
**ANNUAL FINANCIAL REPORT
WILLIAMSON COUNTY, TENNESSEE**



FOR THE YEAR ENDED JUNE 30, 2010



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This financial report is available at www.tn.gov/comptroller

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Audit Highlights

Annual Financial Report
Williamson County, Tennessee
For the Year Ended June 30, 2010

Scope

We have audited the basic financial statements of Williamson County as of and for the year ended June 30, 2010.

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ The Self-Insurance Fund had a deficit of \$4,905,884 in unrestricted net assets at June 30, 2010.
- ◆ Some funds were not deposited within three days of collection as required by state statute.
- ◆ A cash shortage of at least \$106,446.17 existed at the Williamson County Animal Control Department as of March 31, 2010.
- ◆ The Office of Accounts and Budgets had deficiencies in controls over its information system environment.

OFFICE OF JUVENILE COURT CLERK

- ◆ The office had deficiencies in controls over its information system environment.

OTHER FINDING

- ◆ Duties were not segregated adequately in the Office of County Clerk.

INTRODUCTORY SECTION

Williamson County Officials

June 30, 2010

Officials

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

Board of County Commissioners

Houston Naron, Jr., Chairman	Cheryl Wilson	Jack Walton
Reba Greer	Lewis Green, Jr.	Mary Brockman
Ricky Jones	Tom Bain	Ernie Williams
Betsy Hester	Arlene Cooke	Bob Barnwell
John Hancock	Jeff Ford	Mary Mills
Clyde Lynch	Bert Chalfant	Russell Little
Judy Hayes	Jason Para	Steve Smith
Tommy Little	Greg Davis	Doug Langston

Board of Education

Pat Anderson, Chairman	Janine Moore	Barry Watkins
D'Wayne Greer	Terry Leve	Bill Peach
Janice Mills	Susan Graham	Mark Gregory
Timothy McLaughlin	Gary Anderson	James Bond

Highway Commission

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

Williamson County Officials (Cont.)

Budget Committee

Russell Little, Chairman
Rogers Anderson, County Mayor
Betsy Hester
Tommy Little
Jack Walton

Audit Committee

Russell Little
Clyde Lynch
Tom Bain

FINANCIAL SECTION



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

INDEPENDENT AUDITOR'S REPORT

October 22, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2010, which collectively comprise Williamson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Williamson County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented Williamson County Hospital District, which represent 28 percent and 33 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, and we did not audit the financial statements of the discretely presented Williamson County Emergency Communications District, which represent .3 percent of the assets and revenues of the aggregate discretely presented component units, as of June 30, 2010, and for the year then ended. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the

accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 22, 2010, on our consideration of Williamson County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

As described in Note V.B., Williamson County has adopted the provisions of Governmental Accounting Standards Board Statement No. 51, Accounting and Financial Reporting for Intangible Assets; and Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, which became effective for the year ended June 30, 2010.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 25 and the budgetary comparison, pension, and other postemployment benefits information on pages 103 through 111 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Williamson County's 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 required parts of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Rural Debt Service funds, combining and individual fund financial statements of the Williamson County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

Management's Discussion and Analysis

As management of Williamson County, Tennessee, we offer readers of Williamson County's financial statements this narrative overview and analysis of the financial activities of Williamson County, Tennessee, for the fiscal year ended June 30, 2010. This discussion and analysis focuses on the primary government only and does not include discussions of discretely presented component units.

Financial Highlights

- The liabilities of Williamson County exceeded its assets at the close of the fiscal year by \$165,467,038 (net assets). The liabilities include \$342,051,241 in debt that is attributable to the Williamson County School Department.
- The government's total net assets decreased by \$42,783,751.
- At June 30, 2010, Williamson County's governmental funds reported combined ending fund balances of \$107,511,055, an increase of \$2,203,379 in comparison with the prior year.
- At June 30, 2010, unreserved fund balance for the General Fund was \$35,486,959, or 59 percent of total General Fund expenditures.
- For the fiscal year ended June 30, 2010, Williamson County's total debt had a net increase of \$40,627,000. During the year, \$21,548,000 of debt service payments were made, and \$73,415,000 was used to refund existing debt. There was \$135,590,000 of new debt issued, of which \$63,700,000 was for various education capital projects, while \$71,890,000 of the new debt issued was for advance refunding of several general obligation and rural school bonds.

Overview of the Financial Statements

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

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

The Statement of Net Assets presents information on all of Williamson County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Williamson County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 41 through 101 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Williamson County's General Fund and major special revenue funds' budgetary statements (General and Highway/Public Works funds). 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.

An additional portion of Williamson County's net assets (\$66,040,078) represents resources that are subject to external restrictions on how they may be used. The restricted net assets include capital projects, debt service, highway, all of the nonmajor funds, and other county general reserves or designations not accounted for in unrestricted net assets.

Governmental activities. Governmental activities decreased Williamson County's net assets by \$42,783,751. Elements of this decrease are noted in the table below:

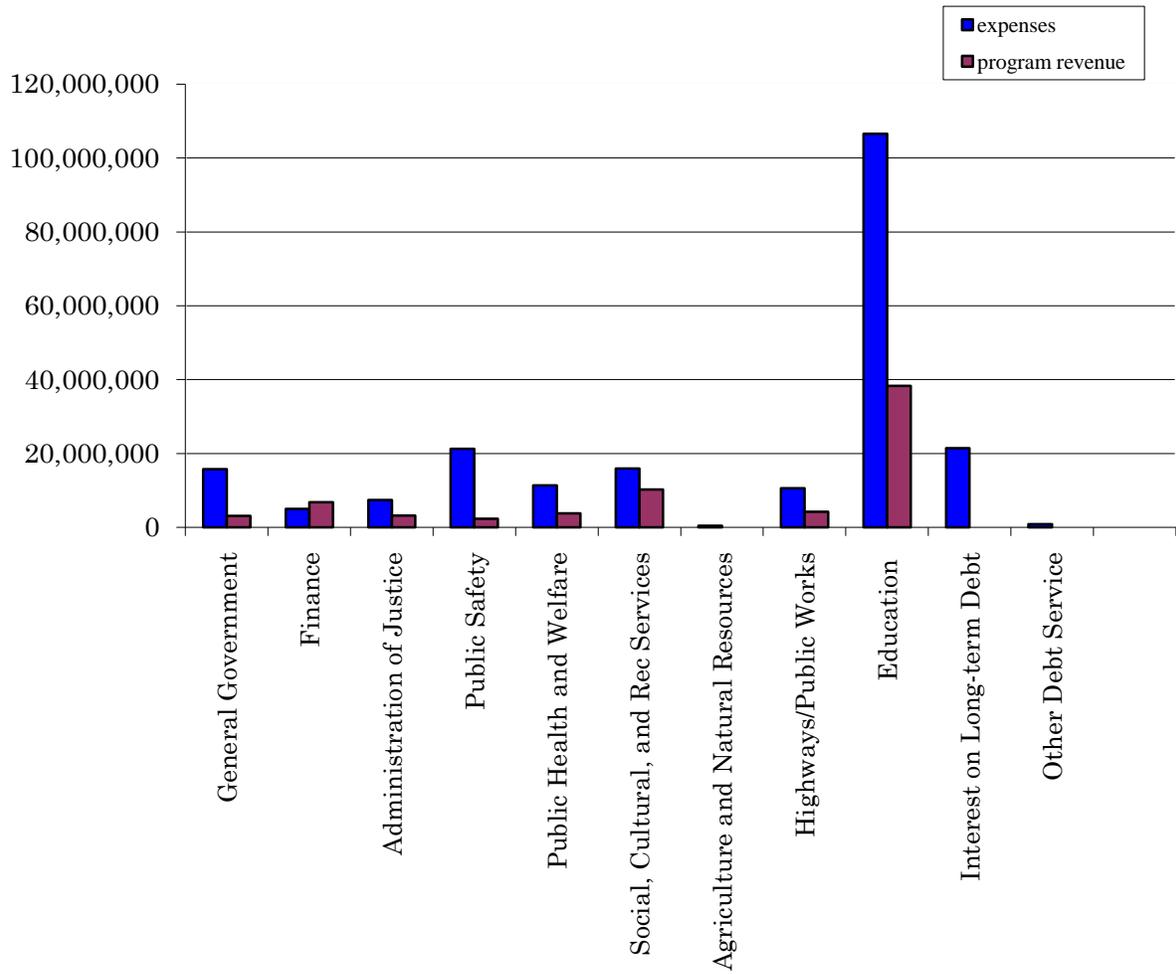
Williamson County's Changes in Net Assets

	<u>2010</u>	<u>2009</u>
	Governmental Activities	Governmental Activities
Revenues:		
Program Revenues:		
Charges for Services	\$ 57,855,780	\$ 54,278,021
Operating Grants and Contributions	5,743,944	6,106,322
Capital Grants and Contributions	8,442,333	3,089,964
Total Program Revenues	<u>\$ 72,042,057</u>	<u>\$ 63,474,307</u>
General Revenues:		
Property Taxes Levied for General Purposes	\$ 39,530,118	\$ 37,995,407
Property Taxes Levied for Debt Service	34,810,794	33,344,526
Local Option Sales Tax	994,539	940,078
Hotel/Motel Tax	2,376,471	2,406,683
Wheel Tax	3,628,609	3,574,991
Litigation Tax	913,628	665,750
Business Tax	3,010,713	3,742,927
Privilege Taxes	1,438,650	1,980,361
Adequate Facilities Tax	2,233,807	1,303,643
Mineral Severance Tax	175,127	184,223
Wholesale Beer Tax	467,607	452,026
Other Local Taxes	2,546	12,958
Grants and Contributions Not Restricted to Specific Programs	9,650,134	13,641,280
Unrestricted Investment Earnings	1,231,334	2,381,959
Gain on Disposal of Capital Assets	251,428	33,959
Miscellaneous	1,007,461	1,970,864
Total General Revenues	<u>\$ 101,722,966</u>	<u>\$ 104,631,635</u>
Total Revenues	<u>\$ 173,765,023</u>	<u>\$ 168,105,942</u>

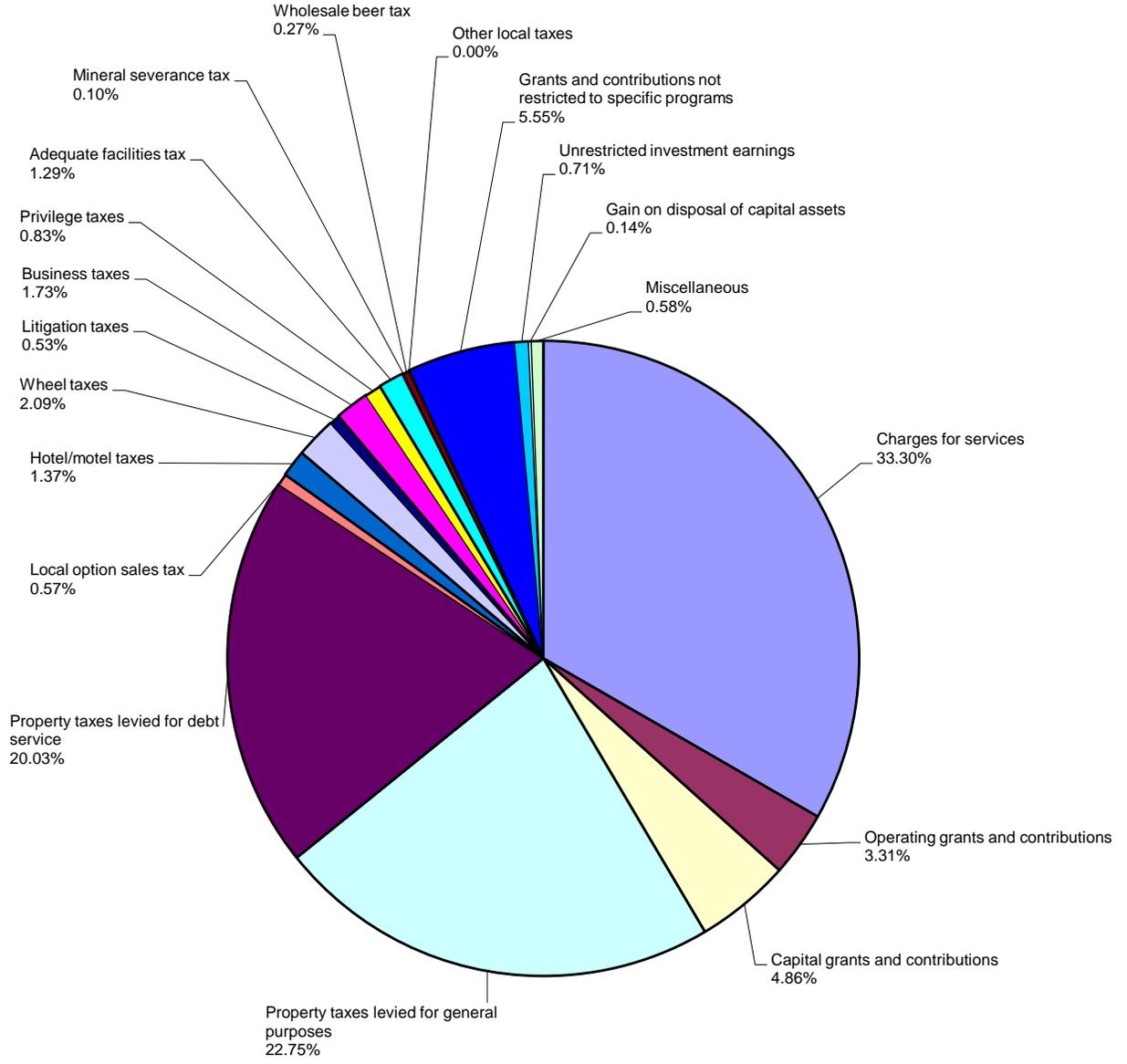
Williamson County's Changes in Net Assets (Cont.)

	<u>2010</u>	<u>2009</u>
	<u>Governmental</u>	<u>Governmental</u>
	<u>Activities</u>	<u>Activities</u>
Expenses:		
Governmental Activities:		
General Government	\$ 15,721,183	\$ 13,186,921
Finance	5,009,806	4,796,987
Administration of Justice	7,410,364	8,376,425
Public Safety	21,267,897	21,410,257
Public Health and Welfare	11,340,666	10,495,101
Social, Cultural, and Recreational Services	15,924,636	17,016,978
Agriculture and Natural Resources	450,704	502,176
Highway/Public Works	10,608,838	13,183,015
Education	106,564,177	64,556,639
Interest on Long-term Debt	21,426,728	19,776,797
Other Debt Service	823,775	465,655
Total Expenses	<u>\$ 216,548,774</u>	<u>\$ 173,766,951</u>
Change in Net Assets	\$ (42,783,751)	\$ (5,661,009)
Prior-period Adjustment	0	3,116,695
Net Assets - July 1,	<u>(122,683,287)</u>	<u>(120,138,973)</u>
Net Assets - June 30,	<u><u>\$ (165,467,038)</u></u>	<u><u>\$ (122,683,287)</u></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 particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$107,511,055, an increase of \$2,203,379 in comparison with the prior year. Approximately 67 percent of this total amount (\$72,235,256) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$35,486,959 while total fund balance was \$37,498,505. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 59 percent of total General Fund expenditures, while total fund balance represents 63 percent of that same amount.

The fund balance of the General Fund increased \$4,015,600 from the prior year. One factor of the increase is Williamson County budgets for a 92 percent collection rate of property taxes while the county had actual collections of 99.2 percent collected during the current year. Another factor was actual expenditures were 12 percent less than budgeted expenditures.

The fund balance of the Highway/Public Works Fund had a net increase of \$1,133,385 during the current fiscal year. The increase was due to actual expenditures being 22 percent less than budgeted expenditures.

The fund balance of the General Debt Service Fund decreased \$1,521,349 from the prior year.

The fund balance of the Rural Debt Service Fund decreased \$630,607 from the previous year.

The fund balance of the General Capital Projects Fund had a net decrease of \$1,151,057 from the prior year due to ongoing construction projects.

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

General and Highway/Public Works Funds Budgetary Highlights

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

During the current fiscal year, the final amended budget for Highway/Public Works Fund expenditures reflected an increase of seven 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, 2010, totaled \$212,765,540 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net increase in Williamson County's investment in capital assets for the current fiscal year was \$6,097,905. One main factor that contributed to the increase was the completion of construction in progress projects, which includes the completion of the Historic Courthouse renovation project and the Highway Department facilities project. Another factor for the increase was the donation of a school building to the Parks and Recreation Department to be used for recreation purposes. Construction in progress totaling \$1,792,359 reflects Williamson County's various ongoing construction and renovation projects within the general operations and the parks and recreation facilities. The county also has ongoing capital improvements to the emergency communications radio system.

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

	<u>2010</u> Governmental Activities	<u>2009</u> Governmental Activities
Land	\$ 56,997,115	\$ 56,571,441
Construction in Progress	1,792,359	10,333,167
Buildings and Improvements	106,922,902	90,296,318
Other Capital Assets	20,607,322	24,230,069
Infrastructure	<u>26,445,842</u>	<u>25,236,640</u>
Total	<u>\$ 212,765,540</u>	<u>\$ 206,667,635</u>

Long-term debt. At the end of the current fiscal year, Williamson County had total bonded debt outstanding of \$461,950,000 and other variable rate debt (Montgomery County Public Building Authority) loans of \$8,984,000. All debt is backed by the full faith and credit of the county. Of the amount outstanding for governmental activities, \$342,051,241 reflects the balance of borrowings for education capital projects for the Williamson County Board of Education.

Williamson County's Outstanding Debt
As of June 30

	<u>2010</u>	<u>2009</u>
	<u>Governmental</u>	<u>Governmental</u>
	<u>Activities</u>	<u>Activities</u>
Bonds Payable	\$ 461,950,000	\$ 419,885,000
Notes Payable	0	685,000
Other Loans Payable	<u>8,984,000</u>	<u>9,737,000</u>
 Total	 <u>\$ 470,934,000</u>	 <u>\$ 430,307,000</u>

- For the fiscal year ended June 30, 2010, Williamson County's total debt had a net increase of \$40,627,000. During the year, \$21,548,000 of debt service payments were made, and \$73,415,000 was used to refund existing debt. There was \$135,590,000 of new debt issued, of which \$63,700,000 was for various education capital projects, while \$71,890,000 of the new debt was issued for advance refunding of several general obligation and rural school bonds.

- The new debt issues for Williamson County are comprised of the following:
 - a) General obligation bond (Federally Taxable Build America Bonds-Direct Payment) issue of \$24,700,000 for various school construction projects, school building renovation and improvement projects, school buses, capitalized interest, and land for future school site.

 - b) Rural or county district school general obligation bond (Federally Taxable Build America Bonds-Direct Payment) of \$39,000,000 for various school construction projects, school building renovation and improvement projects, school buses, capitalized interest, and land for future school site.

 - c) General obligation refunding bond of \$32,960,000 and rural or county district school general obligation refunding bond of \$38,930,000 in resources were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded bonds. Several general obligation and rural school bond issues were included in the advance refunding of the two separate issues.

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

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

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the county as of June 30, 2010, was 7.5 percent, which is a .9 percent decrease from the 2009 rate of 8.4 percent. This compares to the state's average unemployment rate of 10.1 percent and the national average rate of 9.5 percent.
- The occupancy rate of the government's central business district for the past three years was 90.2 percent for 2008, 87.6 percent for 2009, and 89.2 percent for 2010.
- Inflationary trends in the region compare favorably to national indices.
- Assessed property value within the county is in excess of \$7.4 billion.

All of these factors were considered in preparing the county's budget for the 2011 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.

BASIC FINANCIAL STATEMENTS

Exhibit A

Williamson County, Tennessee
Statement of Net Assets
June 30, 2010

	Component Units			
	Primary Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<u>ASSETS</u>				
Cash	\$ 269,225	\$ 126,232	\$ 15,743,681	\$ 1,250,631
Cash with Paying Agents	46,825	0	0	0
Equity in Pooled Cash and Investments	99,940,007	58,824,446	0	0
Accounts Receivable	150,229	70,850	25,410,030	133,483
Allowance for Uncollectibles	0	0	(7,528,326)	0
Property Taxes Receivable	69,673,820	89,941,958	0	0
Allowance for Uncollectible Property Taxes	(1,264,939)	(1,462,096)	0	0
Due from Other Governments	4,125,029	7,530,417	0	44,317
Prepaid Items	0	0	330,855	0
Cash Shortage	150,208	0	0	0
Deferred Charges - Debt Issuance Costs	3,212,968	0	202,595	0
Inventories	0	0	3,220,347	0
Investment in Joint Venture	6,794,625	0	637,274	0
Other Receivable	0	0	419,731	0
Notes Receivable - Long-term	5,385,078	0	0	0
Restricted Assets:				
Customer Deposits	0	0	639,598	0
Bond Reserves	0	0	2,650,176	0
Capital Improvements	0	0	37,498,546	0
Capital Assets:				
Assets Not Depreciated:				
Land	56,997,115	28,142,524	0	0
Construction in Progress	1,792,359	56,387,675	0	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	106,922,902	245,384,740	0	0
Other Capital Assets	20,607,322	15,882,614	112,902,950	641,667
Infrastructure	26,445,842	0	0	0
Total Assets	\$ 401,248,615	\$ 500,829,360	\$ 192,127,457	\$ 2,070,098
<u>LIABILITIES</u>				
Accounts Payable	\$ 50,718	\$ 205,323	\$ 2,436,607	\$ 144,430
Accrued Payroll	0	8,765,987	4,814,180	0
Payroll Deductions Payable	0	158,411	0	0
Contracts Payable	0	5,445,901	0	0
Retainage Payable	0	298,161	0	0
Accrued Interest Payable	5,556,033	0	193,901	0
Due to State of Tennessee	615	0	0	0
Due to Litigants, Heirs, and Others	900	0	0	0
Other Accrued Expenses	0	0	1,678,172	0
Estimated Amounts Due to Third-party Payors	0	0	423,738	0
Customer Deposits Payable	64,650	122,744	0	0
Deferred Revenue - Current Property Taxes	66,636,672	86,636,897	0	0
Noncurrent Liabilities:				
Due Within One Year	29,565,292	627,654	5,863,726	0
Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	464,840,773	35,626,366	40,689,318	0
Total Liabilities	\$ 566,715,653	\$ 137,887,444	\$ 56,099,642	\$ 144,430

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	\$ 90,172,946	\$ 0	\$ 66,349,906	\$ 0
Invested in Capital Assets Restricted for:	0	345,797,553	0	641,667
Capital Projects	14,761,667	28,488,324	0	0
Debt Service	35,819,330	0	0	0
Highways	10,582,592	0	0	0
Solid Waste	3,389,869	0	0	0
Central Cafeteria	0	2,122,393	0	0
Federal Projects	0	1,259,328	0	0
Extended Schools Program	0	351,082	0	0
Career Ladder	0	36,827	0	0
Drug Control	128,668	0	0	0
District Attorney General	253,183	0	0	0
Courtroom Security	534,522	0	0	0
Victims Assistance Programs	87,661	0	0	0
Automation Purposes	401,933	0	0	0
Other Purposes	80,653	0	688,465	0
Unrestricted	(321,680,062)	(15,113,591)	68,989,444	1,284,001
Total Net Assets (Deficit)	<u>\$ (165,467,038)</u>	<u>\$ 362,941,916</u>	<u>\$ 136,027,815</u>	<u>\$ 1,925,668</u>

