	
Employer Medicare		54	
Travel		51,369	
In Service/Staff Development		13,122	
Other Charges		2,460	
Total Other Student Support			\$ 71,440

Regular Instruction Program

Secretary(ies)	\$	26,863	
Other Salaries and Wages		272,928	
In-service Training		64,532	
Social Security		21,679	
State Retirement		31,286	
Life Insurance		234	
Medical Insurance		41,959	
Dental Insurance		2,209	
Employer Medicare		5,076	
Travel		7,191	
Other Supplies and Materials		6,872	
In Service/Staff Development		202,625	
Other Equipment		399	
Total Regular Instruction Program			683,853

Special Education Program

Psychological Personnel	\$	134,628	
Secretary(ies)		26,148	
Other Salaries and Wages		146,850	
Social Security		18,452	
State Retirement		27,165	
Life Insurance		255	
Medical Insurance		47,500	
Dental Insurance		2,500	
Employer Medicare		4,315	
Travel		6,987	
Other Contracted Services		26,500	
Total Special Education Program			441,300

Vocational Education Program

In Service/Staff Development	\$	4,487	
Total Vocational Education Program			4,487

Total School Federal Projects Fund \$ 8,341,541

(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

Operation of Non-instructional Services

Food Service

Supervisor/Director	\$	81,105	
Clerical Personnel		64,012	
Cafeteria Personnel		3,051,263	
Longevity Pay		53,050	
Overtime Pay		12,469	
Other Salaries and Wages		221,038	
Social Security		205,976	
State Retirement		190,874	
Life Insurance		5,763	
Medical Insurance		1,007,000	
Dental Insurance		52,000	
Unemployment Compensation		235	
Employer Medicare		48,273	
Bank Charges		8,624	
Communication		3,114	
Maintenance and Repair Services - Equipment		9,393	
Transportation - Other than Students		49,452	
Travel		10,485	
Other Contracted Services		68,203	
Equipment and Machinery Parts		39,976	
Food Supplies		4,405,619	
Uniforms		10,983	
USDA - Commodities		804,262	
Other Supplies and Materials		474,738	
In Service/Staff Development		19,483	
Other Charges		2,323	
Food Service Equipment		608,059	
Total Food Service			\$ 11,507,772

Total Central Cafeteria Fund

\$ 11,507,772

Extended School Program Fund

Operation of Non-instructional Services

Community Services

Accountants/Bookkeepers	\$	35,693	
Secretary(ies)		31,833	
Attendants		1,191,150	
Longevity Pay		1,250	
Overtime Pay		25	
Other Salaries and Wages		314,877	
Social Security		94,123	
State Retirement		51,513	
Life Insurance		701	
Medical Insurance		118,499	
Dental Insurance		6,084	
Unemployment Compensation		4,456	

(Continued)

Exhibit K-10

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

<u>Extended School Program Fund (Cont.)</u>		
<u>Operation of Non-instructional Services (Cont.)</u>		
<u>Community Services (Cont.)</u>		
Employer Medicare	\$ 22,055	
Bank Charges	11,240	
Communication	5,198	
Maintenance and Repair Services - Equipment	50	
Travel	3,661	
Other Contracted Services	86,311	
Food Supplies	69,770	
Other Supplies and Materials	141,642	
Refunds	2,241	
In Service/Staff Development	7,003	
Other Equipment	49,538	
Total Community Services	<u>2,248,913</u>	\$ 2,248,913
Total Extended School Program Fund		\$ 2,248,913
<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$ 2,268,595	
Other Contracted Services	494,960	
Building Improvements	12,757,702	
Data Processing Equipment	2,060,600	
Site Development	91,903	
Total Education Capital Projects	<u>17,673,760</u>	\$ 17,673,760
Total Education Capital Projects Fund		<u>17,673,760</u>
Total Governmental Funds - Williamson County School Department		<u>\$ 297,683,509</u>

Williamson County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2014

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Self-Insurance Premiums/Contributions	\$ 47,993,866
Other Employee Benefits Charges/Contributions	6,102,448
Total Charges for Current Services	<hr/> \$ 54,096,314 <hr/>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Retirees' Insurance Payments	\$ 1,178,945
Cobra Insurance Payments	133,505
Miscellaneous Refunds	2,413,286
Total Other Local Revenues	<hr/> \$ 3,725,736 <hr/>
Total Revenues	<hr/> \$ 57,822,050 <hr/>
<u>Expenses</u>	
<u>Other Operations</u>	
<u>Employee Benefits</u>	
Handling Charges and Administrative Costs	\$ 5,258,838
Life Insurance	147,023
Dental Insurance	3,091,588
Other Fringe Benefits	1,894,189
Medical Claims	37,121,396
Other Self-Insured Claims	9,038,906
Total Other General Government	<hr/> \$ 56,551,940 <hr/>
Total Expenses	<hr/> \$ 56,551,940 <hr/>

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, 2014

	Cities - Sales Tax Fund	Cities - Property Tax Fund	Cities Adequate Facilities Tax Fund	Special School District Fund	Total
<u>Cash Receipts</u>					
<u>County Property Taxes</u>					
Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 10,218,683	\$ 10,218,683
Trustee's Collections - Prior Year	0	0	0	106,392	106,392
<u>Circuit/Clerk &amp; Master Collections -</u>					
Prior Years	0	0	0	49,027	49,027
Interest and Penalty	0	0	0	23,686	23,686
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	266	266
Payments in-Lieu-of Taxes - Other	0	0	0	329	329
Local Option Sales Tax	43,525,800	0	0	4,164,749	47,690,549
Interstate Telecommunications Tax	0	0	0	1,717	1,717
<u>City/School District Property Taxes</u>					
Current Property Taxes	0	24,008,318	0	18,403,553	42,411,871
Trustee's Collections - Prior Year	0	280,814	0	230,982	511,796
Interest and Penalty	0	46,383	0	51,365	97,748
Pick-up Taxes	0	0	0	148,407	148,407
Marriage Licenses	0	0	0	917	917
Other Local Revenues	0	0	0	199	199
Mixed Drink Tax	0	0	0	76,299	76,299
Transfers In	0	0	2,283,267	1,108,812	3,392,079
Total Cash Receipts	\$ 43,525,800	\$ 24,335,515	\$ 2,283,267	\$ 34,585,383	\$ 104,729,965
<u>Cash Disbursements</u>					
Remittance of Revenues Collected	\$ 43,090,542	\$ 24,295,302	\$ 2,283,267	\$ 34,026,005	\$ 103,695,116
Trustee's Commission	435,258	9,800	0	626,873	1,071,931
Total Cash Disbursements	\$ 43,525,800	\$ 24,305,102	\$ 2,283,267	\$ 34,652,878	\$ 104,767,047
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0	\$ 30,413	\$ 0	\$ (67,495)	\$ (37,082)
Cash Balance, July 1, 2013	0	45,776	0	541,866	587,642
Cash Balance, June 30, 2014	\$ 0	\$ 76,189	\$ 0	\$ 474,371	\$ 550,560

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## **SINGLE AUDIT SECTION**

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

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the 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, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Williamson County's basic financial statements, and have issued our report thereon dated January 21, 2015. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Williamson County Emergency Communications District and the discretely presented Williamson County Hospital District, as described in our report on Williamson County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Williamson County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of

expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Williamson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Williamson County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies: 2014-001, 2014-002, 2014-003, 2014-005, and 2014-006.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Williamson County's financial statements are free from 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 an 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 2014-004.

### **Williamson County's Responses to Findings**

Williamson County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Williamson County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Williamson County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,

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

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

January 21, 2015

JPW/sb



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

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Williamson County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Williamson County's major federal programs for the year ended June 30, 2014. 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Williamson County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and*

*Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Williamson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Williamson County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Williamson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

### **Report on Internal Control Over Compliance**

Management of Williamson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Williamson County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Williamson County's internal control over compliance.

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

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

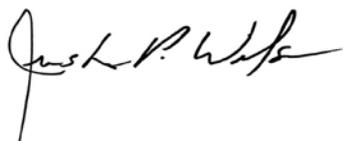
consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Williamson County's basic financial statements. We issued our report thereon dated January 21, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

January 21, 2015

JPW/sb

Williamson County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1)  
For the Year Ended June 30, 2014