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, 2010

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Primary Government					Component Units				
	Program Revenues		Charges for Services	Capital Grants and Contributions	Total Governmental Activities	Williamson County		Williamson County		Emergency Communications District
Expenses	Operating Grants and Contributions	School Department				Hospital District				
Primary Government:										
General Government	\$ 15,721,183	\$ 2,982,273	\$ 85,168	\$ 11,545	\$ (12,642,197)	\$ 0	\$ 0	\$ 0	\$ 0	0
Finance	5,009,806	6,774,749	34,965	0	1,799,908	0	0	0	0	0
Administration of Justice	7,410,364	3,226,591	0	0	(4,183,773)	0	0	0	0	0
Public Safety	21,267,897	926,344	1,376,116	49,996	(18,915,441)	0	0	0	0	0
Public Health and Welfare	11,340,666	1,664,489	1,526,713	576,066	(7,573,398)	0	0	0	0	0
Social, Cultural, and Recreational Services	15,924,636	3,980,612	0	6,347,500	(5,596,524)	0	0	0	0	0
Agriculture and Natural Resources	450,704	0	0	0	(450,704)	0	0	0	0	0
Highway/Public Works	10,608,838	32,814	2,720,982	1,457,226	(6,397,816)	0	0	0	0	0
Education	106,564,177	38,267,908	0	0	(68,296,269)	0	0	0	0	0
Interest on Long-term Debt	21,426,728	0	0	0	(21,426,728)	0	0	0	0	0
Other Debt Service	823,775	0	0	0	(823,775)	0	0	0	0	0
Total Primary Government	\$ 216,548,774	\$ 57,855,780	\$ 5,743,944	\$ 8,442,333	\$ (144,506,717)	\$ 0	\$ 0	\$ 0	\$ 0	0
Component Units:										
Williamson County School Department	\$ 263,381,767	\$ 8,694,387	\$ 12,871,194	\$ 65,603,050	\$ 0	\$ (176,213,136)	\$ 0	\$ 0	\$ 0	0
Williamson County Hospital District	139,458,120	146,617,639	0	147,935	0	0	7,307,454	0	0	0
Emergency Communications District	1,470,765	1,367,876	78,000	0	0	0	0	0	0	(24,889)
Total Component Units	\$ 404,310,652	\$ 156,679,902	\$ 12,949,194	\$ 65,750,985	\$ 0	\$ (176,213,136)	\$ 7,307,454	\$ 0	\$ (24,889)	0
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes					\$ 39,530,118	\$ 79,139,482	\$ 0	\$ 0	\$ 0	0
Property Taxes Levied for Debt Service					34,810,794	0	0	0	0	0
Local Option Sales Taxes					994,539	31,522,745	0	0	0	0
Hotel/Motel Tax					2,376,471	0	0	0	0	0
Wheel Tax					3,628,609	0	0	0	0	0
Litigation Tax					913,628	0	0	0	0	0
Business Tax					3,010,713	0	0	0	0	0
Privilege Tax					1,438,650	0	0	0	0	0

(Continued)

Exhibit B

Williamson County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets					
	Program Revenues		Primary Government	Component Units		
	Charges for Services	Operating Grants and Contributions	Total Governmental Activities	Williamson County School Department	Williamson County Hospital District	Emergency Communications District
General Revenues (Cont.):						
Taxes (Cont.):						
Adequate Facilities Tax			\$ 2,233,807	\$ 0	\$ 0	0
Mineral Severance Tax			175,127	0	0	0
Wholesale Beer Tax			467,607	0	0	0
Other Local Taxes			2,546	8,562	0	0
Grants and Contributions Not Restricted to Specific Programs			9,650,134	94,509,965	0	0
Unrestricted Investment Income			1,231,334	417,078	494,305	2,876
Gain on Disposal of Capital Assets			251,428	0	0	0
Miscellaneous			1,007,461	421,313	438,843	0
Total General Revenues			\$ 101,722,966	\$ 206,019,145	\$ 933,148	\$ 2,876
Change in Net Assets			\$ (42,783,751)	\$ 29,806,009	\$ 8,240,602	\$ (22,013)
Net Assets, July 1, 2009			(122,683,287)	333,135,907	127,787,213	1,947,681
Net Assets, June 30, 2010			\$ (165,467,038)	\$ 362,941,916	\$ 136,027,815	\$ 1,925,668

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, 2010

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General			Rural Debt Service	Capital Projects	Other Governmental Funds	
			Debt Service	General	Capital Projects				
\$	14,425	0	0	0	0	0	0	1,625	16,050
	35,754,459	10,073,327	18,671,820	5,778,321	25,509,976	3,520,435	150,229	67,011	99,308,338
	2,809,591	674,401	0	180,000	394,026	0	0	0	4,125,029
	14,535	0	0	0	0	0	0	0	14,535
	34,578,228	917,864	21,504,040	9,729,547	0	2,944,141	0	(62,856)	69,673,820
	(601,677)	(39,502)	(371,172)	(189,732)	0	0	0	0	(1,264,939)
	150,208	0	5,385,078	0	0	0	0	0	150,208
	0	0	5,385,078	0	0	0	0	0	5,385,078
	\$ 72,719,769	\$ 11,626,090	\$ 45,189,766	\$ 15,498,136	\$ 25,904,002	\$ 6,620,585	\$ 177,558,348		

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 AND FUND BALANCES

Liabilities
Accounts Payable
Claims and Judgments Payable
Due to Other Funds
Due to State of Tennessee
Due to Litigants, Heirs, and Others
Current Liabilities Payable from Restricted Assets:
Customer Deposits Payable
Deferred Revenue - Current Property Taxes
Deferred Revenue - Delinquent Property Taxes
Other Deferred Revenues
Total Liabilities

Fund Balances
Reserved for Encumbrances
Reserved for Alcohol and Drug Treatment
Reserved for Drug Court

(Continued)

Exhibit C-1

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	Major Funds		Rural Debt Service	General Capital Projects	Other Governmental Funds	
			General	Debt Service				
\$	4,787	0	0	0	0	0	0	4,787
Reserved for Sexual Offender Registration	534,522	0	0	0	0	0	0	534,522
Reserved for Courtroom Security	87,661	0	0	0	0	0	0	87,661
Reserved for Victims Assistance Programs	267,309	0	0	0	0	0	0	267,309
Reserved for Computer System - Register	4,467	0	0	0	0	0	0	4,467
Reserved for Automation Purposes - Circuit Court	12,597	0	0	0	0	0	0	12,597
Reserved for Automation Purposes - Criminal Court	18,032	0	0	0	0	0	0	18,032
Reserved for Automation Purposes - General Sessions Court	12,681	0	0	0	0	0	0	12,681
Reserved for Automation Purposes - Juvenile Court	24,153	0	0	0	0	0	0	24,153
Reserved for Automation Purposes - Chancery Court	25,717	0	0	0	0	0	0	25,717
Reserved for Automation Purposes - Sheriff	36,977	0	0	0	0	0	0	36,977
Reserved for Automation Purposes - County Clerk	0	0	5,385,078	0	0	0	0	5,385,078
Reserved for Long-term Notes Receivable	0	0	0	0	24,440,022	0	0	24,440,022
Unreserved, Reported In:								
General Fund	35,486,959	0	0	0	0	0	0	35,486,959
Special Revenue Funds	0	8,749,308	0	0	0	0	3,328,847	12,078,155
Debt Service Funds	0	0	18,761,820	5,908,322	5,908,322	0	0	24,670,142
Total Fund Balances	\$ 37,498,505	\$ 10,469,377	\$ 24,146,898	\$ 5,908,322	\$ 25,839,352	\$ 3,648,601	\$ 0	\$ 107,511,055
Total Liabilities and Fund Balances	\$ 72,719,769	\$ 11,626,090	\$ 45,189,766	\$ 15,498,136	\$ 25,904,002	\$ 6,620,585	\$ 0	\$ 177,558,348

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

Exhibit C-2

Williamson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
June 30, 2010

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	107,511,055
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	56,997,115	
Add: construction in progress		1,792,359	
Add: buildings and improvements net of accumulated depreciation		106,922,902	
Add: other capital assets net of accumulated depreciation		20,607,322	
Add: infrastructure net of accumulated depreciation		<u>26,445,842</u>	212,765,540
(2) Investment in joint venture used in governmental activities is not a financial resource and therefore is not reported in governmental funds.			6,794,625
(3) Internal service funds are used to account for the county's and School Department's self-insured health programs. The assets and liabilities are included in governmental activities in the statement of net assets.			(4,905,884)
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Add: deferred amount on refunded debt	\$	10,581,696	
Less: unamortized debt premiums		(18,688,352)	
Less: bonds payable		(461,950,000)	
Less: other loans payable		(8,984,000)	
Add: deferred charges - debt issuance costs		3,212,968	
Less: accrued interest on bonds and notes		(5,556,033)	
Less: landfill closure/postclosure care costs		(62,653)	
Less: other postemployment benefits liability		(7,005,227)	
Less: compensated absences payable		<u>(2,112,833)</u>	(490,564,434)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>2,932,060</u>
Net assets of governmental activities (Exhibit A)		\$	<u>(165,467,038)</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, 2010

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Highway /	General Debt Service	Rural Debt Service	General Capital Projects	Other		
		Public Works				Governmental Funds	Governmental Funds	
Revenues								
Local Taxes	\$ 40,152,591	\$ 7,488,063	\$ 25,594,209	\$ 10,870,604	\$ 4,766,115	\$ 2,781,240	\$ 91,652,822	
Licenses and Permits	1,102,376	0	0	0	0	0	1,102,376	
Fines, Forfeitures, and Penalties	609,479	0	0	0	0	185,604	795,083	
Charges for Current Services	5,027,110	0	0	0	0	837,207	5,864,317	
Other Local Revenues	1,594,363	73,172	640,655	133,358	5,338,073	392,323	8,171,944	
Fees Received from County Officials	10,214,296	0	0	0	0	0	10,214,296	
State of Tennessee	3,559,186	2,808,621	0	0	0	146,038	6,513,845	
Federal Government	1,903,663	0	143,254	229,671	848,776	0	3,125,364	
Other Governments and Citizens Groups	737,990	29,847	600,095	1,341,295	5,723	1,750	2,716,700	
Total Revenues	\$ 64,901,054	\$ 10,399,703	\$ 26,978,213	\$ 12,574,928	\$ 10,958,687	\$ 4,344,162	\$ 130,156,747	
Expenditures								
Current:								
General Government	\$ 9,221,561	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,221,561	
Finance	3,499,255	0	0	0	0	321	3,499,576	
Administration of Justice	3,117,045	0	0	0	0	79,837	3,196,882	
Public Safety	14,146,057	0	0	0	0	25,900	14,171,957	
Public Health and Welfare	3,964,369	0	0	0	0	3,395,170	7,359,539	
Social, Cultural, and Recreational Services	11,034,021	0	0	0	0	0	11,034,021	
Agriculture and Natural Resources	327,113	0	0	0	0	0	327,113	
Other Operations	14,680,037	0	0	0	0	633,227	15,313,264	
Highways	0	8,866,318	0	0	0	0	8,866,318	
Debt Service:								
Principal on Debt	0	0	15,638,000	5,910,000	0	0	21,548,000	
Interest on Debt	0	0	11,890,457	8,494,306	0	0	20,384,763	
Other Debt Service	0	0	1,455,590	487,478	0	0	1,943,068	
Capital Projects	0	0	0	0	9,353,882	0	9,353,882	
Capital Projects - Donated	0	0	0	0	64,880,412	0	64,880,412	
Total Expenditures	\$ 59,989,458	\$ 8,866,318	\$ 28,984,047	\$ 14,891,784	\$ 74,234,294	\$ 4,134,455	\$ 191,100,356	
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,911,596	\$ 1,533,385	\$ (2,005,834)	\$ (2,316,856)	\$ (63,275,607)	\$ 209,707	\$ (60,943,609)	

(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	Governmental Funds	
			General Debt Service	General Debt Service					
Other Financing Sources (Uses)									
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 63,700,000	\$ 0	\$ 0	\$ 63,700,000
Refunding Debt Issued	0	0	32,960,000	38,930,000	0	0	0	0	71,890,000
Premiums on Debt Issued	0	0	3,993,623	5,166,760	0	0	0	0	9,160,383
Transfers In	104,004	100,000	266,778	1,426,532	1,352,300	1,352,300	500,000	500,000	3,749,614
Transfers Out	(1,000,000)	(500,000)	0	0	0	(2,927,750)	(352,300)	(352,300)	(4,780,050)
Payments to Refunded Debt Escrow Agent	0	0	(36,735,916)	(43,837,043)	0	0	0	0	(80,572,959)
Total Other Financing Sources (Uses)	\$ (895,996)	\$ (400,000)	\$ 484,485	\$ 1,686,249	\$ 62,124,550	\$ 63,700,000	\$ 147,700	\$ 0	\$ 63,146,988
Net Change in Fund Balances	\$ 4,015,600	\$ 1,133,385	\$ (1,521,349)	\$ (630,607)	\$ (1,151,057)	\$ (1,151,057)	\$ 357,407	\$ 0	\$ 2,203,379
Fund Balance, July 1, 2009	33,482,905	9,335,992	25,668,247	6,538,929	26,990,409	26,990,409	3,291,194	0	105,307,676
Fund Balance, June 30, 2010	\$ 37,498,505	\$ 10,469,377	\$ 24,146,898	\$ 5,908,322	\$ 25,839,352	\$ 25,839,352	\$ 3,648,601	\$ 0	\$ 107,511,055

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, 2010

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)		\$ 2,203,379
(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	\$ 6,275,268	
Less: current year depreciation expense	<u>(7,465,228)</u>	(1,189,960)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.		
Add: assets donated and capitalized	\$ 7,392,666	
Add: gain on disposal of capital assets	251,428	
Less: decrease of revenue for the sale or insurance recovery of capital assets	<u>(356,229)</u>	7,287,865
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2010	\$ 2,932,060	
Less: deferred delinquent property taxes and other deferred June 30, 2009	<u>(4,508,089)</u>	(1,576,029)
(4) The issuance of long-term debt (e.g., notes, other loans, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Less: bond proceeds	\$ (135,590,000)	
Add: payment to refunding agent	73,415,000	
Add: amortization of debt issuance premiums	948,558	
Add: debt issuance cost on debt issued during year	1,119,293	
Less: premiums on debt issued during year	(9,160,383)	
Add: deferred charges on refunding debt issued during the year	7,157,959	
Less: deferred charges on refunding debt amortized during the year	(637,180)	
Less: debt issuance cost amortized during the year	(202,099)	
Add: principal payments on notes	685,000	
Add: principal payments on other loans	753,000	
Add: principal payments on bonds	<u>20,110,000</u>	(41,400,852)
(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	\$ (575,611)	
Change in other postemployment benefits liability	(3,852,948)	
Change in landfill closure/postclosure care costs	(743)	
Change in compensated absences payable	<u>(272,686)</u>	(4,701,988)
(6) Internal service funds are used to account for the county's and School Department's self-insured health programs. The net expense of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>(3,406,166)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ (42,783,751)</u>

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

Exhibit D-1

Williamson County, Tennessee
Statement of Net Assets
Proprietary Fund
June 30, 2010

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash in Bank	\$ 253,175
Cash with Paying Agents	46,825
Equity in Pooled Cash and Investments	<u>631,669</u>
Total Assets	<u>\$ 931,669</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Claims and Judgments Payable	<u>\$ 5,837,553</u>
Total Liabilities	<u>\$ 5,837,553</u>
<u>NET ASSETS</u>	
Unrestricted	<u>\$ (4,905,884)</u>
Net Assets	<u>\$ (4,905,884)</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 Assets
Proprietary Fund
For the Year Ended June 30, 2010

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
<u>Operating Revenues</u>	
Charges for Services	\$ 44,325,422
Other Local Revenues	3,169,680
Federal Government	263,435
Total Operating Revenues	<u>\$ 47,758,537</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 2,416,318
Life Insurance	229,829
Dental Insurance	2,628,033
Medical Claims	35,727,079
Other Self-Insured Claims	10,163,444
Total Operating Expenses	<u>\$ 51,164,703</u>
Operating Income (Loss)	\$ (3,406,166)
Net Assets, July 1, 2009	(19,893,711)
Prior-period Adjustment	<u>18,393,993</u>
Net Assets, June 30, 2010	<u><u>\$ (4,905,884)</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, 2010

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Interfund Services Provided	\$ 39,243,086
Receipts from Customers and Users	8,252,016
Other Cash Receipts	263,435
Payments to Suppliers	(50,786,858)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (3,028,321)</u>
Increase (Decrease) in Cash	\$ (3,028,321)
Cash, July 1, 2009	<u>3,959,990</u>
Cash, June 30, 2010	<u>\$ 931,669</u>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (3,406,166)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Increase (Decrease) in Claims and Judgments Payable	<u>377,845</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (3,028,321)</u>
<u>Reconciliation of Cash with Statement of Net Assets</u>	
Cash in Bank Per Net Assets	\$ 253,175
Cash with Paying Agents Per Net Assets	46,825
Equity in Pooled Cash and Investments Per Net Assets	<u>631,669</u>
Cash, June 30, 2010	<u>\$ 931,669</u>

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

Exhibit E

Williamson County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2010

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 7,353,538
Equity in Pooled Cash and Investments	3,083,974
Investments	11,094
Accounts Receivable	39,057
Due from Other Governments	6,068,550
Taxes Receivable	10,288,094
Allowance for Uncollectible Taxes	<u>(167,243)</u>
Total Assets	<u>\$ 26,677,064</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 16,703,587
Due to Joint Venture	1,274,061
Due to Litigants, Heirs, and Others	<u>8,699,416</u>
Total Liabilities	<u>\$ 26,677,064</u>

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

WILLIAMSON COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

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

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

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

Administrative Offices:

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

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

Related Organization – The Williamson County Industrial Development Board is a related organization of Williamson County. The county’s officials are responsible for appointing the members of the board, but the county’s accountability for this organization does not extend beyond making the appointments. During the year ended June 30, 2010, the county did not appropriate any operating subsidies to the Williamson County Industrial Development Board.

B. Government-wide and Fund Financial Statements

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program

revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Williamson County issues all debt for the discretely presented Williamson County School Department. Net debt issues totaling \$64,880,412 were contributed by the county to the School Department during the year ended June 30, 2010.

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

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

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

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

Separate financial statements are provided for governmental funds, 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 fund accounts for transactions of the county’s Highway Department.

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

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

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

Additionally, Williamson County reports the following fund types:

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

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

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

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

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

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

Special Revenue Funds – These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

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

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.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Williamson County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General, General Debt Service, Rural

Debt Service, and General Purpose School funds. In addition, investments are held separately by the Constitutional Officers - Agency Fund of the county. Williamson County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

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

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

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet with offsetting deferred revenue to reflect amounts not

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

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets (customer deposits payable) reflected in the primary government's General Capital Projects Fund represent deposits placed with Williamson County for road damage (\$64,650) and in the School Department's Central Cafeteria Fund represent prepayments of student meals (\$122,744). 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 \$100,000 and infrastructure \$50,000) or more and an estimated useful life of more than five years. Capital assets are defined by the School Department as assets with an initial, individual cost of \$10,000 (buildings/improvements \$100,000 and vehicles \$20,000) and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

4. Compensated Absences

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

5. Long-term Obligations

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

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

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

6. Net Assets and Fund Equity

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

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

As of June 30, 2010, Williamson County had \$342,051,241 in outstanding debt for capital purposes for the discretely presented Williamson County School Department. This debt is a liability of Williamson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Williamson County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The following table reflects designations on June 30, 2010:

<u>Fund/Purpose</u>	<u>Amount</u>
General:	
Water Tap Fees	\$ 24,104
Hillsboro Scholarship	832
Unclaimed Property	30,746
Library Donations	71,375
Drug Court	7,228
Veteran's Park Bricks	8,044
Drug Control:	
Unawarded Forfeitures and Seizures	10,015
General Purpose School:	
Academic Excellence Foundation	3,527
School Federal Projects:	
Operating Funds	175,000

7. Prior-period Adjustment

The Self-Insurance Fund (internal service fund) financial statements were restated \$18,393,993 from the prior-year due to a change in the presentation of the other postemployment benefits liability.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Assets

Primary Government

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

Discretely Presented Williamson County School Department

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

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

Primary Government

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

Discretely Presented Williamson County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

B. Net Assets Deficit

The Self-Insurance Fund (internal service fund) had a deficit in unrestricted net assets of \$4,905,884 at June 30, 2010. This deficit resulted from the recognition of liabilities in the financial statements for claims and judgments (\$5,837,553) at year-end.

C. Cash Shortages: Prior- and Current-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. On September 10, 2007, a former supervisor at the Fairview Recreational Center was indicted by the Williamson County Grand Jury for theft in excess of \$10,000. On October 6, 2008, the defendant pled guilty and was sentenced to four years probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. As of June 30, 2010, this individual had paid restitution totaling \$4,661.50, leaving an outstanding cash shortage of \$40,375.93.

The audit of Williamson County for the 2008-09 year reported a cash shortage of \$3,386.18 in the Office of County Clerk. In December 2008, the county clerk discovered that collections from a title application transaction totaling \$1,877.68 had been diverted for an employee's personal use. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds, and the county clerk terminated the employee for mishandling the funds. Subsequently, the county clerk's bookkeeper and auditors reviewed the audit logs for the period July 1, 2007, through the employee's termination in December 2008, and 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 April 13, 2009, the Williamson County Grand Jury indicted the former employee on two counts of theft over \$1,000, one count of theft over \$500, and one count of forgery. On November 10, 2009, the defendant pled guilty to one count of theft over \$1,000 and one count of forgery. As a result, the employee was sentenced to two years probation and ordered to pay restitution of \$3,386.18 to Williamson County. As of June 30, 2010, no restitution had been paid, leaving an outstanding cash shortage of \$3,386.18.

A special report of the Williamson County Animal Control Department released on July 26, 2010, reported a cash shortage of at least \$106,446.17. On March 25, 2010, representatives from the Office of Accounts and Budgets informed the Comptroller's Office that the December 11, 2009, deposit totaling \$356 from the Williamson County Animal Control Department (WCACD) was missing, and they suspected irregularities existed at the WCACD. On March 26, 2010, the bookkeeper at the WCACD submitted her resignation effective April 1, 2010; however, the county terminated her employment on March 30, 2010. The Comptroller's Office conducted a special investigation with the assistance of a criminal investigator with the Office of District Attorney General for the period May 17, 2005, through March 31, 2010. This investigation discovered that receipts of at least \$106,446.17 were not deposited with the county or otherwise accounted for properly. This shortage was accomplished by manipulating receipts and deposits. The cash shortage (\$106,446.17) could be larger because the Comptroller's Office did not include amounts for 548 voided transactions totaling \$27,419.52 due to lack of documentation, and receipts issued by the WCACD prior to May 17, 2005, were discarded by the terminated employee and were not available for review. The former bookkeeper, Ms. Kerraina Jensen, pled guilty to theft over \$60,000 on November 15, 2010, and was sentenced to eight years confinement, which was suspended to eight years probation and payment of restitution of \$106,446.17.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts

are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

Investments

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

Investment Balances. As of June 30, 2010, Williamson County had the following investments carried at fair value or cost. Except for nonpooled investments in the Constitutional Officers - Agency Fund, all investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

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

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value or Cost</u>
Pooled:		
State Treasurer's Investment Pool	Daily	\$ 41,802,937
Nonpooled:		
Constitutional Officers - Agency	Various	11,094

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, 2010, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

B. Notes Receivable

Notes receivable in the General Debt Service Fund (\$5,385,078) resulted from an agreement with the City of Spring Hill to help finance the construction of a recreational facility and related infrastructure and are offset by a reservation of fund balance.

C. Capital Assets

Capital assets activity for the year ended June 30, 2010, is presented in the following table. This table does not include certain land, buildings, and equipment, which are titled to Williamson County and used by the Williamson Medical Center. Titles to these assets were transferred from the hospital to the county based on a 1992 refunding of the Series 1985, Hospital Revenue Bonds. These assets are reported in the financial statements of the discretely presented Williamson County Hospital District. Chapter 107, Private Acts of 1957, as amended, provides that "the Board of Trustees shall be vested with full, absolute and complete authority and responsibility for the operation, management, conduct and control of the business and affairs of the Hospital District ..."