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:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 804,262 (3)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	308,812
National School Lunch Program	10.555	N/A	2,021,128 (3)
Total U.S. Department of Agriculture			<u>\$ 3,134,202</u>
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Excess Property Program	12.unknown	(2)	\$ 285,310
Total U.S. Department of Defense			<u>\$ 285,310</u>
U.S. Department of Justice:			
Direct Programs:			
Federal Asset Forfeiture Program	16.unknown	N/A	\$ 70,240
Drug Court Discretionary Grant Program	16.585	N/A	81,657
State Criminal Alien Assistance Program	16.606	N/A	15,879
Passed-through State Administrative Office of the Courts:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	77,016
Total U.S. Department of Justice			<u>\$ 244,792</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(2)	\$ 330,897
Recreational Trails Program	20.219	(2)	72,215
Federal Transit Formula Grants	20.507	(2)	144,592
Alcohol Open Container Requirements	20.607	(2)	101,260
Interagency Hazardous Materials and Public Sector Training and Planning Grants	20.703	(2)	5,033
Total U.S. Department of Transportation			<u>\$ 653,997</u>
U.S. Institute of Museum and Library Services:			
Passed-through State Library and Archives:			
Grants to States	45.310	(2)	\$ 3,637
Total U.S. Institute of Museum and Library Services			<u>\$ 3,637</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(2)	\$ 155,540
Total U.S. Election Assistance Commission			<u>\$ 155,540</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,127,297
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	7,212,737
Special Education - Preschool Grants	84.173	N/A	56,341
Career and Technical Education - Basic Grants to States	84.048	N/A	272,737
Education for Homeless Children and Youth	84.196	N/A	11,631
English Language Acquisition State Grants	84.365	N/A	74,726
Improving Teacher Quality State Grants	84.367	N/A	586,198
State Fiscal Stabilization Fund: Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	231,168
Total U.S. Department of Education			<u>\$ 9,572,835</u>

(Continued)

Williamson County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(2)	\$ 79,128
Homeland Security Grant Program	97.067	(2)	163,930
Total U.S. Department of Homeland Security			\$ 243,058
Total Expenditures of Federal Awards			\$ 14,293,371
		Contract Number	
<u>State Grants</u>			
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	\$ 174,161
Litter Program - State Department of Transportation	N/A	(2)	56,325
Hazard Mitigation Grant - State Department of Military	N/A	(2)	35,064
Archives Development Grant - Tennessee Secretary of State	N/A	(2)	4,680
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	(2)	9,000
High Schools That Work Competitive Grant - State Department of Education	N/A	(2)	3,800
Early Childhood Education Lottery - State Department of Education	N/A	(2)	482,698
LEAPS Grant - State Department of Education	N/A	(2)	45,572
Safe Schools Act - State Department of Education	N/A	(2)	130,811
Coordinated School Health - State Department of Education	N/A	(2)	137,146
Dental Services Grant - State Department of Health	N/A	(2)	175,800
Development and Coordination of Rural Health Services - State Department of Health	N/A	(2)	889,140
Total State Grants			\$ 2,144,197

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) Total for CFDA No. 10.555 is \$2,825,390.

Williamson County, Tennessee  
Schedule of Audit Findings Not Corrected  
June 30, 2014

*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, 2013, which have not been corrected.

**OFFICE OF ACCOUNTS AND BUDGETS**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2013-003	215	Employees shared usernames and passwords

**OFFICE OF JUVENILE COURT CLERK**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2013-005	216	The office had deficiencies in computer system backup procedures
2013-007	217	Multiple employees operated from the same cash drawer

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**WILLIAMSON COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2014**

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

1. Our report on the financial statements of Williamson County is unmodified.
2. The audit of the financial statements of Williamson County disclosed significant deficiencies in internal control. None of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of Williamson County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unmodified 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 Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173) and the State Fiscal Stabilization Fund – Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395) were determined to be major programs.
8. A \$428,801 threshold was used to distinguish between Type A and Type B federal programs.
9. Williamson County did not qualify as a low-risk auditee.

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The director of accounts and budgets and the trustee provided written responses on certain findings, which are paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

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

#### **FINDING 2014-001**

#### **EMPLOYEES SHARED USERNAMES AND PASSWORDS**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Although each employee had been assigned a unique username and password for accessing the office's accounting software, this information was shared with other employees. Employees processed transactions using other employees' usernames and passwords. If inappropriate activity were to occur, the employee responsible for this activity would not be easily identified because employees had access to each other's username and password. Sound business practices dictate that each transaction be identified to the individual creating the transaction. This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report. The office discontinued this practice in December 2014.

#### **RECOMMENDATION**

Each employee should access the application using his or her unique username and password to ensure that transactions are properly identified to that employee. Usernames and passwords should remain confidential and should not be shared by employees.

#### **MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

This has been corrected. The Williamson County Information Technology Department has since upgraded the operating system, which now allows each employee to have a unique username and password.

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#### **FINDING 2014-002**

#### **THE ACCOUNTING SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The office maintained three system environments for its accounting software: a test environment, a training environment, and a production environment. The test and training environments were used for training purposes and contained copies of production data while the production environment was used to process actual transactions and maintain the official accounting records. However, users of the test and training environments could

execute all receipting, payroll, and vendor functions including the printing of valid receipts and negotiable checks using the test data.

Sound business practices dictate that proper application controls be implemented. Because management had not determined the risk associated with this functionality, inappropriate system activity could occur. This deficiency was corrected when it was brought to management's attention in May 2014.

**MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

This has been corrected. System procedures have been implemented in the test and training environments that will not allow printing of receipts or checks.

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**OFFICE OF TRUSTEE**

**FINDING 2014-003**

**THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The software application used by the office generated a log that displayed changes made by users. This log provided the only audit trail of these changes and should be reviewed for inappropriate activity. Although the official was aware of the importance of this log, it was not consistently reviewed. When the importance of these logs was again brought to management's attention in May 2014, they resumed the review process. Without knowledge of system activity, errors and improper changes could occur and go undetected.

**RECOMMENDATION**

Management should review its software audit logs on a routine basis. Any unusual transactions should be investigated.

**MANAGEMENT'S RESPONSE – CURRENT TRUSTEE**

Management agrees the software audit logs are an important tool in the management and oversight of entries made to the trustee's software system. The audit logs are now being printed and reviewed as recommended.

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**OFFICE OF JUVENILE COURT CLERK**

**FINDING 2014-004**

**THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES**

(Noncompliance Under *Government Auditing Standards*)

System backups were not regularly stored off-site. Section 10-7-121, *Tennessee Code Annotated*, provides that records required to be retained by any government official may be maintained on a computer or removable storage media as long as certain standards are met. One of these standards requires that all data generated and stored within the computer system be copied to storage media daily, and media more than one week old be stored at an off-site location. This deficiency is the result of management's failure to implement adequate disaster recovery planning procedures. Also, this deficiency is a result of management's failure to correct the finding noted in the prior-year audit report. In the event of a disaster, all backup data could be destroyed, resulting in costly delays in generating and recording information accounted for through the automated process.

**RECOMMENDATION**

Management should ensure backups are rotated to a secure off-site location on a weekly basis.

**FINDING 2014-005**

**THE COURT SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The following deficiencies relating to the office's software were identified.

- A. The application did not provide a record of changes made to previously issued receipts and charges. Users had the capability to change information on receipts, leaving no evidence of the original information.
- B. Receipts could be deleted from the application, leaving no evidence of the original transaction.
- C. The application allowed users to post payments to cases without issuing a receipt.
- D. The application did not identify users that processed transactions.
- E. The end of day reports did not subtotal by payment type.

Sound business practices dictate that proper controls be implemented. Because the software developer did not design the system with proper controls, inappropriate system activity could occur.

## RECOMMENDATION

Management should contact the software developer concerning the addition of controls to the software that would prevent users from altering and deleting charges and payments. The application should not allow users to post payments without issuing a receipt. The application should identify the user that processes each transaction. The end of day reports should subtotal by payment type.

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### FINDING 2014-006

### **MULTIPLE EMPLOYEES OPERATED FROM THE SAME CASH DRAWER**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Multiple employees operated from the same cash drawer in the Office of Juvenile Court Clerk. Good internal controls dictate that each employee have their own cash drawer, start the day with a standard fixed amount of cash, and remove all but that beginning amount at the end of the day. This amount should be verified to the employee's receipts at the end of each day. Failure to adhere to this control regimen greatly increases the risk that a cash shortage may not be detected in a timely manner. Furthermore, in the event of a cash shortage, the official would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer. This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

## RECOMMENDATION

The juvenile court clerk should assign all employees their own cash drawer.

**PART III, FINDINGS AND QUESTIONED  
COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs for federal awards.

## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Williamson County.

### **WILLIAMSON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Williamson County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Williamson County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

**WILLIAMSON COUNTY, TENNESSEE  
AUDITEE REPORTING RESPONSIBILITIES  
For the Year Ended June 30, 2014**

There were no audit findings relative to federal awards presented in the prior- or current-years' Schedules of Findings and Questioned Costs.