Primary Government

Governmental Activities:

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Capital Assets Not Depreciated:				
Land	\$ 56,571,441	\$ 471,600	\$ (45,926)	\$ 56,997,115
Construction in Progress	10,333,167	71,352	(8,612,160)	1,792,359
Total Capital Assets Not Depreciated	<u>\$ 66,904,608</u>	<u>\$ 542,952</u>	<u>\$ (8,658,086)</u>	<u>\$ 58,789,474</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 117,129,816	\$ 19,807,256	\$ 0	\$ 136,937,072
Infrastructure	57,809,378	884,175	(6,633)	58,686,920
Other Capital Assets	46,682,370	1,045,711	(555,576)	47,172,505
Total Capital Assets Depreciated	<u>\$ 221,621,564</u>	<u>\$ 21,737,142</u>	<u>\$ (562,209)</u>	<u>\$ 242,796,497</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 26,833,498	\$ 3,180,672	\$ 0	\$ 30,014,170
Infrastructure	32,572,738	124,973	(456,633)	32,241,078
Other Capital Assets	22,452,301	4,159,583	(46,701)	26,565,183
Total Accumulated Depreciation	<u>\$ 81,858,537</u>	<u>\$ 7,465,228</u>	<u>\$ (503,334)</u>	<u>\$ 88,820,431</u>
Total Capital Assets Depreciated, Net	<u>\$ 139,763,027</u>	<u>\$ 14,271,914</u>	<u>\$ (58,875)</u>	<u>\$ 153,976,066</u>
Governmental Activities Capital Assets, Net	<u>\$ 206,667,635</u>	<u>\$ 14,814,866</u>	<u>\$ (8,716,961)</u>	<u>\$ 212,765,540</u>

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

Governmental Activities:

General Government	\$ 999,640
Finance	101,571
Public Safety	1,261,260
Public Health and Welfare	651,762
Social, Cultural, and Recreational Services	2,441,996
Other Operations	86,106
Highways/Public Works	<u>1,922,893</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 7,465,228</u></u>

Discretely Presented Williamson County School Department

Governmental Activities:

Governmental Activities:

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Capital Assets Not Depreciated:				
Land	\$ 26,366,595	\$ 1,803,478	\$ (27,549)	\$ 28,142,524
Construction in Progress	<u>16,291,107</u>	<u>49,816,833</u>	<u>(9,720,265)</u>	<u>56,387,675</u>
Total Capital Assets Not Depreciated	<u>\$ 42,657,702</u>	<u>\$ 51,620,311</u>	<u>\$ (9,747,814)</u>	<u>\$ 84,530,199</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 325,233,043	\$ 11,524,175	\$ (1,523,228)	\$ 335,233,990
Other Capital Assets	<u>26,569,026</u>	<u>3,088,489</u>	<u>(2,110,168)</u>	<u>27,547,347</u>
Total Capital Assets Depreciated	<u>\$ 351,802,069</u>	<u>\$ 14,612,664</u>	<u>\$ (3,633,396)</u>	<u>\$ 362,781,337</u>

Governmental Activities: (Cont.)

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Less Accumulated Depreciation For: Buildings and Improvements	\$ 82,544,882	\$ 8,133,546	\$ (829,178)	\$ 89,849,250
Other Capital Assets	11,694,582	1,846,697	(1,876,546)	11,664,733
Total Accumulated Depreciation	<u>\$ 94,239,464</u>	<u>\$ 9,980,243</u>	<u>\$ (2,705,724)</u>	<u>\$ 101,513,983</u>
Total Capital Assets Depreciated, Net	<u>\$ 257,562,605</u>	<u>\$ 4,632,421</u>	<u>\$ (927,672)</u>	<u>\$ 261,267,354</u>
Governmental Activities Capital Assets, Net	<u>\$ 300,220,307</u>	<u>\$ 56,252,732</u>	<u>\$ (10,675,486)</u>	<u>\$ 345,797,553</u>

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

Governmental Activities:

Instruction	\$ 17,196
Support Services	9,829,080
Operation of Non-Instructional Services	<u>133,967</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 9,980,243</u>

D. Construction Commitments

At June 30, 2010, Williamson County had uncompleted construction contracts of approximately \$853,387 in the General Capital Projects Fund for improvements at the animal control facility, highway projects, sewer projects, and renovations to the historic courthouse. Funding has been received for these future expenditures.

At June 30, 2010, the School Department had uncompleted construction contracts of approximately \$25,577,609 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, 2010, is as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 14,535
School Department Component Unit:		
General Purpose School	Nonmajor governmental	7,719

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, 2010, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In			
	General Fund	Highway/ Public Works Fund	General Debt Service Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 0	\$ 0	\$ 500,000
General Capital Projects Fund	40,782	100,000	266,778	0
Fiduciary funds	63,222	0	0	0
Total	\$ 104,004	\$ 100,000	\$ 266,778	\$ 500,000

Transfers Out	Transfers In		
	Rural Debt Service Fund	General Capital Projects Fund	Fiduciary Funds
General Fund	\$ 0	\$ 500,000	\$ 0
General Capital Projects Fund	1,426,532	0	1,093,658
Highway/Public Works Fund	0	500,000	0
Nonmajor governmental funds	0	352,300	0
Total	\$ 1,426,532	\$ 1,352,300	\$ 1,093,658

Discretely Presented Williamson County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Nonmajor Governmental Funds
General Purpose School Fund	\$ 0	\$ 175,000
Education Capital Projects Fund	633,238	0
Nonmajor governmental funds	226,675	0
Total	<u>\$ 859,913</u>	<u>\$ 175,000</u>

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

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

The county issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation bonds and notes. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 25 years for bonds and up to 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and other loans included in long-term debt as of June 30, 2010, will be retired from the debt service funds.

General obligation bonds and other loans outstanding as of June 30, 2010, for governmental activities are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-10
General Obligation Bonds	2.25 to 5.75%	\$ 183,705,000	\$ 66,145,000
General Obligation Bonds - Refunding	2 to 5.5	221,620,000	189,340,000
Rural School Bonds	2 to 5.75	151,275,000	100,570,000
Rural School Bonds - Refunding	2 to 5.5	123,760,000	105,895,000
Other Loans	variable	14,600,000	8,984,000

In prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$8,490,000 to the county for various renovation and construction projects. The loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2010, the variable interest rate was .52 percent, and other fees totaled approximately .25 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

Also, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$4,095,000 to the county for various renovation and construction projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2010, the variable interest rate was .44 percent, and other fees totaled approximately .3 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

In addition, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$2,015,000 to the county for various renovation and construction projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2010, the variable interest rate was .44 percent, and other fees totaled approximately .25 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2010, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2011	\$ 787,000	\$ 43,198	\$ 34,185	\$ 864,383
2012	823,000	39,355	31,495	893,850
2013	859,000	35,333	28,683	923,016
2014	896,000	31,131	25,750	952,881
2015	937,000	26,744	22,691	986,435
2016-2020	3,884,000	64,265	62,785	4,011,050
2021-2023	798,000	7,102	9,194	814,296
Total	\$ 8,984,000	\$ 247,128	\$ 214,783	\$ 9,445,911

Year Ending June 30	Bonds		
	Principal	Interest	Total
2011	\$ 20,510,000	\$ 21,179,195	\$ 41,689,195
2012	27,475,000	20,494,944	47,969,944
2013	29,440,000	19,272,582	48,712,582
2014	30,370,000	17,974,128	48,344,128
2015	31,805,000	16,602,836	48,407,836
2016-2020	151,405,000	61,747,052	213,152,052
2021-2025	101,125,000	30,972,558	132,097,558
2026-2030	50,850,000	11,552,068	62,402,068
2031-2034	18,970,000	2,777,821	21,747,821
Total	\$ 461,950,000	\$ 202,573,184	\$ 664,523,184

There is \$24,670,142 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$3,648, based on the 2000 federal census. Debt per capita, including bonds and other loans totaled \$3,719, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2010, was as follows:

Governmental Activities:

	Bonds	Notes	Other Loans
Balance, July 1, 2009	\$ 419,885,000	\$ 685,000	\$ 9,737,000
Additions	135,590,000	0	0
Deductions	(93,525,000)	(685,000)	(753,000)
Balance, June 30, 2010	<u>\$ 461,950,000</u>	<u>\$ 0</u>	<u>\$ 8,984,000</u>
Balance Due Within One Year	<u>\$ 20,510,000</u>	<u>\$ 0</u>	<u>\$ 787,000</u>

	Compensated Absences	Claims and Judgments	Closure/ Postclosure Care Costs
Balance, July 1, 2009	\$ 1,840,147	\$ 7,088,416	\$ 61,910
Additions	2,166,864	39,916,113	743
Deductions	(1,894,178)	(40,819,833)	0
Balance, June 30, 2010	<u>\$ 2,112,833</u>	<u>\$ 6,184,696</u>	<u>\$ 62,653</u>
Balance Due Within One Year	<u>\$ 2,083,596</u>	<u>\$ 6,184,696</u>	<u>\$ 0</u>

	Self-Insured Other Postemployment Benefits
Balance, July 1, 2009	\$ 3,152,279
Additions	4,647,188
Deductions	(794,240)
Balance, June 30, 2010	<u>\$ 7,005,227</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2010	\$ 486,299,409
Less: Due Within One Year	(29,565,292)
Add: Unamortized Premium on Debt	18,688,352
Less: Deferred Amount on Refunding	<u>(10,581,696)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 464,840,773</u>

The internal service fund primarily serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, \$5,837,553 of claims and judgments in the internal service fund is included in the above amounts. Compensated absences 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.

Advance Refunding

On April 1, 2010, Williamson County advance refunded several general obligation and rural school bond issues with two separate bond issues. The county issued \$32,960,000 of general obligation refunding bonds and \$38,930,000 of rural school refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. As a result of the advance refunding, total debt service payments over the next 16 years will be reduced by \$1,676,386, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$2,092,820 was obtained.

Defeasance of Prior Debt

In prior years, Williamson County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2010, the following outstanding bonds are considered defeased:

	<u>Amount</u>
2000 General Obligation	\$ 9,015,000
2000 School Construction	20,320,000
2000 Rural School	11,260,000
2002 General Obligation	17,430,000

Discretely Presented Williamson County School Department

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Williamson County School Department for the year ended June 30, 2010, was as follows:

Governmental Activities:

	Compensated Absences	Claims and Judgments	Energy System Liabilities
Balance, July 1, 2009	\$ 955,500	\$ 412,461	\$ 34,232
Additions	965,779	1,745,380	0
Deductions	(938,581)	(1,677,591)	(34,232)
Balance, June 30, 2010	<u>\$ 982,698</u>	<u>\$ 480,250</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 147,404</u>	<u>\$ 480,250</u>	<u>\$ 0</u>

Governmental Activities:

	State Medicare Postemployment Benefits	Self-Insured Other Postemployment Benefits
Balance, July 1, 2009	\$ 476,234	\$ 15,241,714
Additions	264,132	22,689,213
Deductions	(2,463)	(3,877,758)
Balance, June 30, 2010	<u>\$ 737,903</u>	<u>\$ 34,053,169</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, 2010	\$ 36,254,020
Less: Due Within One Year	<u>(627,654)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 35,626,366</u>

Compensated absences will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Williamson County School Department. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the Medicare Supplement Plan for the year ended June 30, 2010, were \$13,826. 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, 2010, was as follows:

	Balance 7-1-09	Issued	Paid	Balance 6-30-10
Tax Anticipation Note	\$ 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 PPO and HMO plans do not carry aggregate reinsurance.

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

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2008-09	\$ 5,021,485	\$ 44,521,281	\$ (44,083,058)	\$ 5,459,708
2009-10	5,459,708	38,584,941	(38,207,096)	5,837,553

Williamson County and the discretely presented Williamson County School Department are self-insured for all other risks of loss, including general liability, property, casualty, and workers' compensation. The county carries commercial insurance coverage for any specific loss exceeding \$100,000 (\$200,000 workers' compensation) and aggregate losses from \$1,000,000 to \$4,097,000 in a given year. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 51, Accounting and Financial Reporting for Intangible Assets; and Statement No. 53, Accounting and Financial Reporting for Derivative Instruments became effective for the year ended June 30, 2010.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets. Intangible assets have three characteristics: lack of physical substance; nonfinancial in nature; and a useful life that extends beyond a single reporting period. Assets that have these characteristics and are identifiable to the government should be recorded as capital assets and amortized over their useful lives. Easements, water rights, patents, and computer software are examples of intangible assets that should be recognized under GASB Statement No. 51. Williamson

County and the Williamson County School Department had no assets that met the definition of intangible assets at June 30, 2010. However, it is reasonably expected that Williamson County and the School Department may acquire intangible assets in subsequent years.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by county governments. Derivative instruments are financial arrangements used by governments as investments; hedges against identified financial risks; or to lower the costs of borrowings. Interest rate swaps and locks, options, swaptions, forward contracts, and futures contracts are among the commonly used types of derivatives mentioned in GASB Statement No. 53. Derivative instruments associated with fluctuating financial and commodity prices result in changing cash flows and fair values that can be used as effective risk management or investment tools. For the same reasons, derivative instruments can expose governments to significant risks and liabilities. The requirements of GASB Statement No. 53 are intended to help users of financial information evaluate the effectiveness and associated risks involved with Williamson County's derivative transactions. GASB Statement No. 53 requires most derivatives to be reported at fair value in the Statement of Net Assets. Changes in fair value for derivative instruments that are intended for investment purposes or that are reported like investment derivative instruments because of ineffectiveness are reported as investment revenues in the Statement of Activities. Alternatively, the changes in fair value of derivative instruments that are classified as hedging (i.e. effective) derivative instruments are reported in the Statement of Net Assets as deferrals. Williamson County had not participated in derivative transactions as of June 30, 2010. However, it is reasonably expected that Williamson County may enter into derivative transactions in subsequent years.

C. Subsequent Events

On October 13, 2010, Williamson County sold general obligation school bonds totaling \$17,950,000 and county district school bonds totaling \$18,000,000.

On October 18, 2010, the county's General Capital Projects Fund issued a \$12,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds.

D. Contingent Liabilities

The county and School Department are involved in several pending lawsuits. Attorneys for the county and the School Department estimate that the potential claims against the county and School Department not covered by insurance resulting from such litigation would not materially affect the financial statements of the county and School Department.

Williamson County is contingently liable for certain revenue bonds and loans of the discretely presented Williamson County Hospital District. Williamson

County would become liable for these bonds, loans, and the interest thereon, in case of default by the Williamson County Hospital District.

E. Change in Administration

On December 1, 2009, Dr. Mike Looney became the director of schools, succeeding Interim Director David Heath.

F. 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 \$62,653 reported as landfill closure and postclosure care liability at June 30, 2010, 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 \$832,383 if the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2010. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

G. Joint Ventures

The Cool Springs Conference Center is a joint venture between Williamson County and the City of Franklin. The parties have agreed to share equally all revenues, expenses, and other legal obligations from the operation of the conference center. The county's net investment of \$6,794,625 is reported as an asset in the governmental activities column on the Statement of Net Assets. The county's share of 2009-10 revenues (\$90,332) and expenditures (\$184,539) 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

H. Retirement Commitments

Plan Description

Employees of Williamson County are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979, become vested after five years of service, and members joining prior to July 1, 1979, were vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Williamson County participate in the TCRS as individual entities and are

liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

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

Funding Policy

Williamson County requires employees to contribute five percent of their earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2010, was 7.54 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Williamson County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2010, Williamson County's annual pension cost of \$4,339,891 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2007, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post retirement increases of three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. Williamson County's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2007, was eight years. An actuarial valuation was performed as of July 1, 2009, which established contribution rates effective July 1, 2010.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-10	\$4,339,891	100%	\$0
6-30-09	4,297,219	100	0
6-30-08	4,251,734	100	0

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the plan was 83.61 percent funded. The actuarial accrued liability for benefits was \$111.6 million, and the actuarial value of assets was \$93.31 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$18.29 million. The covered payroll (annual payroll of active employees covered by the plan) was \$56.54 million, and the ratio of the UAAL to the covered payroll was 32.34 percent.

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

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

School Teachers

Plan Description

The Williamson County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (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. Cost of living adjustments (COLA) are provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at www.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, 2010, was 6.42 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, 2010, 2009, and 2008, were \$6,852,037, \$6,730,952, and \$6,164,736, respectively, equal to the required contributions for each year.

I. 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	\$ 4,625,870	\$ 22,585,130	\$ 27,211,000
Interest on the NPO	140,714	687,016	827,730
Adjustment to the ARC	(119,396)	(582,933)	(702,329)
Annual OPEB cost	\$ 4,647,188	\$ 22,689,213	\$ 27,336,401
Amount of contribution	(794,240)	(3,877,758)	(4,671,998)
Increase/decrease in NPO	\$ 3,852,948	\$ 18,811,455	\$ 22,664,403
Net OPEB obligation, 7-1-09	3,152,279	15,241,714	18,393,993
Net OPEB obligation, 6-30-10	\$ 7,005,227	\$ 34,053,169	\$ 41,058,396

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09	Primary Government	\$ 4,563,000	31 %	\$ 3,152,279
6-30-10	"	4,647,188	17	7,005,227
6-30-09	School Department	22,648,000	33	15,241,714
6-30-10	"	22,689,213	17	34,053,169

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2010, was as follows:	<u>Primary Government</u>	<u>School Department</u>
Actuarial valuation date	7-1-08	7-1-08
Actuarial accrued liability (AAL)	\$ 34,098,000	\$ 148,752,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 34,098,000	\$ 148,752,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 29,796,577	\$ 135,582,158
UAAL as a % of covered payroll	114%	110%

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, 2008, 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 for 2009, grading down to five percent for 2015 and beyond. 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, 2010.

State Sponsored Medicare Supplement Plan

Plan Description

The Williamson County School Department participates in the state-administered Medicare Supplement Plan for healthcare benefits. For accounting purposes,

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

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop their own contribution policy in terms of subsidizing retired employees' premiums since the committee is not prescriptive on that issue. The state provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The monthly support for noncertified School Department employees is based on years of service. If the retiree has between 15 and 19 years of service, the monthly support is \$25. If the retiree has between 20 and 29 years of service, the monthly support is \$37.50. Retirees with 30 or more years of service receive monthly support of \$50. Expenditures for postretirement health care benefits are included in the government's annual budget. During the year, expenditures totaling \$2,463 were recognized for postemployment health care.

Annual OPEB Cost and Net OPEB Obligation

	Medicare Supplement Plan
	<hr/>
ARC	\$ 263,000
Interest on the NPO	21,431
Adjustment to the ARC	(20,299)
Annual OPEB cost	<hr/> \$ 264,132
Amount of contribution	(2,463)
Increase/decrease in NPO	\$ 261,669
Net OPEB obligation, 7-1-09	<hr/> 476,234
Net OPEB obligation, 6-30-10	<hr/> <hr/> \$ 737,903

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

Funded Status and Funding Progress

	<u>Medicare Supplement Plan</u>
The funded status of the plan as of June 30, 2010, was as follows:	
Actuarial valuation date	7-1-09
Actuarial accrued liability (AAL)	\$ 2,145,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 2,145,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ N/A
UAAL as a % of covered payroll	N/A

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

Actuarial Methods and Assumptions

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

In the July 1, 2009, actuarial valuation, the projected unit credit actuarial cost method was used and the actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of one percent for fiscal year 2010. The trend will rise to ten percent in fiscal year 2011 and then will be reduced by decrements to an ultimate rate of five percent by fiscal year 2021. Both rates include a

three percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with June 30, 2008.

J. 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.

K. Purchasing Laws

Offices of County Mayor and Highway Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., Tennessee Code Annotated (TCA). Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, TCA. These statutes require that purchase orders be issued for all purchases and that sealed bids be solicited on purchases exceeding \$10,000 for the Offices of County Mayor and Highway Superintendent.

Office of Director of Schools

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

VI. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY HOSPITAL DISTRICT

A. Reporting Entity

Williamson County Hospital District operates under the name of Williamson Medical Center and is a general, short-term, acute care hospital organized as a political subdivision of Williamson County, Tennessee. The medical center constitutes a component unit of the county, which is considered the primary government unit. The Williamson County Commission adopted a resolution in 1992, in conjunction with acquiring title to the property and equipment of the district, giving the district complete authority and responsibility to

manage and operate the medical center as provided in Chapter 107 of the Private Act of 1957, passed by the Tennessee legislature. The county is financially accountable as it appoints a voting majority of the district's Board of Trustees, and the full faith and credit of the county is pledged for payment of principal and interest on the outstanding hospital revenue and tax bonds.

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

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

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

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

B. Summary of Significant Accounting Policies

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

Cash and Cash Equivalents – The medical center considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of amounts

maintained in bank deposits and overnight repurchase agreements, which are insured by the Federal Deposit Insurance Corporation or are otherwise collateralized.

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

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

Property and Equipment – Property and equipment acquisitions are recorded at cost. The medical center capitalizes purchases that cost a minimum of \$1,000 and have a useful life greater than one year. Assets are depreciated on a straight-line basis over their estimated useful lives as follows: land improvements two to 25 years; buildings generally 40 years; fixed equipment five to 20 years; and major movable equipment three to 20 years. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation and amortization expense and accumulated depreciation and amortization, respectively. The medical center reviews the carrying values of long-lived assets if facts and circumstances indicate that recoverability may have been impaired. Costs of maintenance and repairs are expensed as incurred. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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

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

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

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

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

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

Net Assets – Net assets of the medical center are classified in three components. Net assets invested in capital assets, net of related debt, consist of capital assets net of accumulated depreciation and reduced by the remaining balances of any outstanding borrowings used to finance the purchase or construction of those assets. Restricted net assets are noncapital net assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the medical center, including amounts related to county contributions and bond indebtedness restricted for specific purposes. Unrestricted net assets are remaining net assets that do not meet the definition of invested in capital assets, net of related debt, or restricted. During 2010, \$38,527 of net assets were released from restrictions and reclassified from restricted to unrestricted.

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

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

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

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

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

C. Fair Value Measurements

On July 1, 2008, the medical center adopted components of the accounting standards for fair value, which define fair value, establish a framework for measuring fair value, and expand disclosures about fair value measurements for both financial and non-financial assets and liabilities. These standards apply to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements; accordingly, the standard does not require any new fair value measurements of reported balances.

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions

in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2), and the reporting entity's own assumptions about market participant assumptions (Level 3). While a majority of the medical center's assets whose use is limited are cash equivalents, the medical center has approximately \$20,000,000 in certificates of deposit as of June 30, 2010, that would be classified as Level 2 under the hierarchy above. The medical center does not have any fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2010.

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

Non-Financial Assets – The medical center's non-financial assets, which include property and equipment, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required, and the medical center is required to evaluate the non-financial instrument for impairment, a resulting asset impairment would require that the non-financial asset be recorded at the fair value. During the year ended June 30, 2010, the medical center did not measure any non-financial assets at fair-value or recognize any amounts in the statement of activities related to changes in fair value for non-financial assets.

D. Net Patient Service Revenue

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

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

Gross Patient Service Charges	\$ 393,308,969
Less:	
Medicare Contractual Adjustments	(112,751,928)
TennCare Contractual Adjustments	(23,153,567)
Other Contractual Adjustments	(99,211,953)
Bad Debt	(12,070,649)
Charity Care	<u>(6,324,086)</u>
Net Patient Service Revenue	<u><u>\$ 139,796,786</u></u>

Net patient accounts receivable consist of the following:

Commercial and Managed Care Plans	\$ 9,197,405
Medicare	4,829,590
TennCare	840,788
Patients, Including Self-Insured	9,944,713
Less: Allowance for Uncollectible Accounts	<u>(7,528,326)</u>
Total	<u><u>\$ 17,284,170</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 \$44,950,000 and \$2,560,000, respectively, in 2010.

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

F. Assets Limited as to Use

Assets limited as to use consist of the following:

By Board for Capital Improvements:	
Cash	\$ 37,498,546
By Board for Bond Principal and Interest Payments:	
Cash	2,650,176
By Donors:	
Cash	<u>639,598</u>
 Total Assets Limited as to Use	 <u><u>\$ 40,788,320</u></u>

Balances consist of cash and certificates of deposit at June 30, 2010. Amounts are classified as noncurrent assets to the extent they are not expected to be used to satisfy current obligations.

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

All cash assets limited as to use at June 30, 2010, are insured by the Federal Deposit Insurance Corporation, registered or otherwise collateralized by the financial institution through the State of Tennessee Collateral Bank Pool.

See Note VI.O. for additional information related to the medical center's risks with respect to its investments.

G. Capital Contributions

During 2003, the county contributed \$20 million in funds towards 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.

H. Property and Equipment

The major classifications and changes in property and equipment, as of and for the year ended June 30, 2010, are as follows:

	Balance 7-1-09	Additions	Retirements	Balance 6-30-10
Land	\$ 6,513,813	\$ 0	\$ 0	\$ 6,513,813
Land improvements	2,226,518	0	0	2,226,518
Building and improvements	118,940,237	1,365,433	0	120,305,670
Equipment	58,995,642	1,463,902	(296,943)	60,162,601
Equipment under capital leases	11,405,976	549,637	0	11,955,613
Subtotal	\$ 198,082,186	\$ 3,378,972	\$ (296,943)	\$ 201,164,215
Less: Accumulated depreciation and amortization	(78,997,948)	(9,580,140)	296,943	(88,281,145)
Add: Construction in progress	298,930	1,258,663	(1,537,713)	19,880
Total	<u>\$ 119,383,168</u>	<u>\$ (4,942,505)</u>	<u>\$ (1,537,713)</u>	<u>\$ 112,902,950</u>

Construction in progress at June 30, 2010, consists primarily of construction on an obstetrics wing, a physician's office, and a surgical specialist's office. Estimated costs to complete these projects totaled approximately \$165,000 at June 30, 2010.

I. Investments in Joint Ventures

During 2006, the medical center entered into a joint venture with physicians to own and operate Williamson Surgery Center, LLC, which began operations during the year ended June 30, 2006. The medical center transferred certain property and equipment to the joint venture in 2006 as a part of its initial investment of \$1,850,000. Prior to June 1, 2009, the medical center provided various administrative and other services and personnel to the surgery center. Subsequent to June 1, 2009, these services were minimal. Other operating revenue for the year ended June 30, 2010, includes \$187,299 for the use of medical center personnel and administrative and other services provided. During 2007, the amount due from the surgery center was restructured as a note receivable with required monthly payments of \$11,253,

including interest at five percent through 2022. Effective June 1, 2009, the medical center sold 27 percent of its interest in the surgery center. Thus, the medical center's ownership interest decreased from approximately 75 percent as of June 30, 2008, to approximately 55 percent as of July 1, 2009. As part of this sale agreement, the Employee Leasing Agreement and Administrative Services Agreement between the medical center and the surgery center were terminated. Effective February 25, 2010, the medical center sold eight percent of its interest in the surgery center. Thus, the medical center's ownership interest decreased to approximately 47 percent as of June 30, 2010.

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

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

The medical center contributed \$189,989 during 2010 to WSTCH and WSTMG.

Other operating revenues for the year ended June 30, 2010, include \$369,872 for administrative and other services and personnel provided to both WSTCH and WSTMG. Subsequent to the acquisition of both WSTCH and WSTMG, the medical center records transactions relating to these interests in the consolidated operations of the medical center.

The medical center also has an investment in Shared Hospital Services, Inc. (S.H.S.), which provides laundry and linen services. This investment is in a joint venture in which the medical center owns approximately six percent at June 30, 2010. Equity earnings are distributed based upon tons of laundry processed by S.H.S.

The medical center paid S.H.S. approximately \$504,000 for laundry services for 2010.

Combined summary information for the surgery center and S.H.S. as of June 30, 2010, and for the year then ended, is as follows:

Total assets	<u>\$ 12,523,354</u>
Total liabilities	<u>\$ 4,879,906</u>
Net revenues	<u>\$ 15,774,522</u>
Net earnings (loss)	<u>\$ 119,959</u>

Medical Center's interest	
Investment in joint ventures	<u>\$ 637,274</u>
Equity in earnings (losses) of joint ventures	<u>\$ (269,998)</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 \$2,172,706 in 2010, which is included in other revenue in the accompanying statements of revenues, expenses, and changes in net assets. The agreement also provides for the medical center to return all related assets (as defined) of the ambulance service to the county at the end of the contract period. The net book value of assets related to the ambulance service was approximately \$1,917,538 at June 30, 2010.

K. Long-term Debt

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

	Balance 7-1-09	Reductions	Balance 6-30-10	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	\$ 12,825,000	\$ (610,000)	\$ 12,215,000	\$ 625,000
Hospital Revenue and Tax Bonds Series 2004A	12,300,000	(600,000)	11,700,000	620,000

(Cont.)	Balance 7-1-09	Reductions	Balance 6-30-10	Amounts Due Within One Year
Hospital Revenue and Refunding Tax Bonds				
Series 2008 2.41% Note	\$ 5,410,000	\$ (1,750,000)	\$ 3,660,000	\$ 1,800,000
Payable to Bank (LIBOR + 1.75%)	7,833,333	(500,000)	7,333,333	500,000
4.78% Equipment Loan	180,314	(180,314)	0	0
4.31% Note				
Payable to Bank	7,354,378	(330,957)	7,023,421	384,987
.97% Note				
Payable to Bank (LIBOR + 0.65%)	453,586	(247,410)	206,176	206,176
.97% Note				
Payable to Bank (LIBOR + 0.65%)	581,878	(211,592)	370,286	211,592
4.5% Note				
Payable to Bank	1,909,383	(154,370)	1,755,013	168,391
1.67% Note				
Payable to Bank (LIBOR + 1.35%)	1,005,431	(306,700)	698,731	306,700
Total	\$ 49,853,303	\$ (4,891,343)	\$ 44,961,960	\$ 4,822,846

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

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

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

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

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

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

The medical center also issues notes payable to finance certain property and equipment additions. The 6.99 percent note payable to the bank represents amounts drawn under a \$10 million line of credit, which converted to a term loan on March 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in March 2015. This loan is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 4.31 percent note payable to bank represents amounts drawn under a \$7.5 million construction loan, which converted to a term loan on December 1, 2008, with monthly principal and interest payments based on a 15-year amortization, with all outstanding principal and interest due November 2013. This loan is secured by security interests in accounts receivable, excluding Medicare payments. The 1.82 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus .65 percent through April 2011 and February 2012, respectively; and are secured by equipment and ambulances. The 4.5 percent note payable to bank is payable in monthly amounts of principal and interest of \$20,390 through February 2019 and is secured by the medical center's deposit accounts and security interests in accounts receivable, excluding Medicare payments. The 1.7 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.35 percent through July 2018 and is unsecured.

The debt service requirements at June 30, 2010, related to long-term debt are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2011	\$ 4,822,846	\$ 2,040,503
2012	4,698,595	1,878,385
2013	2,534,850	1,670,711
2014	7,909,231	1,397,436
2015	6,965,356	1,159,756
2016-2020	8,991,082	3,207,951
2021-2025	9,040,000	1,169,892
Total	<u>\$ 44,961,960</u>	<u>\$ 12,524,634</u>

During 2010, the medical center did not capitalize any interest relating to construction projects.

L. Other Receivables

Other current and long-term receivables at June 30, 2010, include \$978,740 in receivables from certain physicians, which were made as part of the medical center's recruitment program to attract physicians to the medical center's service area. Under terms of the related agreements, such receivables will be forgiven over a period of time, generally over three years, as long as the physician continues to practice in the area. The medical center is amortizing these loans over the physicians' service commitments.

M. Employees Retirement Plan

The medical center participates in a tax-sheltered annuity program for substantially all of its employees who have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately \$2,192,000 in 2010 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. Currently, the medical center's contribution percentage is three percent of covered wages for non-management employees and seven percent for management employees, as of June 30, 2010. Beginning in 2010, 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 does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. The plan's investments at June 30, 2010, consist of various mutual fund and fixed income investments.

N. 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, 2010, are as follows:

Year Ending June 30	Capital Leases	Operating Leases
2011	\$ 1,084,147	\$ 2,430,000
2012	554,074	1,119,000
2013	0	694,000
2014	0	643,000
Total future minimum lease payments	\$ 1,638,221	\$ <u>4,886,000</u>
Less amounts representing interest of 3.86% to 4.5%		(47,137)
Present value of net minimum lease payments	\$ <u>1,591,084</u>	

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

Balance 7-1-09	Additions	Reductions	Balance 6-30-10	Due Within One Year
\$ 2,344,002	\$ 549,637	\$ (1,302,555)	\$ 1,591,084	\$ 550,204

The medical center generates rental income primarily from operating leases of three medical office buildings. Rental revenue was \$2,910,476 in 2010 and is included in other revenue.

Future minimum rental revenue under noncancellable leases, including a lease with the surgery center currently for \$64,000 per month through September 2015, at June 30, 2010, is as follows:

Year Ending June 30	Amount
2011	\$ 2,506,392
2012	2,218,946
2013	1,895,086
2014	1,573,813
2015	1,157,062
Thereafter	<u>842,717</u>
Total	<u>\$ 10,194,016</u>

Future minimum rental payments generally include minor annual increases for inflation. Rental income in excess of rent expense was \$904,497 for 2010.

O. Commitments and Contingencies

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

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

There are known incidents occurring through June 30, 2010, that have resulted in the assertion of claims, although other claims may be asserted, arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

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

The medical center is self-insured for medical and other healthcare benefits provided to its employees and their families. The medical center maintains reinsurance through a commercial excess coverage policy, which covers annual individual employee claims paid in excess of \$175,000 for the plan year. Contributions by the medical center and participating employees are based on actual claims experience. A provision for estimated incurred but not reported claims has been provided in the accompanying financial statements. Total expenses under this program totaled approximately \$8,826,000 for the year ended June 30, 2010.

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

Management continues to implement policies, procedures, and compliance overviews of organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 and other government statutes and regulations. The medical center's compliance with

such laws and regulations is subject to future government review and interpretations, as well as regulatory actions which are unknown or unasserted at this time.

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

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

A. Summary of Significant Accounting Policies

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

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

Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Williamson County Mayor and approved by the Williamson County Commission, the district cannot be a primary government. Instead, it qualifies as a component unit according to the directives of GASB.

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

At June 30, 2010, there was \$137,092 payable to Williamson County. The district did not engage in any activities that were subject to the approval of Williamson County.

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

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

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

or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included in the Statement of Net Assets. Net assets (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt, restricted for debt services, and unrestricted components. As of June 30, 2010, the district had no debt, other than accounts payable.

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

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

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

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

Cash Flow - Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, cash in the local government investment pool, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2010, the district did not hold any certificates of deposits.

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

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

B. Cash and Cash Equivalents

The district is authorized to make investments in bonds, notes, or treasury bills of the United States; Federal Land Bank bonds; Federal Home Loan Bank notes and bonds; Federal National Mortgage Association notes and debentures; banks for cooperative debentures; or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year; or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2010, the board of directors chose to limit the investment of funds to deposits at banks and the local government investment pool.

Cash – At June 30, 2010, the carrying amount of cash deposits was \$1,250,631, and the bank balance was \$1,264,376. At June 30, 2010, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool. The pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

Cash Accounts	Interest Rate	6-30-10	
		Carrying Amount	Bank Balance
First Tennessee Bank Checking	Variable	\$ 499,932	\$ 513,677
Local Government Investment Pool	Variable	750,699	750,699
Total		\$ 1,250,631	\$ 1,264,376

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, 2010:

AT&T	\$ 38,788
Fairview	54,000
NUVOX	11,686
XO Communications	8,440
Pac Tel	3,212
Others	<u>17,357</u>
Total	<u><u>\$ 133,483</u></u>

D. Capital Assets

Capital assets are summarized as follows:

	Balance		Balance
	7-1-09	Additions	6-30-10
Communications equipment	\$ 1,825,259	\$ 36,689	\$ 1,861,948
Office furniture and equipment	64,163	3,609	67,772
Subtotal	<u>\$ 1,889,422</u>	<u>\$ 40,298</u>	<u>\$ 1,929,720</u>
Less: Accumulated depreciation	(1,034,341)	(253,712)	(1,288,053)
Total	<u><u>\$ 855,081</u></u>	<u><u>\$ (213,414)</u></u>	<u><u>\$ 641,667</u></u>

E. Risk Management

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

F. Accounts Payable

Accounts payable include administration fees of \$1,557 and travel reimbursements of \$5,781.

G. Related-party Transactions

Williamson County provides dispatch employees and certain services to the district. The district and Williamson County signed an interlocal contract effective from July 1, 1998, to June 30, 1999, that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the district quarterly and are included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets as contracts with government agencies. Amounts paid or payable to Williamson County for the fiscal year 2010 totaled \$974,120. The amount payable to Williamson County at June 30, 2010, was \$137,092.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original		
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 40,152,591	\$ 0	\$ 0	\$ 40,152,591	\$ 37,711,369	\$ 37,711,369	\$ 2,441,222
Licenses and Permits	1,102,376	0	0	1,102,376	1,050,000	1,050,000	52,376
Fines, Forfeitures, and Penalties	609,479	0	0	609,479	403,000	406,500	202,979
Charges for Current Services	5,027,110	0	0	5,027,110	5,237,600	5,239,760	(212,650)
Other Local Revenues	1,594,363	0	0	1,594,363	1,255,000	1,280,887	313,476
Fees Received from County Officials	10,214,296	0	0	10,214,296	10,310,000	10,310,000	(95,704)
State of Tennessee	3,559,186	0	0	3,559,186	3,601,720	4,217,272	(658,086)
Federal Government	1,903,663	0	0	1,903,663	1,603,244	2,360,460	(456,797)
Other Governments and Citizens Groups	737,990	0	0	737,990	210,000	671,010	66,980
Total Revenues	\$ 64,901,054	\$ 0	\$ 0	\$ 64,901,054	\$ 61,381,933	\$ 63,247,258	\$ 1,653,796
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 695,197	\$ (17,400)	\$ 0	\$ 677,797	\$ 670,635	\$ 770,635	\$ 92,838
Board of Equalization	5,764	0	0	5,764	4,500	11,000	5,236
Beer Board	825	0	0	825	2,700	2,700	1,875
Other Boards and Committees	1,050	0	0	1,050	3,300	3,300	2,250
County Mayor/Executive	354,739	(20,800)	4,565	338,504	465,417	665,417	326,913
Personnel Office	178,354	0	0	178,354	240,742	240,742	62,388
County Attorney	662,059	0	0	662,059	584,450	689,450	27,391
Election Commission	387,212	(370)	30,157	416,999	545,317	583,792	166,793
Register of Deeds	571,311	0	11,000	582,311	564,956	650,076	67,765
Development	2,086,513	(85,727)	46,420	2,047,206	2,099,326	2,139,326	92,120
Planning	8,039	(3,568)	6,953	11,424	23,855	23,855	12,431
Building	14,282	0	0	14,282	19,121	19,121	4,839

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original		
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Engineering	\$ 20,719	\$ (7,452)	\$ 9,030	\$ 22,297	\$ 47,997	\$ 47,997	\$ 25,700
Codes Compliance	30,510	(22,818)	32,142	39,834	50,381	50,381	10,547
Geographical Information Systems	1,015,666	(2,930)	28,537	1,041,273	1,063,520	1,063,520	22,247
County Buildings	2,530,674	(149,855)	130,376	2,511,195	2,944,764	2,944,764	433,569
Other Facilities	96,654	0	0	96,654	98,014	98,014	1,360
Preservation of Records	167,694	(8,299)	952	160,347	233,716	233,716	73,369
Risk Management	156,164	0	0	156,164	186,360	186,360	30,196
Other Risk Management	238,135	0	0	238,135	247,414	247,414	9,279
<u>Finance</u>							
Accounting and Budgeting	784,362	(1,905)	42,236	824,693	869,039	869,039	44,346
Property Assessor's Office	1,409,745	(69,922)	54,123	1,393,946	1,455,734	1,460,484	66,538
County Trustee's Office	470,724	(18,700)	0	452,024	519,539	519,539	67,515
County Clerk's Office	834,424	(138)	494	834,780	892,041	903,041	68,261
<u>Administration of Justice</u>							
Circuit Court	1,294,293	(550)	2,840	1,296,583	1,394,577	1,434,577	137,994
General Sessions Court	699,540	(1,962)	41	697,619	698,746	760,815	63,196
Drug Court	95,831	0	0	95,831	0	95,831	0
Chancery Court	394,530	0	0	394,530	387,316	398,316	3,786
Juvenile Court	377,576	(4,700)	3,075	375,951	389,483	389,483	13,532
Other Administration of Justice	149,698	0	0	149,698	159,315	159,314	9,616
Victims Assistance Programs	105,577	0	0	105,577	0	105,577	0
<u>Public Safety</u>							
Sheriff's Department	5,716,639	(18,968)	46,517	5,744,188	6,374,713	6,616,775	872,587
Traffic Control	61,140	0	0	61,140	96,273	96,273	35,133

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original		
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
Administration of the Sexual Offender Registry	\$ 5,413	\$ 0	\$ 0	\$ 5,413	\$ 0	\$ 8,700	\$ 3,287
Jail	4,743,256	(52,965)	59,668	4,749,959	4,851,010	5,059,752	309,793
Workhouse	167,225	(1,303)	5,725	171,647	182,948	182,948	11,301
Juvenile Services	1,506,642	(5,680)	10,272	1,511,234	1,519,979	1,534,979	23,745
Fire Prevention and Control	595,094	(8,316)	6,420	593,198	500,359	620,359	27,161
Civil Defense	1,006,530	(2,567)	49,004	1,052,967	928,863	1,500,654	447,687
Rescue Squad	168,738	(7,751)	0	160,987	290,943	290,943	129,956
County Coroner/Medical Examiner	175,380	0	0	175,380	165,760	182,560	7,180
<u>Public Health and Welfare</u>							
Local Health Center	980,957	(11,584)	12,736	982,109	1,375,811	1,823,873	841,764
Rabies and Animal Control	828,697	(65,474)	9,908	773,131	943,919	977,237	204,106
Ambulance/Emergency Medical Services	1,943,624	0	0	1,943,624	1,943,624	1,943,624	0
Other Local Health Services	9,576	0	0	9,576	9,576	9,576	0
Regional Mental Health Center	21,780	0	0	21,780	21,780	21,780	0
Appropriation to State	103,816	0	0	103,816	103,816	103,816	0
General Welfare Assistance	17,617	0	0	17,617	17,617	17,617	0
Aid to Dependent Children	6,100	0	275	6,375	11,000	11,000	4,625
Other Public Health and Welfare	52,202	0	0	52,202	66,932	66,932	14,730
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	45,464	0	0	45,464	45,464	45,464	0
Senior Citizens Assistance	83,671	(1,150)	0	82,521	87,760	87,760	5,239
Libraries	1,921,053	(5,615)	5,833	1,921,271	1,849,774	2,014,649	93,378
Parks and Fair Boards	8,002,270	(156,004)	106,495	7,952,761	8,864,302	8,995,881	1,043,120
Other Social, Cultural, and Recreational	981,563	(5,000)	24,185	1,000,748	1,156,572	1,156,572	155,824

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	\$ 282,182	\$ (141)	\$ 115	\$ 282,156	\$ 337,864	\$ 337,864	\$ 55,708
Soil Conservation	44,931	0	0	44,931	44,933	44,933	2
<u>Other Operations</u>							
Other Economic and Community Development	264,598	0	117	264,715	290,023	291,523	26,808
Public Transportation	406,941	0	128,191	535,132	583,130	849,321	314,189
Veterans' Services	14,481	0	0	14,481	13,421	15,421	940
Other Charges	2,001,671	(17,712)	38,375	2,022,334	2,543,992	2,543,992	521,658
Employee Benefits	10,979,957	0	0	10,979,957	10,671,000	11,391,000	411,043
ARRA Grant No. 1	10,868	0	0	10,868	0	32,063	21,195
ARRA Grant No. 2	59,842	0	0	59,842	0	164,075	104,233
ARRA Grant No. 3	8,139	0	0	8,139	0	8,140	1
Miscellaneous	933,540	0	0	933,540	817,374	969,095	35,555
Total Expenditures	\$ 59,989,458	\$ (777,326)	\$ 906,777	\$ 60,118,909	\$ 63,572,807	\$ 67,784,747	\$ 7,665,838
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,911,596	\$ 777,326	\$ (906,777)	\$ 4,782,145	\$ (2,190,874)	\$ (4,537,489)	\$ 9,319,634
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 104,004	\$ 0	\$ 0	\$ 104,004	\$ 0	\$ 40,000	\$ 64,004
Transfers Out	(1,000,000)	0	0	(1,000,000)	(500,000)	(1,000,000)	0
Total Other Financing Sources (Uses)	\$ (895,996)	\$ 0	\$ 0	\$ (895,996)	\$ (500,000)	\$ (960,000)	\$ 64,004
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 4,015,600	\$ 777,326	\$ (906,777)	\$ 3,886,149	\$ (2,690,874)	\$ (5,497,489)	\$ 9,383,638
	33,482,905	(777,326)	0	32,705,579	31,609,093	31,609,093	1,096,486
Fund Balance, June 30, 2010	\$ 37,498,505	\$ 0	\$ (906,777)	\$ 36,591,728	\$ 28,918,219	\$ 26,111,604	\$ 10,480,124

Exhibit F-2

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 7,488,063	\$ 0	\$ 0	\$ 7,488,063	\$ 7,539,453	\$ 7,539,453	\$ (51,390)
Other Local Revenues	73,172	0	0	73,172	60,000	60,000	13,172
State of Tennessee	2,808,621	0	0	2,808,621	2,750,000	2,750,000	58,621
Other Governments and Citizens Groups	29,847	0	0	29,847	50,000	50,000	(20,153)
Total Revenues	\$ 10,399,703	\$ 0	\$ 0	\$ 10,399,703	\$ 10,399,453	\$ 10,399,453	\$ 250
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 693,054	\$ (12,030)	\$ 0	\$ 681,024	\$ 748,100	\$ 748,100	\$ 67,076
Highway and Bridge Maintenance	4,172,251	(240,519)	1,130,194	5,061,926	5,279,644	5,379,644	317,718
Operation and Maintenance of Equipment	1,605,682	(81,422)	72,829	1,597,089	1,737,381	1,737,381	140,292
Quarry Operations	713,969	0	18,265	732,234	761,458	861,458	129,224
Other Charges	230,410	0	11,217	241,627	725,000	725,000	483,373
Employee Benefits	1,170,629	0	0	1,170,629	1,126,950	1,204,950	34,321
Capital Outlay	280,323	(98,273)	487,564	669,614	180,000	716,500	46,886
Total Expenditures	\$ 8,866,318	\$ (432,244)	\$ 1,720,069	\$ 10,154,143	\$ 10,558,533	\$ 11,373,033	\$ 1,218,890
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,533,385	\$ 432,244	\$ (1,720,069)	\$ 245,560	\$ (159,080)	\$ (973,580)	\$ 1,219,140
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 100,000	\$ 0	\$ 0	\$ 100,000	\$ 100,000	\$ 100,000	\$ 0
Transfers Out	(500,000)	0	0	(500,000)	0	(500,000)	0
Total Other Financing Sources (Uses)	\$ (400,000)	\$ 0	\$ 0	\$ (400,000)	\$ 100,000	\$ (400,000)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 1,133,385	\$ 432,244	\$ (1,720,069)	\$ (154,440)	\$ (59,080)	\$ (1,373,580)	\$ 1,219,140
Fund Balance, June 30, 2010	9,335,992	(432,244)	0	8,903,748	8,664,671	8,664,671	239,077
Fund Balance, June 30, 2010	\$ 10,469,377	\$ 0	\$ (1,720,069)	\$ 8,749,308	\$ 8,605,591	\$ 7,291,091	\$ 1,458,217

Exhibit F-3

Williamson County, Tennessee
Schedule of Funding Progress – Pension Plan
Primary Government and Discretely Presented Williamson County School Department
June 30, 2010

(Dollar amounts in thousands)

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

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

Exhibit F-4

Williamson County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plans
Primary Government and Discretely Presented Williamson County School Department
June 30, 2010

(Dollar amounts in thousands)

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

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

WILLIAMSON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2010

A. BUDGETARY INFORMATION

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

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

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

B. CASH SHORTAGES: PRIOR- AND CURRENT-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 September 10, 2007, a former supervisor at the Fairview Recreational Center was indicted by the Williamson County Grand Jury for theft in excess of \$10,000. On October 6, 2008, the defendant pled guilty and was sentenced to four years probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. As of June 30, 2010, this individual had paid restitution totaling \$4,661.50, leaving an outstanding cash shortage of \$40,375.93.

The audit of Williamson County for the 2008-09 year reported a cash shortage of \$3,386.18 in the Office of County Clerk. In December 2008, the county clerk discovered that collections from a title application transaction totaling \$1,877.68 had been diverted for an employee's personal use. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds, and the county clerk terminated the employee for mishandling the funds. Subsequently, the county clerk's bookkeeper and auditors reviewed the audit logs for the period

July 1, 2007, through the employee's termination in December 2008, and 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 April 13, 2009, the Williamson County Grand Jury indicted the former employee on two counts of theft over \$1,000, one count of theft over \$500, and one count of forgery. 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, 2010, 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 July 26, 2010, reported a cash shortage of at least \$106,446.17. On March 25, 2010, representatives from the Office of Accounts and Budgets informed the Comptroller's Office that the December 11, 2009, deposit totaling \$356 from the Williamson County Animal Control Department (WCACD) was missing and they suspected irregularities existed at the WCACD. On March 26, 2010, the bookkeeper at the WCACD submitted her resignation effective April 1, 2010; however, the county terminated her employment on March 30, 2010. The Comptroller's Office conducted a special investigation with the assistance of a criminal investigator with the Office of District Attorney General for the period May 17, 2005, through March 31, 2010. This investigation discovered that receipts of at least \$106,446.17 were not deposited with the county or otherwise accounted for properly. This shortage was accomplished by manipulating receipts and deposits. The cash shortage (\$106,446.17) could be larger because the Comptroller's Office did not include amounts for 548 voided transactions totaling \$27,419.52 due to lack of documentation and receipts issued by the WCACD prior to May 17, 2005, were discarded by the terminated employee and were not available for review. The former bookkeeper, Ms. Kerraina Jensen, pled guilty to theft over \$60,000 on November 15, 2010, and was sentenced to eight years confinement, which was suspended to eight years probation and payment of restitution of \$106,446.17.

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

Williamson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
\$	575 \$	0 \$	150 \$	900 \$		1,625
	3,124,199	143,203	253,033	0		3,520,435
	150,229	0	0	0		150,229
	67,011	0	0	0		67,011
	2,944,141	0	0	0		2,944,141
	(62,856)	0	0	0		(62,856)
	<u>\$ 6,223,299 \$</u>	<u>143,203 \$</u>	<u>253,183 \$</u>	<u>900 \$</u>		<u>6,620,585</u>

ASSETS

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

LIABILITIES AND FUND BALANCES

<u>Liabilities</u>					
Accounts Payable	21 \$	0 \$	0 \$	0 \$	21
Claims and Judgments Payable	51,500	0	0	0	51,500
Due to Other Funds	0	14,535	0	0	14,535
Due to Litigants, Heirs, and Others	0	0	0	900	900
Deferred Revenue - Current Property Taxes	2,781,909	0	0	0	2,781,909
Deferred Revenue - Delinquent Property Taxes	91,376	0	0	0	91,376
Other Deferred Revenues	31,743	0	0	0	31,743
Total Liabilities	<u>\$ 2,956,549 \$</u>	<u>14,535 \$</u>	<u>0 \$</u>	<u>900 \$</u>	<u>2,971,984</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	315,594 \$	4,160 \$	0 \$	0 \$	319,754
Unreserved	2,951,156	124,508	253,183	0	3,328,847
Total Fund Balances	<u>\$ 3,266,750 \$</u>	<u>128,668 \$</u>	<u>253,183 \$</u>	<u>0 \$</u>	<u>3,648,601</u>
Total Liabilities and Fund Balances	<u>\$ 6,223,299 \$</u>	<u>143,203 \$</u>	<u>253,183 \$</u>	<u>900 \$</u>	<u>6,620,585</u>

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

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
<u>Revenues</u>						
Local Taxes	\$ 2,781,240	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,781,240
Fines, Forfeitures, and Penalties	0	61,304	124,300	0	0	185,604
Charges for Current Services	836,886	0	0	321	0	837,207
Other Local Revenues	392,322	0	1	0	0	392,323
State of Tennessee	146,038	0	0	0	0	146,038
Other Governments and Citizens Groups	0	1,750	0	0	0	1,750
Total Revenues	\$ 4,156,486	\$ 63,054	\$ 124,301	\$ 321	\$ 321	\$ 4,344,162
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 321	\$ 321	\$ 321
Administration of Justice	0	0	79,837	0	0	79,837
Public Safety	0	25,900	0	0	0	25,900
Public Health and Welfare	3,395,170	0	0	0	0	3,395,170
Other Operations	633,227	0	0	0	0	633,227
Total Expenditures	\$ 4,028,397	\$ 25,900	\$ 79,837	\$ 321	\$ 321	\$ 4,134,455
Excess (Deficiency) of Revenues Over Expenditures	\$ 128,089	\$ 37,154	\$ 44,464	\$ 0	\$ 0	\$ 209,707
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 500,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000
Transfers Out	(352,300)	0	0	0	0	(352,300)
Total Other Financing Sources (Uses)	\$ 147,700	\$ 0	\$ 0	\$ 0	\$ 0	\$ 147,700
Net Change in Fund Balances Fund Balance, July 1, 2009	\$ 275,789	\$ 37,154	\$ 44,464	\$ 0	\$ 0	\$ 357,407
	2,990,961	91,514	208,719	0	0	3,291,194
Fund Balance, June 30, 2010	\$ 3,266,750	\$ 128,668	\$ 253,183	\$ 0	\$ 0	\$ 3,648,601

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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,781,240	\$ 0	\$ 0	\$ 2,781,240	\$ 2,579,499	\$ 2,579,499	\$ 201,741
Charges for Current Services	836,886	0	0	836,886	770,000	1,098,000	(261,114)
Other Local Revenues	392,322	0	0	392,322	104,000	304,090	88,232
State of Tennessee	146,038	0	0	146,038	135,000	135,000	11,038
Total Revenues	\$ 4,156,486	\$ 0	\$ 0	\$ 4,156,486	\$ 3,588,499	\$ 4,116,589	\$ 39,897
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 3,395,170	\$ (123,355)	\$ 315,594	\$ 3,587,409	\$ 3,217,605	\$ 4,199,195	\$ 611,786
<u>Other Operations</u>							
Other Charges	231,944	0	0	231,944	370,000	370,000	138,056
Employee Benefits	401,283	0	0	401,283	422,650	450,850	49,567
Total Expenditures	\$ 4,028,397	\$ (123,355)	\$ 315,594	\$ 4,220,636	\$ 4,010,255	\$ 5,020,045	\$ 799,409
Excess (Deficiency) of Revenues Over Expenditures	\$ 128,089	\$ 123,355	\$ (315,594)	\$ (64,150)	\$ (421,756)	\$ (903,456)	\$ 839,306
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 500,000	\$ 0	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
Transfers Out	(352,300)	0	0	(352,300)	0	(352,300)	0
Total Other Financing Sources (Uses)	\$ 147,700	\$ 0	\$ 0	\$ 147,700	\$ 500,000	\$ 147,700	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 275,789	\$ 123,355	\$ (315,594)	\$ 83,550	\$ 78,244	\$ (755,756)	\$ 839,306
Fund Balance, July 1, 2009	2,990,961	(123,355)	0	2,867,606	2,834,048	2,834,048	33,558
Fund Balance, June 30, 2010	\$ 3,266,750	\$ 0	\$ (315,594)	\$ 2,951,156	\$ 2,912,292	\$ 2,078,292	\$ 872,864

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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 61,304	0	0	\$ 61,304	\$ 36,000	\$ 36,000	\$ 25,304
Other Governments and Citizens Groups	1,750	0	0	1,750	0	0	1,750
Total Revenues	\$ 63,054	0	0	\$ 63,054	\$ 36,000	\$ 36,000	\$ 27,054
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 25,900	(80)	4,160	\$ 29,980	\$ 75,000	\$ 75,000	\$ 45,020
Total Expenditures	\$ 25,900	(80)	4,160	\$ 29,980	\$ 75,000	\$ 75,000	\$ 45,020
Excess (Deficiency) of Revenues Over Expenditures	\$ 37,154	80	(4,160)	\$ 33,074	\$ (39,000)	\$ (39,000)	\$ 72,074
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 37,154	80	(4,160)	\$ 33,074	\$ (39,000)	\$ (39,000)	\$ 72,074
	91,514	(80)	0	91,434	91,364	91,364	70
Fund Balance, June 30, 2010	\$ 128,668	0	(4,160)	\$ 124,508	\$ 52,364	\$ 52,364	\$ 72,144

Major Governmental Funds

Debt Service Funds

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

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

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

Exhibit H-1

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 25,594,209	\$ 23,173,704	\$ 23,173,704	\$ 2,420,505
Other Local Revenues	640,655	300,000	300,000	340,655
Federal Government	143,254	0	143,254	0
Other Governments and Citizens Groups	600,095	328,544	328,544	271,551
Total Revenues	<u>\$ 26,978,213</u>	<u>\$ 23,802,248</u>	<u>\$ 23,945,502</u>	<u>\$ 3,032,711</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 7,430,335	\$ 10,390,335	\$ 7,430,335	\$ 0
Highways and Streets	151,200	151,200	151,200	0
Education	8,056,465	8,056,465	8,056,465	0
<u>Interest on Debt</u>				
General Government	5,997,922	7,550,260	6,291,282	293,360
Highways and Streets	56,308	56,310	56,310	2
Education	5,836,227	5,508,170	5,917,468	81,241
<u>Other Debt Service</u>				
General Government	659,289	620,000	716,406	57,117
Education	796,301	0	796,301	0
Total Expenditures	<u>\$ 28,984,047</u>	<u>\$ 32,332,740</u>	<u>\$ 29,415,767</u>	<u>\$ 431,720</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,005,834)</u>	<u>\$ (8,530,492)</u>	<u>\$ (5,470,265)</u>	<u>\$ 3,464,431</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 32,960,000	\$ 0	\$ 32,960,000	\$ 0
Premiums on Debt Issued	3,993,623	0	3,993,623	0
Transfers In	266,778	0	266,044	734
Transfers Out	0	0	(47,651)	47,651
Payments to Refunded Debt Escrow Agent	#####	0	#####	0
Total Other Financing Sources (Uses)	<u>\$ 484,485</u>	<u>\$ 0</u>	<u>\$ 436,100</u>	<u>\$ 48,385</u>
Net Change in Fund Balance	\$ (1,521,349)	\$ (8,530,492)	\$ (5,034,165)	\$ 3,512,816
Fund Balance, July 1, 2009	<u>25,668,247</u>	<u>20,461,728</u>	<u>20,461,728</u>	<u>5,206,519</u>
Fund Balance, June 30, 2010	<u>\$ 24,146,898</u>	<u>\$ 11,931,236</u>	<u>\$ 15,427,563</u>	<u>\$ 8,719,335</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, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 10,870,604	\$ 10,084,747	\$ 10,084,747	\$ 785,857
Other Local Revenues	133,358	1,000,000	1,000,000	(866,642)
Federal Government	229,671	0	229,671	0
Other Governments and Citizens Groups	1,341,295	0	0	1,341,295
Total Revenues	<u>\$ 12,574,928</u>	<u>\$ 11,084,747</u>	<u>\$ 11,314,418</u>	<u>\$ 1,260,510</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 5,910,000	\$ 5,910,000	\$ 5,910,000	\$ 0
<u>Interest on Debt</u>				
Education	8,494,306	7,838,103	8,494,506	200
<u>Other Debt Service</u>				
Education	487,478	235,000	494,517	7,039
Total Expenditures	<u>\$ 14,891,784</u>	<u>\$ 13,983,103</u>	<u>\$ 14,899,023</u>	<u>\$ 7,239</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,316,856)</u>	<u>\$ (2,898,356)</u>	<u>\$ (3,584,605)</u>	<u>\$ 1,267,749</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 38,930,000	\$ 0	\$ 38,929,999	\$ 1
Premiums on Debt Issued	5,166,760	0	5,166,760	0
Transfers In	1,426,532	1,000,000	1,426,532	0
Payments to Refunded Debt Escrow Agent	(43,837,043)	0	(43,837,043)	0
Total Other Financing Sources (Uses)	<u>\$ 1,686,249</u>	<u>\$ 1,000,000</u>	<u>\$ 1,686,248</u>	<u>\$ 1</u>
Net Change in Fund Balance	\$ (630,607)	\$ (1,898,356)	\$ (1,898,357)	\$ 1,267,750
Fund Balance, July 1, 2009	<u>6,538,929</u>	<u>6,554,180</u>	<u>6,554,180</u>	<u>(15,251)</u>
Fund Balance, June 30, 2010	<u>\$ 5,908,322</u>	<u>\$ 4,655,824</u>	<u>\$ 4,655,823</u>	<u>\$ 1,252,499</u>

Fiduciary Funds

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.

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

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

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

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

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

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

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

Exhibit I-1

Williamson County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2010

	Agency Funds							Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	Constitu- tional Officers - Agency	Other Agency		
<u>ASSETS</u>								
Cash	\$ 0	\$ 0	\$ 0	\$ 6,777	\$ 7,346,761	\$ 0	\$ 0	\$ 7,353,538
Equity in Pooled Cash and Investments	0	1,268	514,780	2,537,843	0	30,083	0	3,083,974
Investments	0	0	0	0	11,094	0	0	11,094
Accounts Receivable	0	0	0	0	39,057	0	0	39,057
Due from Other Governments	5,485,407	0	581,281	1,862	0	0	0	6,068,550
Taxes Receivable	0	0	10,288,094	0	0	0	0	10,288,094
Allowance for Uncollectible Taxes	0	0	(167,243)	0	0	0	0	(167,243)
Total Assets	\$ 5,485,407	\$ 1,268	\$ 11,216,912	\$ 2,546,482	\$ 7,396,912	\$ 30,083	\$ 0	\$ 26,677,064
<u>LIABILITIES</u>								
Due to Other Taxing Units	\$ 5,485,407	\$ 1,268	\$ 11,216,912	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,703,587
Due to Joint Venture	0	0	0	1,274,061	0	0	0	1,274,061
Due to Litigants, Heirs, and Others	0	0	0	1,272,421	7,396,912	30,083	0	8,699,416
Total Liabilities	\$ 5,485,407	\$ 1,268	\$ 11,216,912	\$ 2,546,482	\$ 7,396,912	\$ 30,083	\$ 0	\$ 26,677,064

Exhibit I-2

Williamson County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 33,405,989	\$ 33,405,989	\$ 0
Due from Other Governments	5,241,280	5,485,407	5,241,280	5,485,407
Total Assets	\$ 5,241,280	\$ 38,891,396	\$ 38,647,269	\$ 5,485,407
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,241,280	\$ 38,891,396	\$ 38,647,269	\$ 5,485,407
Total Liabilities	\$ 5,241,280	\$ 38,891,396	\$ 38,647,269	\$ 5,485,407
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 1,002	\$ 312,889	\$ 312,623	\$ 1,268
Total Assets	\$ 1,002	\$ 312,889	\$ 312,623	\$ 1,268
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,002	\$ 312,889	\$ 312,623	\$ 1,268
Total Liabilities	\$ 1,002	\$ 312,889	\$ 312,623	\$ 1,268
<u>Cities Adequate Facilities Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 714,247	\$ 714,247	\$ 0
Total Assets	\$ 0	\$ 714,247	\$ 714,247	\$ 0
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 714,247	\$ 714,247	\$ 0
Total Liabilities	\$ 0	\$ 714,247	\$ 714,247	\$ 0
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 411,681	\$ 30,858,913	\$ 30,755,814	\$ 514,780
Due from Other Governments	578,954	581,281	578,954	581,281
Taxes Receivable	9,614,882	10,288,094	9,614,882	10,288,094
Allowance for Uncollectible Taxes	(100,096)	(167,243)	(100,096)	(167,243)
Total Assets	\$ 10,505,421	\$ 41,561,045	\$ 40,849,554	\$ 11,216,912
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 10,505,421	\$ 41,561,045	\$ 40,849,554	\$ 11,216,912
Total Liabilities	\$ 10,505,421	\$ 41,561,045	\$ 40,849,554	\$ 11,216,912

(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>Judicial District Drug Fund</u>				
<u>Assets</u>				
Cash	\$ 8,895	\$ 6,777	\$ 8,895	\$ 6,777
Equity in Pooled Cash and Investments	2,180,671	1,885,727	1,528,555	2,537,843
Due from Other Governments	0	1,862	0	1,862
Total Assets	\$ 2,180,671	\$ 1,887,589	\$ 1,528,555	\$ 2,539,705
<u>Liabilities</u>				
Due to Joint Venture	\$ 1,624,497	\$ 275,375	\$ 625,811	\$ 1,274,061
Due to Litigants, Heirs, and Others	565,069	1,618,991	911,639	1,272,421
Total Liabilities	\$ 2,189,566	\$ 1,894,366	\$ 1,537,450	\$ 2,546,482
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 9,010,410	\$ 47,600,037	\$ 49,263,686	\$ 7,346,761
Investments	9,874	11,094	9,874	11,094
Accounts Receivable	25,624	39,057	25,624	39,057
Total Assets	\$ 9,045,908	\$ 47,650,188	\$ 49,299,184	\$ 7,396,912
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 9,045,908	\$ 47,650,188	\$ 49,299,184	\$ 7,396,912
Total Liabilities	\$ 9,045,908	\$ 47,650,188	\$ 49,299,184	\$ 7,396,912
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 26,595	\$ 30,083	\$ 26,595	\$ 30,083
Total Assets	\$ 26,595	\$ 30,083	\$ 26,595	\$ 30,083
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 26,595	\$ 30,083	\$ 26,595	\$ 30,083
Total Liabilities	\$ 26,595	\$ 30,083	\$ 26,595	\$ 30,083
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 9,019,305	\$ 47,606,814	\$ 49,272,581	\$ 7,353,538
Equity in Pooled Cash and Investments	2,619,949	67,207,848	66,743,823	3,083,974
Investments	9,874	11,094	9,874	11,094
Due from Other Governments	5,820,234	6,068,550	5,820,234	6,068,550
Accounts Receivable	25,624	39,057	25,624	39,057
Taxes Receivable	9,614,882	10,288,094	9,614,882	10,288,094
Allowance for Uncollectible Taxes	(100,096)	(167,243)	(100,096)	(167,243)
Total Assets	\$ 27,009,772	\$ 131,054,214	\$ 131,386,922	\$ 26,677,064
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 15,747,703	\$ 81,479,577	\$ 80,523,693	\$ 16,703,587
Due to Joint Venture	1,624,497	275,375	625,811	1,274,061
Due to Litigants, Heirs, and Others	9,637,572	49,299,262	50,237,418	8,699,416
Total Liabilities	\$ 27,009,772	\$ 131,054,214	\$ 131,386,922	\$ 26,677,064

Williamson County School Department

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.

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, 2010

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:				
Instruction	\$ 164,035,995	\$ 9,857,524	\$ 0	\$ (153,591,725)
Support Services	88,122,207	850,464	65,603,050	(21,595,740)
Operation of Non-Instructional Services	11,223,565	2,163,206	0	(1,025,671)
Total Governmental Activities	\$ 263,381,767	\$ 12,871,194	\$ 65,603,050	\$ (176,213,136)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 79,139,482
Local Option Sales Tax				31,522,745
Other Local Taxes				8,562
Grants and Contributions Not Restricted to Specific Programs				94,509,965
Unrestricted Investment Income				417,078
Miscellaneous				421,313
Total General Revenues				\$ 206,019,145
Change in Net Assets				\$ 29,806,009
Net Assets, July 1, 2009				333,135,907
Net Assets, June 30, 2010				\$ 362,941,916

Exhibit J-2

Williamson County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Williamson County School Department
June 30, 2010

	Major Funds		Nonmajor Funds	Total Govern- mental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 125,932	\$ 126,232
Equity in Pooled Cash and Investments	21,522,007	34,399,576	2,902,863	58,824,446
Accounts Receivable	53,235	0	17,615	70,850
Due from Other Governments	6,549,127	0	981,290	7,530,417
Due from Other Funds	7,719	0	0	7,719
Property Taxes Receivable	89,941,958	0	0	89,941,958
Allowance for Uncollectible Property Taxes	(1,462,096)	0	0	(1,462,096)
Total Assets	\$ 116,612,250	\$ 34,399,576	\$ 4,027,700	\$ 155,039,526
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 17,685	\$ 167,190	\$ 20,448	\$ 205,323
Accrued Payroll	8,655,159	0	110,828	8,765,987
Payroll Deductions Payable	158,411	0	0	158,411
Contracts Payable	0	5,445,901	0	5,445,901
Retainage Payable	0	298,161	0	298,161
Claims and Judgments Payable	480,250	0	0	480,250
Due to Other Funds	0	0	7,719	7,719
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	0	122,744	122,744
Deferred Revenue - Current Property Taxes	86,636,897	0	0	86,636,897
Deferred Revenue - Delinquent Property Taxes	1,529,966	0	0	1,529,966
Other Deferred Revenues	2,811,960	0	0	2,811,960
Total Liabilities	\$ 100,290,328	\$ 5,911,252	\$ 261,739	\$ 106,463,319
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 2,829,296	\$ 25,577,609	\$ 962,492	\$ 29,369,397
Reserved for Career Ladder Program	36,827	0	0	36,827
Reserved for Special Education - Grants to States	0	0	162,863	162,863
Other Federal Reserves	0	0	4,914	4,914
Unreserved, Reported In:				
General Fund	13,455,799	0	0	13,455,799
Special Revenue Funds	0	0	2,635,692	2,635,692
Capital Projects Funds	0	2,910,715	0	2,910,715
Total Fund Balances	\$ 16,321,922	\$ 28,488,324	\$ 3,765,961	\$ 48,576,207
Total Liabilities and Fund Balances	\$ 116,612,250	\$ 34,399,576	\$ 4,027,700	\$ 155,039,526

Exhibit J-3

Williamson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
Discretely Presented Williamson County School Department
June 30, 2010

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	48,576,207
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	28,142,524	
Add: construction in progress		56,387,675	
Add: buildings and improvements net of accumulated depreciation		245,384,740	
Add: other capital assets net of accumulated depreciation		<u>15,882,614</u>	345,797,553
(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	\$	(982,698)	
Less: other postemployment benefits liability - state Medicare plan		(737,903)	
Less: other postemployment benefits liability - self-insurance plan		<u>(34,053,169)</u>	(35,773,770)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>4,341,926</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>362,941,916</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, 2010

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 110,799,327	\$ 0	\$ 0	\$ 110,799,327
Licenses and Permits	8,380	0	0	8,380
Charges for Current Services	888,401	0	7,469,104	8,357,505
Other Local Revenues	1,241,041	0	30,903	1,271,944
State of Tennessee	96,404,972	0	97,847	96,502,819
Federal Government	1,377,736	0	9,328,083	10,705,819
Other Governments and Citizens Groups	675,000	64,880,412	0	65,555,412
Total Revenues	<u>\$ 211,394,857</u>	<u>\$ 64,880,412</u>	<u>\$ 16,925,937</u>	<u>\$ 293,201,206</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 140,607,293	\$ 0	\$ 4,338,382	\$ 144,945,675
Support Services	67,511,123	0	2,120,865	69,631,988
Operation of Non-Instructional Services	1,540,170	0	9,534,980	11,075,150
Capital Projects	675,000	63,528,545	0	64,203,545
Total Expenditures	<u>\$ 210,333,586</u>	<u>\$ 63,528,545</u>	<u>\$ 15,994,227</u>	<u>\$ 289,856,358</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,061,271</u>	<u>\$ 1,351,867</u>	<u>\$ 931,710</u>	<u>\$ 3,344,848</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 859,913	\$ 0	\$ 175,000	\$ 1,034,913
Transfers Out	(175,000)	(633,238)	(226,675)	(1,034,913)
Total Other Financing Sources (Uses)	<u>\$ 684,913</u>	<u>\$ (633,238)</u>	<u>\$ (51,675)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 1,746,184	\$ 718,629	\$ 880,035	\$ 3,344,848
Fund Balance, July 1, 2009	<u>14,575,738</u>	<u>27,769,695</u>	<u>2,885,926</u>	<u>45,231,359</u>
Fund Balance, June 30, 2010	<u>\$ 16,321,922</u>	<u>\$ 28,488,324</u>	<u>\$ 3,765,961</u>	<u>\$ 48,576,207</u>

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, 2010

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 3,344,848
(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	\$ 56,485,710	
Less: current year depreciation expense	<u>(9,980,243)</u>	46,505,467
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: proceeds from the sale of capital assets	\$ (71,285)	
Add: assets donated and capitalized	27,000	
Less: loss on disposal of capital assets	<u>(883,936)</u>	(928,221)
(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, 2009	\$ (4,357,689)	
Add: deferred delinquent property taxes and other deferred June 30, 2010	<u>4,341,926</u>	(15,763)
(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	\$ (27,198)	
Change in other postemployment benefits liability - state Medicare plan	(261,669)	
Change in other postemployment benefits liability - self-insurance plan	<u>(18,811,455)</u>	(19,100,322)
Change in net assets of governmental activities (Exhibit B)		<u>\$ 29,806,009</u>

Exhibit J-6

Williamson County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Williamson County School Department
June 30, 2010

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
ASSETS				
Cash	\$ 0	\$ 100	\$ 125,832	\$ 125,932
Equity in Pooled Cash and Investments	421,426	2,261,026	220,411	2,902,863
Accounts Receivable	0	0	17,615	17,615
Due from Other Governments	976,290	5,000	0	981,290
Total Assets	\$ 1,397,716	\$ 2,266,126	\$ 363,858	\$ 4,027,700
LIABILITIES AND FUND BALANCES				
<u>Liabilities</u>				
Accounts Payable	\$ 19,841	\$ 40	\$ 567	\$ 20,448
Accrued Payroll	110,828	0	0	110,828
Due to Other Funds	7,719	0	0	7,719
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	122,744	0	122,744
Total Liabilities	\$ 138,388	\$ 122,784	\$ 567	\$ 261,739
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 916,551	\$ 36,596	\$ 9,345	\$ 962,492
Reserved for Special Education - Grants to States	162,863	0	0	162,863
Other Federal Reserves	4,914	0	0	4,914
Unreserved	175,000	2,106,746	353,946	2,635,692
Total Fund Balances	\$ 1,259,328	\$ 2,143,342	\$ 363,291	\$ 3,765,961
Total Liabilities and Fund Balances	\$ 1,397,716	\$ 2,266,126	\$ 363,858	\$ 4,027,700

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, 2010

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 6,460,218	\$ 1,008,886	\$ 7,469,104
Other Local Revenues	0	29,562	1,341	30,903
State of Tennessee	0	97,847	0	97,847
Federal Government	7,257,724	2,070,359	0	9,328,083
Total Revenues	<u>\$ 7,257,724</u>	<u>\$ 8,657,986</u>	<u>\$ 1,010,227</u>	<u>\$ 16,925,937</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 4,338,382	\$ 0	\$ 0	\$ 4,338,382
Support Services	2,120,865	0	0	2,120,865
Operation of Non-Instructional Services	0	8,592,857	942,123	9,534,980
Total Expenditures	<u>\$ 6,459,247</u>	<u>\$ 8,592,857</u>	<u>\$ 942,123</u>	<u>\$ 15,994,227</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 798,477</u>	<u>\$ 65,129</u>	<u>\$ 68,104</u>	<u>\$ 931,710</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 175,000	\$ 0	\$ 0	\$ 175,000
Transfers Out	(197,675)	0	(29,000)	(226,675)
Total Other Financing Sources (Uses)	<u>\$ (22,675)</u>	<u>\$ 0</u>	<u>\$ (29,000)</u>	<u>\$ (51,675)</u>
Net Change in Fund Balances	\$ 775,802	\$ 65,129	\$ 39,104	\$ 880,035
Fund Balance, July 1, 2009	483,526	2,078,213	324,187	2,885,926
Fund Balance, June 30, 2010	<u>\$ 1,259,328</u>	<u>\$ 2,143,342</u>	<u>\$ 363,291</u>	<u>\$ 3,765,961</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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
					Original	Final	
Revenues							
Local Taxes	\$ 110,799,327	\$ 0	\$ 0	\$ 110,799,327	\$ 106,093,941	\$ 106,168,939	\$ 4,630,388
Licenses and Permits	8,380	0	0	8,380	8,500	8,500	(120)
Charges for Current Services	888,401	0	0	888,401	724,700	1,078,180	(189,779)
Other Local Revenues	1,241,041	0	0	1,241,041	1,367,780	1,367,780	(126,739)
State of Tennessee	96,404,972	0	0	96,404,972	98,381,958	98,449,909	(2,044,937)
Federal Government	1,377,736	0	0	1,377,736	1,199,766	1,445,479	(67,743)
Other Governments and Citizens Groups	675,000	0	0	675,000	0	675,000	0
Total Revenues	\$ 211,394,857	\$ 0	\$ 0	\$ 211,394,857	\$ 207,776,645	\$ 209,193,787	\$ 2,201,070
Expenditures							
Instruction							
Regular Instruction Program	\$ 109,903,302	\$ (97,500)	\$ 1,018,068	\$ 110,823,870	\$ 109,733,752	\$ 113,150,678	\$ 2,326,808
Alternative Instruction Program	406,138	0	0	406,138	435,914	440,414	34,276
Special Education Program	23,680,287	(11,582)	21,352	23,690,057	23,710,330	24,203,273	513,216
Vocational Education Program	4,671,449	(20,344)	39,665	4,690,770	4,468,526	4,817,246	126,476
Student Body Education Program	1,574,173	(56,076)	23,279	1,541,376	2,122,432	2,122,432	581,056
Adult Education Program	371,944	(10,858)	7,119	368,205	466,714	495,814	127,609
Support Services							
Attendance	127,375	0	0	127,375	127,712	129,853	2,478
Health Services	2,366,639	(2,550)	0	2,364,089	2,394,534	2,432,053	67,964
Other Student Support	6,544,617	(73,852)	7,919	6,478,684	6,594,643	6,640,643	161,959
Regular Instruction Program	5,766,597	(36,200)	16,473	5,746,870	6,128,681	6,165,467	418,597
Special Education Program	2,401,360	(2,862)	1,498	2,399,996	2,302,114	2,539,380	139,384
Vocational Education Program	245,765	(415)	1,511	246,861	253,347	258,042	11,181
Adult Programs	146,223	0	0	146,223	145,717	146,717	494
Other Programs	13,826	0	0	13,826	0	13,826	0

(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 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Board of Education	\$ 3,813,866	\$ (58,478)	\$ 65,226	\$ 3,820,614	\$ 3,812,941	\$ 4,017,840	\$ 197,226
Director of Schools	975,281	(756)	6,099	980,624	1,025,345	1,163,454	182,830
Office of the Principal	13,217,751	0	0	13,217,751	13,160,637	13,442,745	224,994
Fiscal Services	1,025,449	(2,150)	10,603	1,033,902	1,054,898	1,062,398	28,496
Human Services/Personnel	620,455	(600)	0	619,855	697,070	701,570	81,715
Operation of Plant	11,744,446	(46,687)	79,991	11,777,750	13,097,889	13,101,889	1,324,139
Maintenance of Plant	5,295,756	(520,105)	414,060	5,189,711	5,268,720	5,356,345	166,634
Transportation	10,273,276	(36,531)	1,097,432	11,334,177	11,221,197	12,299,682	965,505
Central and Other	2,932,441	(89,596)	17,922	2,860,767	2,920,185	2,936,185	75,418
<u>Operation of Non-Instructional Services</u>							
Community Services	529,549	(513)	500	529,536	578,898	581,898	52,362
Early Childhood Education	1,010,621	(726)	579	1,010,474	1,008,051	1,025,458	14,984
<u>Capital Projects</u>							
Education Capital Projects	675,000	0	0	675,000	0	675,000	0
Total Expenditures	\$ 210,333,586	\$ (1,068,381)	\$ 2,829,296	\$ 212,094,501	\$ 212,730,247	\$ 219,920,302	\$ 7,825,801
<u>Excess (Deficiency) of Revenues</u> <u>Over Expenditures</u>	\$ 1,061,271	\$ 1,068,381	\$ (2,829,296)	\$ (699,644)	\$ (4,953,602)	\$ (10,726,515)	\$ 10,026,871
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 859,913	\$ 0	\$ 0	\$ 859,913	\$ 50,000	\$ 683,238	\$ 176,675
Transfers Out	(175,000)	0	0	(175,000)	(11,534)	(186,534)	11,534
Total Other Financing Sources (Uses)	\$ 684,913	\$ 0	\$ 0	\$ 684,913	\$ 38,466	\$ 496,704	\$ 188,209
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 1,746,184	\$ 1,068,381	\$ (2,829,296)	\$ (14,731)	\$ (4,915,136)	\$ (10,229,811)	\$ 10,215,080
Fund Balance, July 1, 2009	14,575,738	(1,068,381)	0	13,507,357	14,125,388	14,125,388	(618,031)
Fund Balance, June 30, 2010	\$ 16,321,922	\$ 0	\$ (2,829,296)	\$ 13,492,626	\$ 9,210,252	\$ 3,895,577	\$ 9,597,049

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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures/ (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 7,257,724	\$ 0	\$ 0	\$ 7,257,724	\$ 12,462,352	\$ 13,759,739	\$ (6,502,015)
Total Revenues	\$ 7,257,724	\$ 0	\$ 0	\$ 7,257,724	\$ 12,462,352	\$ 13,759,739	\$ (6,502,015)
Expenditures							
Instruction							
Regular Instruction Program	\$ 535,634	\$ 0	\$ 0	\$ 535,634	\$ 527,431	\$ 623,512	\$ 87,878
Special Education Program	3,634,237	0	7,878	3,642,115	7,201,213	6,550,688	2,908,573
Vocational Education Program	168,511	(33,206)	52,887	188,192	113,846	188,251	59
Support Services							
Health Services	534,691	0	0	534,691	671,950	850,097	315,406
Other Student Support	111,339	(99)	4,752	115,992	117,352	125,307	9,315
Regular Instruction Program	501,806	(60,386)	14,248	455,668	580,865	752,469	296,801
Special Education Program	456,183	0	2,000	458,183	1,879,676	2,564,109	2,105,926
Vocational Education Program	100	0	0	100	4,373	100	0
Office of the Principal	246,303	0	0	246,303	537,400	613,496	367,193
Transportation	270,443	(262,253)	834,786	842,976	400,000	1,215,029	372,053
Total Expenditures	\$ 6,459,247	\$ (355,944)	\$ 916,551	\$ 7,019,854	\$ 12,034,106	\$ 13,483,058	\$ 6,463,204
Excess (Deficiency) of Revenues Over Expenditures	\$ 798,477	\$ 355,944	\$ (916,551)	\$ 237,870	\$ 428,246	\$ 276,681	\$ (38,811)
Other Financing Sources (Uses)							
Transfers In	\$ 175,000	\$ 0	\$ 0	\$ 175,000	\$ 0	\$ 175,000	\$ 0
Transfers Out	(197,675)	0	0	(197,675)	(389,642)	(404,118)	206,443
Total Other Financing Sources (Uses)	\$ (22,675)	\$ 0	\$ 0	\$ (22,675)	\$ (389,642)	\$ (229,118)	\$ 206,443
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 775,802	\$ 355,944	\$ (916,551)	\$ 215,195	\$ 38,604	\$ 47,563	\$ 167,632
	483,526	(355,944)	0	127,582	0	0	127,582
Fund Balance, June 30, 2010	\$ 1,259,328	\$ 0	\$ (916,551)	\$ 342,777	\$ 38,604	\$ 47,563	\$ 295,214

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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 6,460,218	\$ 0	\$ 0	\$ 6,460,218	\$ 7,369,160	\$ 7,369,160	\$ (908,942)
Other Local Revenues	29,562	0	0	29,562	22,000	22,000	7,562
State of Tennessee	97,847	0	0	97,847	95,807	100,807	(2,960)
Federal Government	2,070,359	0	0	2,070,359	1,570,750	2,019,323	51,036
Total Revenues	\$ 8,657,986	\$ 0	\$ 0	\$ 8,657,986	\$ 9,057,717	\$ 9,511,290	\$ (853,304)
<u>Expenditures</u>							
Operation of Non-Instructional Services							
Food Service	\$ 8,592,857	\$ (114,583)	\$ 36,596	\$ 8,514,870	\$ 8,928,922	\$ 9,626,495	\$ 1,111,625
Total Expenditures	\$ 8,592,857	\$ (114,583)	\$ 36,596	\$ 8,514,870	\$ 8,928,922	\$ 9,626,495	\$ 1,111,625
Excess (Deficiency) of Revenues Over Expenditures	\$ 65,129	\$ 114,583	\$ (36,596)	\$ 143,116	\$ 128,795	\$ (115,205)	\$ 258,321
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 65,129	\$ 114,583	\$ (36,596)	\$ 143,116	\$ 128,795	\$ (115,205)	\$ 258,321
	2,078,213	(114,583)	0	1,963,630	1,426,656	1,426,656	536,974
Fund Balance, June 30, 2010	\$ 2,143,342	\$ 0	\$ (36,596)	\$ 2,106,746	\$ 1,555,451	\$ 1,311,451	\$ 795,295

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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,008,886	\$ 0	\$ 0	\$ 1,008,886	\$ 1,093,250	\$ 1,093,250	\$ (84,364)
Other Local Revenues	1,341	0	0	1,341	500	500	841
Total Revenues	\$ 1,010,227	\$ 0	\$ 0	\$ 1,010,227	\$ 1,093,750	\$ 1,093,750	\$ (83,523)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 942,123	\$ (3,446)	\$ 9,345	\$ 948,022	\$ 1,090,454	\$ 1,083,007	\$ 134,985
Total Expenditures	\$ 942,123	\$ (3,446)	\$ 9,345	\$ 948,022	\$ 1,090,454	\$ 1,083,007	\$ 134,985
Excess (Deficiency) of Revenues Over Expenditures	\$ 68,104	\$ 3,446	\$ (9,345)	\$ 62,205	\$ 3,296	\$ 10,743	\$ 51,462
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (29,000)	\$ 0	\$ 0	\$ (29,000)	\$ 0	\$ (29,000)	\$ 0
Total Other Financing Sources (Uses)	\$ (29,000)	\$ 0	\$ 0	\$ (29,000)	\$ 0	\$ (29,000)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 39,104	\$ 3,446	\$ (9,345)	\$ 33,205	\$ 3,296	\$ (18,257)	\$ 51,462
	324,187	(3,446)	0	320,741	213,493	213,493	107,248
Fund Balance, June 30, 2010	\$ 363,291	\$ 0	\$ (9,345)	\$ 353,946	\$ 216,789	\$ 195,236	\$ 158,710

MISCELLANEOUS SCHEDULES

Exhibit K-1

Williamson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2010

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-09	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-10
<u>NOTES PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
School Energy Management System	\$ 1,635,000	2 to 3.5 %	3-15-03	5-1-10	\$ 255,000	0	\$ 255,000	0	\$ 0
<u>Payable through Rural Debt Service Fund</u>									
Rural School Energy Management System	2,760,000	2 to 3.5	3-15-03	5-1-10	430,000	0	430,000	0	0
Total Notes Payable					<u>\$ 685,000</u>	<u>0</u>	<u>\$ 685,000</u>	<u>0</u>	<u>0</u>
<u>OTHER LOANS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Various Projects	8,490,000	Variable	8-24-98	8-24-18	\$ 5,038,000	0	\$ 452,000	0	\$ 4,586,000
Recreational Facilities	4,095,000	Variable	4-21-03	5-25-23	3,134,000	0	179,000	0	2,955,000
Various Projects	2,015,000	Variable	5-31-05	5-25-20	1,565,000	0	122,000	0	1,443,000
Total Other Loans Payable					<u>\$ 9,737,000</u>	<u>0</u>	<u>\$ 753,000</u>	<u>0</u>	<u>\$ 8,984,000</u>
<u>BONDS PAYABLE</u>									
<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	\$ 15,040,000	0	\$ 2,180,000	0	\$ 12,860,000
General Obligation	17,885,000	4.25 to 5.875	11-1-1999	3-1-10	990,000	0	990,000	0	0
Landfill Equipment, Transfer Station, and Closure	3,705,000	4.25 to 5.875	11-15-1999	3-1-10	205,000	0	205,000	0	0
General Obligation	11,480,000	4.4 to 5.4	11-1-00	3-1-10	675,000	0	675,000	0	0
School Construction	25,900,000	4.4 to 5.4	11-1-00	3-1-10	1,520,000	0	1,520,000	0	0
School Refunding	3,210,000	4 to 5	3-1-01	3-1-19	2,910,000	0	95,000	0	2,815,000
General Obligation Refunding	25,020,000	4 to 5	3-1-01	3-1-19	21,380,000	0	1,235,000	0	20,145,000
Landfill Refunding	2,625,000	4.4 to 5.4	3-1-01	3-1-19	2,545,000	0	15,000	0	2,530,000
General Obligation	21,490,000	3 to 4.75	11-1-01	4-1-12	3,645,000	0	1,180,000	0	2,465,000
School Improvements	31,880,000	3 to 4.75	11-1-01	4-1-12	5,410,000	0	1,750,000	0	3,660,000
Landfill Equipment and Repairs	1,290,000	3 to 4.75	11-14-01	4-1-12	220,000	0	70,000	0	150,000

(Continued)

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-09	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-10
BONDS PAYABLE (CONT.)									
Payable through General Debt Service Fund (Cont.)									
General Obligation Refunding	\$ 9,220,000	3 to 5	7-1-02	3-1-20	\$ 9,030,000	\$ 0	\$ 0	\$ 0	\$ 9,030,000
General Obligation Refunding - Schools	20,805,000	3 to 5	7-1-02	3-1-20	20,375,000	0	0	0	20,375,000
General Obligation	25,595,000	3 to 5	12-1-02	4-1-12	3,795,000	0	1,215,000	0	2,580,000
Landfill Equipment and Closure	735,000	3.5 to 4	12-1-02	4-1-12	105,000	0	35,000	0	70,000
General Obligation	4,450,000	2.25 to 4.4	12-1-03	4-1-23	3,530,000	0	200,000	0	3,330,000
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	5,510,000	0	530,000	0	4,980,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-14	8,595,000	0	420,000	6,755,000	1,420,000
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	14,505,000	0	0	0	14,505,000
General Obligation Refunding - Schools	23,605,000	2 to 5	11-15-04	4-1-21	21,515,000	0	0	0	21,515,000
Landfill Refunding	955,000	2 to 5	11-15-04	4-1-21	865,000	0	0	0	865,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-25	18,015,000	0	800,000	9,465,000	7,750,000
General Obligation	16,075,000	4 to 4.75	7-1-06	4-1-16	15,925,000	0	180,000	11,690,000	4,055,000
School Improvements	8,300,000	4 to 4.75	7-1-06	4-1-16	6,630,000	0	905,000	4,475,000	1,250,000
Landfill Public Improvement	1,360,000	4 to 4.75	7-1-06	4-1-16	1,330,000	0	30,000	965,000	335,000
General Obligation Refunding	16,170,000	5	12-20-06	4-1-22	16,170,000	0	0	0	16,170,000
General Obligation Refunding - Schools	145,000	5	12-20-06	4-1-22	145,000	0	0	0	145,000
Landfill Refunding	440,000	5	12-20-06	4-1-22	440,000	0	0	0	440,000
General Obligation	3,565,000	4 to 5	2-22-07	4-1-27	3,425,000	0	115,000	0	3,310,000
School Improvements	4,070,000	4 to 5	2-22-07	4-1-27	3,910,000	0	135,000	0	3,775,000
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	5-1-28	7,395,000	0	100,000	0	7,295,000
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	5-1-28	3,605,000	0	50,000	0	3,555,000
General Obligation Refunding	26,450,000	2.5 to 4.4	2-24-09	4-1-29	26,450,000	0	0	0	26,450,000
General Obligation - Build America Bonds	24,700,000	2.25 to 5.75	12-3-09	4-1-34	0	24,700,000	0	0	24,700,000
General Obligation Refunding	32,960,000	2.5 to 5	4-1-10	4-1-26	0	32,960,000	0	0	32,960,000
Total Payable through General Debt Service Fund					\$ 245,805,000	\$ 57,660,000	\$ 14,630,000	\$ 33,350,000	\$ 255,485,000
Payable through Rural Debt Service Fund									
Rural School Refunding	22,015,000	4.5 to 5.5	8-1-1998	9-1-15	\$ 8,740,000	\$ 0	\$ 1,570,000	\$ 0	\$ 7,170,000
Rural School Refunding	15,660,000	4 to 5	3-1-01	3-1-19	15,290,000	0	120,000	0	15,170,000
Rural School	3,720,000	4 to 4.75	11-1-01	4-1-12	2,715,000	0	175,000	2,350,000	190,000
Rural School Refunding	11,745,000	3 to 5	7-1-02	3-1-20	11,350,000	0	25,000	0	11,325,000

(Continued)

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-09	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-10
Payable through Rural Debt Service Fund (Cont.)									
Rural School	\$ 9,525,000	3 to 5	12-1-02	4-1-12	\$ 7,630,000	0	470,000	\$ 6,660,000	\$ 500,000
Rural School	1,365,000	2 to 4.4	12-1-03	4-1-23	1,215,000	0	50,000	0	1,165,000
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	10,600,000	0	960,000	0	9,640,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-14	7,955,000	0	390,000	5,855,000	1,710,000
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-25	18,920,000	0	870,000	10,875,000	7,175,000
Rural School	20,045,000	4 to 4.75	7-1-06	4-1-16	19,595,000	0	400,000	14,325,000	4,870,000
Rural School	27,560,000	4 to 4.5	2-22-07	4-1-27	27,260,000	0	300,000	0	26,960,000
Rural School	19,250,000	3.5 to 4.25	2-28-08	5-1-28	19,150,000	0	150,000	0	19,000,000
Rural School Refunding	23,660,000	2.5 to 5	2-24-09	4-1-29	23,660,000	0	0	0	23,660,000
Rural School - Build America Bonds	39,000,000	2.25 to 5.75	12-31-09	4-1-34	0	39,000,000	0	0	39,000,000
Rural School Refunding	38,930,000	3 to 5	4-1-10	4-1-26	0	38,930,000	0	0	38,930,000
Total Payable through Rural Debt Service Fund					\$ 174,080,000	\$ 77,930,000	\$ 5,480,000	\$ 40,065,000	\$ 206,465,000
Total Bonds Payable					\$ 419,885,000	\$ 135,590,000	\$ 20,110,000	\$ 73,415,000	\$ 461,950,000

Exhibit K-2

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

Year Ending June 30	Other Loans			
	Principal	Interest	Fees	Total
2011	\$ 787,000	\$ 43,198	\$ 34,185	\$ 864,383
2012	823,000	39,355	31,495	893,850
2013	859,000	35,333	28,683	923,016
2014	896,000	31,131	25,750	952,881
2015	937,000	26,744	22,691	986,435
2016	979,000	22,156	19,493	1,020,649
2017	1,023,000	17,356	16,153	1,056,509
2018	1,069,000	12,336	12,579	1,093,915
2019	400,000	7,088	8,000	415,088
2020	413,000	5,329	6,560	424,889
2021	257,000	3,511	4,052	264,563
2022	266,000	2,380	3,076	271,456
2023	275,000	1,211	2,066	278,277
Total	\$ 8,984,000	\$ 247,128	\$ 214,783	\$ 9,445,911

Year Ending June 30	Bonds		
	Principal	Interest	Total
2011	\$ 20,510,000	\$ 21,179,195	\$ 41,689,195
2012	27,475,000	20,494,944	47,969,944
2013	29,440,000	19,272,582	48,712,582
2014	30,370,000	17,974,128	48,344,128
2015	31,805,000	16,602,836	48,407,836
2016	30,155,000	15,276,814	45,431,814
2017	31,420,000	13,676,009	45,096,009
2018	31,075,000	12,319,259	43,394,259
2019	30,655,000	10,924,035	41,579,035
2020	28,100,000	9,550,935	37,650,935
2021	24,620,000	8,241,851	32,861,851
2022	20,805,000	7,088,536	27,893,536
2023	18,615,000	6,096,895	24,711,895
2024	18,945,000	5,214,094	24,159,094
2025	18,140,000	4,331,182	22,471,182
2026	15,670,000	3,504,276	19,174,276
2027	12,490,000	2,779,775	15,269,775
2028	10,320,000	2,213,500	12,533,500
2029	8,050,000	1,726,142	9,776,142
2030	4,320,000	1,328,375	5,648,375
2031	4,480,000	1,090,775	5,570,775
2032	4,640,000	833,175	5,473,175
2033	4,850,000	566,375	5,416,375
2034	5,000,000	287,496	5,287,496
Total	\$ 461,950,000	\$ 202,573,184	\$ 664,523,184

Exhibit K-3

Williamson County, Tennessee
Schedule of Investments
June 30, 2010

<u>Fund and Type</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Amount</u>
<u>Constitutional Officers - Agency Fund</u> <u>Clerk and Master</u> <u>Putnam Fund for Growth and Income</u>	April 2001	various	varies	<u>\$ 11,094</u>

Exhibit K-4

Williamson County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Williamson County School Department
For the Year Ended June 30, 2010

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Solid Waste/Sanitation	Operations	\$ 500,000
General	General Capital Projects	HVAC equipment at Justice Center	250,000
General	General Capital Projects	Air conditioning for kennels at animal control	200,000
General	General Capital Projects	Water line repairs at Justice Center	50,000
Solid Waste/Sanitation	General Capital Projects	Flood clean-up	352,300
Highway/Public Works	General Capital Projects	Flood clean-up	500,000
General Capital Projects	General	Close projects	782
General Capital Projects	General	Consultants to update the traffic shed methodology	40,000
General Capital Projects	Highway/Public Works	Paving expenses	100,000
General Capital Projects	General Debt Service	Capitalized interest	266,044
General Capital Projects	General Debt Service	Close projects	734
General Capital Projects	Rural Debt Service	Capitalized interest	426,532
General Capital Projects	Rural Debt Service	Allocation of school privilege tax	1,000,000
General Capital Projects	Cities Adequate Facilities Tax	Allocation of cities share of privilege tax	714,247
General Capital Projects	Special School District	Allocation of ADA share of privilege tax	379,411
Judicial District Drug	General	Salaries	63,222
Total Transfers Primary Government			<u>\$ 4,843,272</u>
<u>DISCRETELY PRESENTED WILLIAMSON COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	School Federal Projects	Operations	\$ 175,000
School Federal Projects	General Purpose School	Indirect costs	197,675
Extended School Program	General Purpose School	Indirect costs	29,000
Education Capital Projects	General Purpose School	School buses	633,238
Total Transfers Discretely Presented Williamson County School Department			<u>\$ 1,034,913</u>

Exhibit K-5

Williamson County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Williamson County School Department
For the Year Ended June 30, 2010

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <u>TCA</u>	\$ 130,354	\$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <u>TCA</u>	107,869	100,000	"
Director of Schools:				
David Heath (7-1-09 through 11-30-09)	State Board of Education and Williamson County Board of Education	66,044 (2)	100,000	(1)
Mike Looney (12-1-09 through 6-30-10)	State Board of Education and Williamson County Board of Education	98,000 (3)	100,000	(1)
Trustee	Section 8-24-102, <u>TCA</u>	98,093	5,000,000	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <u>TCA</u>	98,093	2,430,000	Travelers Casualty and Surety Company of America
County Clerk	Section 8-24-102, <u>TCA</u>	98,093	10,000	Cincinnati Insurance Company
Circuit and General Sessions Courts Clerk	Section 8-24-102, <u>TCA</u>	98,093	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u>	98,093	50,000	"
Juvenile Court Clerk	Section 8-24-102, <u>TCA</u>	98,093	50,000	"
Registrar	Section 8-24-102, <u>TCA</u>	98,093	25,000	"
Sheriff	Section 8-24-102, <u>TCA</u>	107,890 (4)	25,000	"
Director of Accounts and Budgets	County Commission	95,457	15,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			100,000	Self-insured
Public Employee Dishonesty			100,001 to 4,097,000	Princeton Surplus Insurance Company

- (1) Covered under county's employee blanket bond.
- (2) Includes career ladder supplement of \$1,000.
- (3) Does not include moving expenses of \$15,000 and cell phone expenses of \$182.
- (4) Does not include a law enforcement training supplement of \$600.

Exhibit K-6

Williamson County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 For the Year Ended June 30, 2010

	Special Revenue Funds						Highway / Public Works
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
Local Taxes							
<u>County Property Taxes</u>							
Current Property Tax	\$ 35,117,458	\$ 2,697,976	\$ 0	\$ 0	\$ 0	\$ 0	771,181
Trustee's Collections - Prior Year	719,636	50,227	0	0	0	0	16,470
Circuit/Clerk & Master Collections - Prior Years	192,879	16,102	0	0	0	0	5,535
Interest and Penalty	139,886	11,177	0	0	0	0	3,747
Payments in-Lieu-of Taxes - T.V.A.	1,088	133	0	0	0	0	111
Payments in-Lieu-of Taxes - Other	45,940	5,625	0	0	0	0	1,842
<u>County Local Option Taxes</u>							
Local Option Sales Tax	0	0	0	0	0	0	0
Hotel/Motel Tax	2,376,471	0	0	0	0	0	0
Wheel Tax	128,609	0	0	0	0	0	3,500,000
Litigation Tax - General	41,262	0	0	0	0	0	0
Litigation Tax - Special Purpose	86,882	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	5,451	0	0	0	0	0	0
Litigation Tax - Courtroom Security	320,405	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0	3,010,713
Mineral Severance Tax	0	0	0	0	0	0	178,464
Other County Local Option Taxes	0	0	0	0	0	0	0
<u>Statutory Local Taxes</u>							
Bank Excise Tax	506,471	0	0	0	0	0	0
Wholesale Beer Tax	467,607	0	0	0	0	0	0
Beer Privilege Tax	2,185	0	0	0	0	0	0
Interstate Telecommunications Tax	361	0	0	0	0	0	0
Total Local Taxes	\$ 40,152,591	\$ 2,781,240	\$ 0	\$ 0	\$ 0	\$ 0	7,488,063
Licenses and Permits							
<u>Licenses</u>							
Animal Vaccination	\$ 139,392	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	663,787	0	0	0	0	0	0
<u>Permits</u>							
Beer Permits	950	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Building Permits	\$ 280,577	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Permits	17,670	0	0	0	0	0
Total Licenses and Permits	\$ 1,102,376	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 13,921	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	34,886	0	0	0	0	0
Drug Control Fines	0	0	11,578	0	0	0
Jail Fees	8,325	0	0	0	0	0
District Attorney General Fees	0	0	0	28,120	0	0
Judicial Commissioner Fees	1,414	0	0	0	0	0
DUI Treatment Fines	8,910	0	0	0	0	0
Data Entry Fee - Circuit Court	4,175	0	0	0	0	0
Courtroom Security Fee	1,073	0	0	0	0	0
<u>Criminal Court</u>						
Drug Control Fines	7,228	0	0	0	0	0
Drug Court Fees	6,089	0	0	0	0	0
District Attorney General Fees	0	0	0	35,629	0	0
Data Entry Fee - Criminal Court	13,728	0	0	0	0	0
Courtroom Security Fee	5,375	0	0	0	0	0
Victims Assistance Assessments	11,884	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	63,286	0	0	0	0	0
Officers Costs	174,419	0	0	0	0	0
Game and Fish Fines	636	0	0	0	0	0
Drug Control Fines	0	0	32,424	0	0	0
Drug Court Fees	26,354	0	0	0	0	0
Jail Fees	20,835	0	0	0	0	0
District Attorney General Fees	0	0	0	2,881	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 12,512	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DUI Treatment Fines	31,600	0	0	0	0	0
Data Entry Fee - General Sessions Court	9,922	0	0	0	0	0
Victims Assistance Assessments	73,218	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	45,666	0	0	0	0	0
Data Entry Fee - Juvenile Court	1,435	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	18,464	0	0	0	0	0
Data Entry Fee - Chancery Court	8,652	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	1,566	0	0	0	0	0
District Attorney General Fees	0	0	0	53,449	0	0
DUI Treatment Fines	1,347	0	0	0	0	0
<u>Courts in Other District Counties</u>						
District Attorney General Fees	0	0	0	4,221	0	0
<u>Judicial District Drug Program</u>						
Victims Assistance Assessments	2,559	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	17,302	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 609,479	\$ 0	\$ 61,304	\$ 124,300	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 836,886	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	12,365	0	0	0	0	0
Service Charges	92,642	0	0	0	0	0
<u>Fees</u>						
Engineer Review Fees	8,000	0	0	0	0	0
Recreation Fees	3,919,522	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Copy Fees	\$ 25,022	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Library Fees	61,090	0	0	0	0	0
Telephone Commissions	118,623	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	321	0
Data Processing Fee - Register	91,207	0	0	0	0	0
Probation Fees	513,253	0	0	0	0	0
Data Processing Fee - Sheriff	24,947	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	1,500	0	0	0	0	0
Data Processing Fee - County Clerk	18,832	0	0	0	0	0
<u>Education Charges</u>						
Transportation from Individuals	36,759	0	0	0	0	0
<u>Other Charges for Services</u>						
Other Charges for Services	103,348	0	0	0	0	0
Total Charges for Current Services	\$ 5,027,110	\$ 836,886	\$ 0	\$ 0	\$ 321	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 447,600	\$ 42,067	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	189,282	0	0	0	0	0
Sale of Materials and Supplies	1,730	122,811	0	0	0	10,622
Commissary Sales	112	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	15,532
Sale of Maps	35,449	0	0	0	0	0
Sale of Recycled Materials	0	202,294	0	0	0	0
Miscellaneous Refunds	815,259	0	0	0	0	40,358
<u>Nonrecurring Items</u>						
Sale of Equipment	23,561	14,673	0	0	0	0
Sale of Property	0	0	0	0	0	0
Damages Recovered from Individuals	3,080	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>						
Other Local Revenues	\$ 78,290	\$ 10,477	\$ 0	\$ 1	\$ 0	\$ 6,660
Total Other Local Revenues	\$ 1,594,363	\$ 392,322	\$ 0	\$ 1	\$ 0	\$ 73,172
<u>Fees Received from County Officials</u>						
<u>Fees in-Lieu-of Salary</u>						
County Clerk	\$ 1,913,359	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	1,219,102	0	0	0	0	0
Clerk and Master	664,104	0	0	0	0	0
Juvenile Court Clerk	39,986	0	0	0	0	0
Register	1,403,433	0	0	0	0	0
Sheriff	132,075	0	0	0	0	0
Trustee	4,842,237	0	0	0	0	0
Total Fees Received from County Officials	\$ 10,214,296	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Reappraisal Grant	34,965	0	0	0	0	0
Solid Waste Grants	0	136,027	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	60,000	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Aid Program	0	0	0	0	0	17,697
State Aid Program	0	0	0	0	0	8,252
Litter Program	73,033	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	1,614,256	0	0	0	0	0
Beer Tax	17,778	0	0	0	0	0
Alcoholic Beverage Tax	76,690	0	0	0	0	76,690
Mixed Drink Tax	33,531	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Contracted Prisoner Boarding	\$ 598,095	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,604,548
Petroleum Special Tax	0	0	0	0	0	101,434
Registrar's Salary Supplement	16,380	0	0	0	0	0
Other State Grants	937,760	0	0	0	0	0
Other State Revenues	87,698	10,011	0	0	0	0
Total State of Tennessee	\$ 3,559,186	\$ 146,038	\$ 0	\$ 0	\$ 0	\$ 2,808,621
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 974,120	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Disaster Relief	98,568	0	0	0	0	0
Homeland Security Grants	40,000	0	0	0	0	0
ARRA Grant No. 1	10,868	0	0	0	0	0
ARRA Grant No. 2	59,842	0	0	0	0	0
ARRA Grant No. 3	8,139	0	0	0	0	0
Other Federal through State	628,607	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	58,977	0	0	0	0	0
Tax Credit Bond Rebate	0	0	0	0	0	0
Other Direct Federal Revenue	24,542	0	0	0	0	0
Total Federal Government	\$ 1,903,663	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 3,843	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	29,847
Contributions	0	0	0	0	0	0
Contracted Services	227,165	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	506,982	0	1,750	0	0	0
Total Other Governments and Citizens Groups	\$ 737,990	\$ 0	\$ 1,750	\$ 0	\$ 0	\$ 29,847
Total	\$ 64,901,054	\$ 4,156,486	\$ 63,054	\$ 124,301	\$ 321	\$ 10,399,703

(Continued)

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

	Debt Service Funds			Capital Projects Fund	Total
	General Debt Service	Rural Debt Service	General Capital Projects	General Capital Projects	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 24,370,488	\$ 9,615,781	\$ 0	\$ 0	\$ 72,572,884
Trustee's Collections - Prior Year	500,564	184,347	0	0	1,471,244
Circuit/Clerk & Master Collections - Prior Years	133,834	53,061	0	0	401,411
Interest and Penalty	97,063	36,561	0	0	288,434
Payments in-Lieu-of Taxes - T.V.A.	755	377	0	0	2,464
Payments in-Lieu-of Taxes - Other	31,877	15,938	0	0	101,222
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	964,539	0	0	964,539
Hotel/Motel Tax	0	0	0	0	2,376,471
Wheel Tax	0	0	0	0	3,628,609
Litigation Tax - General	0	0	0	0	41,262
Litigation Tax - Special Purpose	0	0	0	0	86,882
Litigation Tax - Jail, Workhouse, or Courthouse	459,628	0	0	0	465,079
Litigation Tax - Courtroom Security	0	0	0	0	320,405
Business Tax	0	0	0	0	3,010,713
Mineral Severance Tax	0	0	0	0	178,464
Other County Local Option Taxes	0	0	4,766,115	0	4,766,115
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	0	506,471
Wholesale Beer Tax	0	0	0	0	467,607
Beer Privilege Tax	0	0	0	0	2,185
Interstate Telecommunications Tax	0	0	0	0	361
Total Local Taxes	\$ 25,594,209	\$ 10,870,604	\$ 4,766,115	\$ 0	\$ 91,652,822
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Animal Vaccination	\$ 0	\$ 0	\$ 0	\$ 0	\$ 139,392
Cable TV Franchise	0	0	0	0	663,787
<u>Permits</u>					
Beer Permits	0	0	0	0	950

(Continued)

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

	Debt Service Funds			Capital Projects Fund	Total
	General Debt Service	Rural Debt Service	General Capital Projects		
<u>Licenses and Permits (Cont.)</u>					
<u>Permits (Cont.)</u>					
Building Permits	0 \$	0 \$	0 \$	0 \$	280,577
Other Permits	0	0	0	0	17,670
Total Licenses and Permits	0 \$	0 \$	0 \$	0 \$	1,102,376
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	0 \$	0 \$	0 \$	0 \$	13,921
Officers Costs	0	0	0	0	34,886
Drug Control Fines	0	0	0	0	11,578
Jail Fees	0	0	0	0	8,325
District Attorney General Fees	0	0	0	0	28,120
Judicial Commissioner Fees	0	0	0	0	1,414
DUI Treatment Fines	0	0	0	0	8,910
Data Entry Fee - Circuit Court	0	0	0	0	4,175
Courtroom Security Fee	0	0	0	0	1,073
<u>Criminal Court</u>					
Drug Control Fines	0	0	0	0	7,228
Drug Court Fees	0	0	0	0	6,089
District Attorney General Fees	0	0	0	0	35,629
Data Entry Fee - Criminal Court	0	0	0	0	13,728
Courtroom Security Fee	0	0	0	0	5,375
Victims Assistance Assessments	0	0	0	0	11,884
<u>General Sessions Court</u>					
Fines	0	0	0	0	63,286
Officers Costs	0	0	0	0	174,419
Game and Fish Fines	0	0	0	0	636
Drug Control Fines	0	0	0	0	32,424
Drug Court Fees	0	0	0	0	26,354
Jail Fees	0	0	0	0	20,835
District Attorney General Fees	0	0	0	0	2,881

(Continued)

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

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service	Capital Projects			
			General	Capital		
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$	0 \$	0 \$	0 \$	0 \$	12,512
DUI Treatment Fines		0	0	0	0	31,600
Data Entry Fee - General Sessions Court		0	0	0	0	9,922
Victims Assistance Assessments		0	0	0	0	73,218
<u>Juvenile Court</u>						
Fines		0	0	0	0	45,666
Data Entry Fee - Juvenile Court		0	0	0	0	1,435
<u>Chancery Court</u>						
Officers Costs		0	0	0	0	18,464
Data Entry Fee - Chancery Court		0	0	0	0	8,652
<u>Other Courts - In-county</u>						
Drug Court Fees		0	0	0	0	1,566
District Attorney General Fees		0	0	0	0	53,449
DUI Treatment Fines		0	0	0	0	1,347
<u>Courts in Other District Counties</u>						
District Attorney General Fees		0	0	0	0	4,221
<u>Judicial District Drug Program</u>						
Victims Assistance Assessments		0	0	0	0	2,559
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property		0	0	0	0	17,302
Total Fines, Forfeitures, and Penalties	\$	0 \$	0 \$	0 \$	0 \$	795,083
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$	0 \$	0 \$	0 \$	0 \$	836,886
Other General Service Charges		0	0	0	0	12,365
Service Charges		0	0	0	0	92,642
<u>Fees</u>						
Engineer Review Fees		0	0	0	0	8,000
Recreation Fees		0	0	0	0	3,919,522

(Continued)

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

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service		General Capital Projects		
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Copy Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	25,022
Library Fees	0	0	0	0	0	61,090
Telephone Commissions	0	0	0	0	0	118,623
Constitutional Officers' Fees and Commissions	0	0	0	0	0	321
Data Processing Fee - Register	0	0	0	0	0	91,207
Probation Fees	0	0	0	0	0	513,253
Data Processing Fee - Sheriff	0	0	0	0	0	24,947
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	1,500
Data Processing Fee - County Clerk	0	0	0	0	0	18,832
<u>Education Charges</u>						
Transportation from Individuals	0	0	0	0	0	36,759
<u>Other Charges for Services</u>						
Other Charges for Services	0	0	0	0	0	103,348
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,864,317
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	583,181	\$ 133,358	\$ 25,128	\$ 1,231,334		
Lease/Rentals	57,474	0	0	0	0	246,756
Sale of Materials and Supplies	0	0	0	0	0	135,163
Commissary Sales	0	0	0	0	0	112
Sale of Gasoline	0	0	0	0	0	15,532
Sale of Maps	0	0	0	0	0	35,449
Sale of Recycled Materials	0	0	0	0	0	202,294
Miscellaneous Refunds	0	0	0	0	0	855,617
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	38,234
Sale of Property	0	0	0	331,500	0	331,500
Damages Recovered from Individuals	0	0	0	0	0	3,080

(Continued)

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

	Debt Service Funds		Capital Projects Fund		Total
	General Debt Service	Rural Debt Service	General Capital Projects		
<u>Other Local Revenues (Cont.)</u>					
Other Local Revenues	0 \$	0 \$	4,981,445 \$	5,076,873 \$	
Total Other Local Revenues	640,655 \$	133,358 \$	5,338,073 \$	8,171,944 \$	
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	0 \$	0 \$	0 \$	1,913,359 \$	
Circuit Court Clerk	0	0	0	1,219,102	
Clerk and Master	0	0	0	664,104	
Juvenile Court Clerk	0	0	0	39,986	
Register	0	0	0	1,403,433	
Sheriff	0	0	0	132,075	
Trustee	0	0	0	4,842,237	
Total Fees Received from County Officials	0 \$	0 \$	0 \$	10,214,296 \$	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	0 \$	0 \$	0 \$	9,000 \$	
State Reappraisal Grant	0	0	0	34,965	
Solid Waste Grants	0	0	0	136,027	
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	60,000	
<u>Public Works Grants</u>					
Bridge Aid Program	0	0	0	17,697	
State Aid Program	0	0	0	8,252	
Litter Program	0	0	0	73,033	
<u>Other State Revenues</u>					
Income Tax	0	0	0	1,614,256	
Beer Tax	0	0	0	17,778	
Alcoholic Beverage Tax	0	0	0	153,380	
Mixed Drink Tax	0	0	0	33,531	

(Continued)

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

	Debt Service Funds			Capital Projects Fund		Total
	General Debt Service	Rural Debt Service		General Capital Projects		
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Contracted Prisoner Boarding	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	598,095
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,604,548
Petroleum Special Tax	0	0	0	0	0	101,434
Registrar's Salary Supplement	0	0	0	0	0	16,380
Other State Grants	0	0	0	0	0	937,760
Other State Revenues	0	0	0	0	0	97,709
Total State of Tennessee	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	6,513,845
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	974,120
Disaster Relief	0	0	0	11,250	0	109,818
Homeland Security Grants	0	0	0	536,066	0	576,066
ARRA Grant No. 1	0	0	0	0	0	10,868
ARRA Grant No. 2	0	0	0	0	0	59,842
ARRA Grant No. 3	0	0	0	0	0	8,139
Other Federal through State	0	0	0	301,460	0	930,067
Direct Federal Revenue						
Asset Forfeiture Funds	0	0	0	0	0	58,977
Tax Credit Bond Rebate	143,254	229,671	229,671	0	0	372,925
Other Direct Federal Revenue	0	0	0	0	0	24,542
Total Federal Government	\$ 143,254 \$	229,671 \$	229,671 \$	848,776 \$	0 \$	3,125,364
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	0 \$	0 \$	0 \$	0 \$	0 \$	3,843
Paving and Maintenance	0	0	0	0	0	29,847
Contributions	600,095	1,341,295	1,341,295	0	0	1,941,390
Contracted Services	0	0	0	0	0	227,165
<u>Citizens Groups</u>						
Donations	0	0	0	5,723	0	514,455
Total Other Governments and Citizens Groups	\$ 600,095 \$	1,341,295 \$	1,341,295 \$	5,723 \$	0 \$	2,716,700
Total	\$ 26,978,213 \$	12,574,928 \$	12,574,928 \$	10,958,687 \$	0 \$	130,156,747

Exhibit K-7

Williamson County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Williamson County School Department
For the Year Ended June 30, 2010

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 77,212,691	\$ 0	\$ 0	\$ 0	\$ 0	\$ 77,212,691
Trustee's Collections - Prior Year	1,572,054	0	0	0	0	1,572,054
Circuit/Clerk & Master Collections - Prior Years	456,363	0	0	0	0	456,363
Interest and Penalty	321,414	0	0	0	0	321,414
Payments in-Lieu-of Taxes - T.V.A.	2,400	0	0	0	0	2,400
Payments in-Lieu-of Taxes - Local Utilities	100,948	0	0	0	0	100,948
<u>County Local Option Taxes</u>						
Local Option Sales Tax	31,124,895	0	0	0	0	31,124,895
<u>Statutory Local Taxes</u>						
Interstate Telecommunications Tax	8,562	0	0	0	0	8,562
Total Local Taxes	\$ 110,799,327	\$ 0	\$ 0	\$ 0	\$ 0	\$ 110,799,327
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 8,380	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,380
Total Licenses and Permits	\$ 8,380	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,380
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 107,409	\$ 0	\$ 0	\$ 0	\$ 0	\$ 107,409
Tuition - Summer School	43,110	0	0	0	0	43,110
Lunch Payments - Children	0	0	4,744,848	0	0	4,744,848
Lunch Payments - Adults	0	0	222,542	0	0	222,542
Income from Breakfast	0	0	49,545	0	0	49,545
A la carte Sales	0	0	1,443,283	0	0	1,443,283
Contract for Instructional Services with Other LEAs	72,953	0	0	0	0	72,953
Receipts from Individual Schools	98,700	0	0	0	0	98,700
Community Service Fees - Children	238,129	0	0	1,008,886	0	1,247,015
<u>Other Charges for Services</u>						
Other Charges for Services	328,100	0	0	0	0	328,100
Total Charges for Current Services	\$ 888,401	\$ 0	\$ 6,460,218	\$ 1,008,886	\$ 0	\$ 8,357,505

(Continued)

Exhibit K-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 407,763	\$ 0	\$ 7,974	\$ 1,341	\$ 0	\$ 417,078
Lease/Rentals	327,455	0	0	0	0	327,455
Refund of Telecommunication and Internet Fees (E-Rate)	38,996	0	0	0	0	38,996
Commodity Rebates	31,621	0	0	0	0	31,621
Miscellaneous Refunds	187,727	0	21,588	0	0	209,315
<u>Nonrecurring Items</u>						
Sale of Equipment	117,772	0	0	0	0	117,772
Damages Recovered from Individuals	34,450	0	0	0	0	34,450
Contributions and Gifts	4,146	0	0	0	0	4,146
<u>Other Local Revenues</u>						
Other Local Revenues	91,111	0	0	0	0	91,111
Total Other Local Revenues	\$ 1,241,041	\$ 0	\$ 29,562	\$ 1,341	\$ 0	\$ 1,271,944
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-Behalf Contributions for OPEB	\$ 13,826	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,826
<u>State Education Funds</u>						
Basic Education Program	86,715,100	0	0	0	0	86,715,100
Basic Education Program - ARRA	5,217,900	0	0	0	0	5,217,900
Early Childhood Education	467,606	0	0	0	0	467,606
School Food Service	0	0	92,847	0	0	92,847
Driver Education	12,261	0	0	0	0	12,261
Other State Education Funds	91,383	0	0	0	0	91,383
Coordinated School Health - ARRA	83,004	0	0	0	0	83,004
Family Resource Centers - ARRA	25,422	0	0	0	0	25,422
Career Ladder Program	972,121	0	0	0	0	972,121
Career Ladder - Extended Contract - ARRA	153,922	0	0	0	0	153,922
Other Vocational	6,975	0	0	0	0	6,975
<u>Other State Revenues</u>						
Mixed Drink Tax	527,473	0	0	0	0	527,473
State Revenue Sharing - T.V.A.	1,387,529	0	0	0	0	1,387,529
Safe Schools - ARRA	81,100	0	0	0	0	81,100
Other State Revenues	649,350	0	5,000	0	0	654,350
Total State of Tennessee	\$ 96,404,972	\$ 0	\$ 97,847	\$ 0	\$ 0	\$ 96,502,819

(Continued)

Exhibit K-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,502,322	\$ 0	\$ 0	\$ 1,502,322
USDA - Commodities	0	0	448,573	0	0	448,573
Breakfast	0	0	119,464	0	0	119,464
Adult Education State Grant Program	174,137	0	0	0	0	174,137
Vocational Education - Basic Grants to States	0	253,118	0	0	0	253,118
Title I Grants to Local Education Agencies	0	546,089	0	0	0	546,089
Special Education - Grants to States	436,979	5,891,462	0	0	0	6,328,441
Special Education Preschool Grants	0	63,575	0	0	0	63,575
English Language Acquisition Grants	0	73,530	0	0	0	73,530
Safe and Drug-free Schools - State Grants	0	52,121	0	0	0	52,121
Eisenhower Professional Development State Grants	0	357,191	0	0	0	357,191
Other Federal through State	6,588	20,638	0	0	0	27,226
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	368,598	0	0	0	0	368,598
Other Direct Federal Revenue	391,434	0	0	0	0	391,434
Total Federal Government	\$ 1,377,736	\$ 7,257,724	\$ 2,070,359	\$ 0	\$ 0	\$ 10,705,819
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 675,000	\$ 0	\$ 0	\$ 0	\$ 64,880,412	\$ 65,555,412
Total Other Governments and Citizens Groups	\$ 675,000	\$ 0	\$ 0	\$ 0	\$ 64,880,412	\$ 65,555,412
Total	\$ 211,394,857	\$ 7,257,724	\$ 8,657,986	\$ 1,010,227	\$ 64,880,412	\$ 293,201,206

Exhibit K-8

Williamson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2010

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	144,594	
Other Per Diem and Fees		3,800	
Audit Services		44,941	
Legal Notices, Recording, and Court Costs		1,190	
Maintenance and Repair Services - Office Equipment		7,600	
Postal Charges		2,000	
Printing, Stationery, and Forms		271	
Travel		2,105	
Tax Relief Program		488,696	
Total County Commission	\$		695,197

Board of Equalization

Board and Committee Members Fees	\$	5,764	
Total Board of Equalization			5,764

Beer Board

Board and Committee Members Fees	\$	825	
Total Beer Board			825

Other Boards and Committees

Board and Committee Members Fees	\$	1,050	
Total Other Boards and Committees			1,050

County Mayor/Executive

County Official/Administrative Officer	\$	130,354	
Supervisor/Director		70,637	
Salary Supplements		4,000	
Secretary(ies)		100,610	
Longevity Pay		2,200	
Communication		3,624	
Consultants		25,040	
Dues and Memberships		1,787	
Operating Lease Payments		1,931	
Maintenance and Repair Services - Office Equipment		650	
Postal Charges		4,500	
Printing, Stationery, and Forms		460	
Travel		1,837	
Other Contracted Services		2,350	
Office Supplies		1,916	
Other Supplies and Materials		709	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Premiums on Corporate Surety Bonds	\$	175	
Other Charges		1,959	
Total County Mayor/Executive			\$ 354,739

Personnel Office

Assistant(s)	\$	79,433	
Supervisor/Director		89,107	
Longevity Pay		1,100	
Communication		969	
Data Processing Services		2,605	
Dues and Memberships		305	
Postal Charges		300	
Printing, Stationery, and Forms		3,239	
Office Supplies		867	
Periodicals		429	
Total Personnel Office			178,354

County Attorney

Legal Services	\$	662,059	
Total County Attorney			662,059

Election Commission

County Official/Administrative Officer	\$	88,254	
Assistant(s)		129,599	
Temporary Personnel		16,038	
Part-time Personnel		2,131	
Longevity Pay		2,200	
Overtime Pay		5,759	
Election Commission		5,045	
Election Workers		48,435	
Advertising		2,246	
Communication		2,263	
Dues and Memberships		3,250	
Freight Expenses		6,080	
Operating Lease Payments		2,415	
Licenses		5,300	
Maintenance and Repair Services - Equipment		26,495	
Maintenance and Repair Services - Office Equipment		517	
Postal Charges		16,128	
Printing, Stationery, and Forms		11,826	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Travel	\$	4,346	
Office Supplies		7,907	
Periodicals		236	
Other Charges		742	
Total Election Commission			\$ 387,212

Register of Deeds

County Official/Administrative Officer	\$	98,093	
Deputy(ies)		375,643	
Part-time Personnel		640	
Longevity Pay		5,800	
Communication		3,184	
Dues and Memberships		716	
Operating Lease Payments		13,716	
Maintenance and Repair Services - Office Equipment		42,713	
Postal Charges		6,110	
Printing, Stationery, and Forms		22,400	
Premiums on Corporate Surety Bonds		75	
Data Processing Equipment		2,221	
Total Register of Deeds			571,311

Development

Assistant(s)	\$	1,134,886	
Supervisor/Director		95,472	
Deputy(ies)		348,341	
Secretary(ies)		306,589	
Temporary Personnel		5,257	
Longevity Pay		19,100	
Board and Committee Members Fees		12,589	
Communication		10,453	
Consultants		126,762	
Dues and Memberships		733	
Operating Lease Payments		2,875	
Maintenance and Repair Services - Office Equipment		1,673	
Postal Charges		5,301	
Travel		254	
Office Supplies		14,729	
In Service/Staff Development		279	
Other Charges		1,220	
Total Development			2,086,513

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Planning

Advertising	\$	529	
Consultants		3,300	
Dues and Memberships		1,075	
Evaluation and Testing		680	
Maintenance and Repair Services - Vehicles		109	
Travel		12	
Gasoline		499	
Instructional Supplies and Materials		960	
In Service/Staff Development		875	
Total Planning			\$ 8,039

Building

Advertising	\$	20	
Communication		1,798	
Dues and Memberships		380	
Maintenance and Repair Services - Vehicles		2,178	
Gasoline		6,478	
Uniforms		264	
In Service/Staff Development		3,164	
Total Building			14,282

Engineering

Board and Committee Members Fees	\$	2,775	
Dues and Memberships		1,200	
Evaluation and Testing		5,706	
Maintenance and Repair Services - Vehicles		1,360	
Permits		3,460	
Gasoline		3,447	
Instructional Supplies and Materials		301	
Uniforms		301	
In Service/Staff Development		2,169	
Total Engineering			20,719

Codes Compliance

Advertising	\$	366	
Communication		1,050	
Contracts with Private Agencies		23,687	
Maintenance and Repair Services - Vehicles		2,261	
Travel		536	
Gasoline		1,544	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

Periodicals	\$	327	
Uniforms		494	
In Service/Staff Development		245	
Total Codes Compliance			\$ 30,510

Geographical Information Systems

Supervisor/Director	\$	89,357	
Data Processing Personnel		520,534	
Secretary(ies)		29,682	
Part-time Personnel		12,749	
Longevity Pay		5,150	
Communication		97,177	
Consultants		5,046	
Dues and Memberships		1,180	
Licenses		223,056	
Maintenance and Repair Services - Vehicles		1,000	
Travel		501	
Other Contracted Services		12,019	
Gasoline		2,733	
Instructional Supplies and Materials		439	
Office Supplies		6,962	
Uniforms		3,107	
In Service/Staff Development		4,528	
Other Charges		446	
Total Geographical Information Systems			1,015,666

County Buildings

Supervisor/Director	\$	97,906	
Deputy(ies)		63,523	
Foremen		53,248	
Mechanic(s)		569,242	
Nightwatchmen		24,360	
Clerical Personnel		35,256	
Custodial Personnel		268,597	
Part-time Personnel		171,053	
Longevity Pay		12,650	
Overtime Pay		19,409	
Communication		50,775	
Contracts with Private Agencies		43,319	
Operating Lease Payments		1,500	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Maintenance and Repair Services - Buildings	\$	400,935	
Maintenance and Repair Services - Vehicles		15,945	
Travel		91	
Custodial Supplies		60,272	
Electricity		496,437	
Gasoline		35,475	
Natural Gas		64,112	
Office Supplies		1,379	
Uniforms		9,594	
Water and Sewer		34,331	
In Service/Staff Development		1,265	
Total County Buildings			\$ 2,530,674

Other Facilities

Assistant(s)	\$	29,994	
Supervisor/Director		46,342	
Part-time Personnel		12,474	
Longevity Pay		300	
Communication		284	
Maintenance and Repair Services - Office Equipment		768	
Maintenance and Repair Services - Vehicles		1,308	
Travel		283	
Gasoline		512	
Office Supplies		1,692	
Other Supplies and Materials		2,697	
Total Other Facilities			96,654

Preservation of Records

County Official/Administrative Officer	\$	51,043	
Assistant(s)		91,790	
Temporary Personnel		100	
Longevity Pay		2,600	
Communication		985	
Operating Lease Payments		2,638	
Licenses		2,169	
Maintenance and Repair Services - Office Equipment		2,967	
Postal Charges		200	
Office Supplies		6,637	
Other Supplies and Materials		6,565	
Total Preservation of Records			167,694

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Risk Management

County Official/Administrative Officer	\$	78,208	
Assistant(s)		71,531	
Longevity Pay		600	
Communication		2,364	
Dues and Memberships		230	
Postal Charges		1,000	
Printing, Stationery, and Forms		107	
Travel		376	
Data Processing Supplies		27	
Instructional Supplies and Materials		528	
Office Supplies		1,193	
Total Risk Management			\$ 156,164

Other Risk Management

Paraprofessionals	\$	67,538	
Clerical Personnel		150,544	
Longevity Pay		1,100	
Communication		3,423	
Operating Lease Payments		1,746	
Postal Charges		8,359	
Printing, Stationery, and Forms		3,247	
Travel		241	
Office Supplies		1,593	
In Service/Staff Development		344	
Total Other Risk Management			238,135

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	95,457	
Assistant(s)		68,952	
Accountants/Bookkeepers		283,646	
Purchasing Personnel		90,060	
Longevity Pay		3,850	
Communication		3,185	
Operating Lease Payments		1,503	
Maintenance and Repair Services - Office Equipment		10,227	
Postal Charges		6,000	
Printing, Stationery, and Forms		5,299	
Travel		305	
Office Supplies		7,598	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Premiums on Corporate Surety Bonds	\$	125	
In Service/Staff Development		1,917	
Other Charges		148	
Data Processing Equipment		198,327	
Furniture and Fixtures		7,763	
Total Accounting and Budgeting			\$ 784,362

Property Assessor's Office

County Official/Administrative Officer	\$	98,093	
Deputy(ies)		993,012	
Salary Supplements		8,750	
Temporary Personnel		302	
Part-time Personnel		17,764	
Longevity Pay		10,300	
Overtime Pay		18,909	
Advertising		79	
Communication		14,012	
Consultants		180,039	
Data Processing Services		16,875	
Dues and Memberships		1,997	
Operating Lease Payments		9,598	
Licenses		400	
Maintenance and Repair Services - Office Equipment		1,173	
Maintenance and Repair Services - Vehicles		1,473	
Postal Charges		9,070	
Printing, Stationery, and Forms		1,498	
Travel		3,142	
Gasoline		1,846	
Office Supplies		8,858	
Periodicals		796	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		4,705	
Other Charges		6,979	
Total Property Assessor's Office			1,409,745

County Trustee's Office

County Official/Administrative Officer	\$	98,093
Assistant(s)		246,501
Part-time Personnel		36,996
Longevity Pay		2,100

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Advertising	\$	2,038	
Communication		3,637	
Data Processing Services		9,409	
Dues and Memberships		801	
Maintenance and Repair Services - Office Equipment		16,063	
Postal Charges		31,020	
Printing, Stationery, and Forms		15,452	
Travel		1,195	
Premiums on Corporate Surety Bonds		5,056	
In Service/Staff Development		2,238	
Other Charges		125	
Total County Trustee's Office			\$ 470,724

County Clerk's Office

County Official/Administrative Officer	\$	98,093	
Assistant(s)		631,289	
Part-time Personnel		21,817	
Longevity Pay		6,800	
Advertising		520	
Communication		3,455	
Dues and Memberships		766	
Operating Lease Payments		4,754	
Maintenance and Repair Services - Office Equipment		16,158	
Postal Charges		37,800	
Printing, Stationery, and Forms		6,833	
Travel		85	
Other Supplies and Materials		4,812	
Premiums on Corporate Surety Bonds		113	
Other Charges		210	
Office Equipment		919	
Total County Clerk's Office			834,424

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	98,093	
Deputy(ies)		944,231	
Part-time Personnel		90,125	
Longevity Pay		16,350	
Jury and Witness Expense		20,662	
Communication		4,728	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Dues and Memberships	\$	581	
Operating Lease Payments		36,141	
Legal Notices, Recording, and Court Costs		4,370	
Maintenance and Repair Services - Office Equipment		172	
Postal Charges		15,217	
Printing, Stationery, and Forms		9,947	
Food Supplies		1,285	
Office Supplies		17,316	
Premiums on Corporate Surety Bonds		113	
Office Equipment		34,962	
Total Circuit Court			\$ 1,294,293

General Sessions Court

Judge(s)	\$	291,990	
Assistant(s)		151,029	
Probation Officer(s)		111,259	
Secretary(ies)		79,061	
Clerical Personnel		26,125	
Temporary Personnel		2,114	
Longevity Pay		3,050	
Communication		2,491	
Contracts with Government Agencies		14,356	
Dues and Memberships		1,325	
Evaluation and Testing		3,466	
Operating Lease Payments		2,551	
Postal Charges		1,871	
Printing, Stationery, and Forms		750	
Rentals		828	
Travel		838	
Office Supplies		4,088	
Periodicals		2,176	
In Service/Staff Development		12	
Other Charges		160	
Total General Sessions Court			699,540

Drug Court

Drug Treatment	\$	95,831	
Total Drug Court			95,831

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court

County Official/Administrative Officer	\$	98,093	
Assistant(s)		245,156	
Part-time Personnel		3,467	
Longevity Pay		3,550	
Communication		2,082	
Dues and Memberships		836	
Maintenance and Repair Services - Office Equipment		11,172	
Postal Charges		12,789	
Printing, Stationery, and Forms		4,414	
Office Supplies		3,381	
Periodicals		761	
Other Supplies and Materials		566	
Premiums on Corporate Surety Bonds		235	
In Service/Staff Development		425	
Other Charges		147	
Office Equipment		7,456	
Total Chancery Court			\$ 394,530

Juvenile Court

County Official/Administrative Officer	\$	98,093	
Assistant(s)		224,698	
Part-time Personnel		18,327	
Longevity Pay		3,800	
Communication		3,609	
Dues and Memberships		821	
Operating Lease Payments		5,180	
Maintenance and Repair Services - Office Equipment		1,458	
Postal Charges		4,800	
Printing, Stationery, and Forms		4,578	
Travel		594	
Other Contracted Services		9,692	
Office Supplies		1,270	
Premiums on Corporate Surety Bonds		124	
In Service/Staff Development		113	
Other Charges		419	
Total Juvenile Court			377,576

Other Administration of Justice

County Official/Administrative Officer	\$	58,712	
Assistant(s)		77,518	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice (Cont.)

Part-time Personnel	\$ 13,468	
Total Other Administration of Justice		\$ 149,698

Victims Assistance Programs

Contributions	\$ 105,577	
Total Victims Assistance Programs		105,577

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 107,890	
Deputy(ies)	4,030,058	
Accountants/Bookkeepers	52,770	
Salary Supplements	60,000	
Clerical Personnel	378,534	
Longevity Pay	46,900	
Overtime Pay	207,123	
Communication	24,433	
Contracts with Private Agencies	82,820	
Evaluation and Testing	1,250	
Operating Lease Payments	7,400	
Maintenance and Repair Services - Vehicles	73,896	
Postal Charges	8,647	
Transportation - Other than Students	41,462	
Travel	54	
Data Processing Supplies	16,699	
Gasoline	286,274	
Law Enforcement Supplies	9,782	
Office Supplies	16,622	
Periodicals	376	
Tires and Tubes	39,694	
Uniforms	58,536	
Other Supplies and Materials	5,480	
Premiums on Corporate Surety Bonds	75	
In Service/Staff Development	63,569	
Other Charges	30,603	
Data Processing Equipment	10,467	
Law Enforcement Equipment	55,225	
Total Sheriff's Department		5,716,639

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Traffic Control

Guards	\$	59,058	
Advertising		160	
Uniforms		1,922	
Total Traffic Control			\$ 61,140

Administration of the Sexual Offender Registry

Data Processing Equipment	\$	5,413	
Total Administration of the Sexual Offender Registry			5,413

Jail

Guards	\$	2,845,527	
Longevity Pay		10,250	
Overtime Pay		49,271	
Communication		23,774	
Evaluation and Testing		3,034	
Laundry Service		51,053	
Operating Lease Payments		5,460	
Maintenance and Repair Services - Buildings		73,088	
Maintenance and Repair Services - Equipment		12,236	
Maintenance and Repair Services - Vehicles		6,984	
Medical and Dental Services		795,015	
Postal Charges		888	
Drugs and Medical Supplies		7,759	
Electricity		196,356	
Food Supplies		336,861	
Gasoline		14,998	
Natural Gas		56,970	
Office Supplies		15,897	
Periodicals		491	
Prisoners Clothing		11,228	
Uniforms		19,600	
Water and Sewer		139,685	
Other Supplies and Materials		22,996	
In Service/Staff Development		35,135	
Other Capital Outlay		8,700	
Total Jail			4,743,256

Workhouse

Deputy(ies)	\$	122,089	
Longevity Pay		1,600	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Maintenance and Repair Services - Vehicles	\$	6,458	
Gasoline		10,100	
Instructional Supplies and Materials		12,802	
Office Supplies		1,894	
Other Road Supplies		5,588	
Small Tools		1,917	
Uniforms		1,139	
Other Supplies and Materials		3,638	
Total Workhouse			\$ 167,225

Juvenile Services

Judge(s)	\$	94,598	
Assistant(s)		1,060,572	
Teachers		126,090	
Part-time Personnel		80,589	
Longevity Pay		13,300	
Overtime Pay		1,615	
Communication		7,061	
Dues and Memberships		965	
Operating Lease Payments		9,867	
Legal Services		37,460	
Maintenance and Repair Services - Office Equipment		4,247	
Medical and Dental Services		470	
Postal Charges		3,359	
Printing, Stationery, and Forms		2,806	
Transportation - Other than Students		3,222	
Travel		2,096	
Other Contracted Services		3,150	
Food Supplies		12,591	
Instructional Supplies and Materials		114	
Office Supplies		6,867	
Other Supplies and Materials		31,905	
In Service/Staff Development		3,491	
Other Charges		207	
Total Juvenile Services			1,506,642

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Contributions		593,094	
Total Fire Prevention and Control			595,094

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense

Supervisor/Director	\$	59,167	
Dispatchers/Radio Operators		618,784	
Secretary(ies)		31,203	
Part-time Personnel		14,327	
Longevity Pay		4,950	
Overtime Pay		58,338	
Communication		12,587	
Contracts with Government Agencies		23,002	
Dues and Memberships		400	
Evaluation and Testing		464	
Operating Lease Payments		7,768	
Maintenance and Repair Services - Equipment		9,304	
Maintenance and Repair Services - Vehicles		527	
Postal Charges		256	
Other Contracted Services		8,500	
Electricity		3,631	
Office Supplies		3,342	
Uniforms		2,948	
In Service/Staff Development		139,032	
Land		8,000	
Total Civil Defense			\$ 1,006,530

Rescue Squad

Assistant(s)	\$	35,963	
Supervisor/Director		74,110	
Secretary(ies)		16,837	
Longevity Pay		1,950	
Advertising		38	
Communication		4,455	
Dues and Memberships		396	
Operating Lease Payments		2,658	
Maintenance Agreements		20,754	
Maintenance and Repair Services - Office Equipment		3,000	
Maintenance and Repair Services - Vehicles		1,995	
Rentals		600	
Other Contracted Services		700	
Gasoline		1,938	
Office Supplies		1,962	
Uniforms		1,382	
Total Rescue Squad			168,738

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner

Contracts with Private Agencies	\$	73,980	
Medical and Dental Services		30,000	
Other Contracted Services		38,250	
Drugs and Medical Supplies		33,150	
Total County Coroner/Medical Examiner			\$ 175,380

Public Health and Welfare

Local Health Center

Medical Personnel	\$	149,841	
Secretary(ies)		29,786	
Clerical Personnel		25,057	
Custodial Personnel		22,963	
Part-time Personnel		16,036	
Longevity Pay		2,750	
Board and Committee Members Fees		3,115	
Communication		8,822	
Contracts with Government Agencies		656,642	
Contributions		1,200	
Laundry Service		219	
Maintenance and Repair Services - Buildings		3,104	
Postal Charges		6	
Travel		3,717	
Drugs and Medical Supplies		25,530	
Office Supplies		4,662	
Utilities		25,133	
Liability Insurance		1,417	
Other Charges		957	
Total Local Health Center			980,957

Rabies and Animal Control

Assistant(s)	\$	49,670	
Supervisor/Director		65,374	
Paraprofessionals		72,687	
Attendants		263,929	
Custodial Personnel		26,000	
Part-time Personnel		61,109	
Longevity Pay		2,550	
Overtime Pay		11,553	
Advertising		800	
Communication		4,492	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Contracts with Private Agencies	\$	12,826	
Operating Lease Payments		1,769	
Maintenance and Repair Services - Buildings		2,745	
Maintenance and Repair Services - Vehicles		5,818	
Postal Charges		402	
Printing, Stationery, and Forms		396	
Veterinary Services		2,618	
Other Contracted Services		4,455	
Animal Food and Supplies		54,064	
Custodial Supplies		2,871	
Drugs and Medical Supplies		46,951	
Electricity		17,255	
Equipment Parts - Light		5,781	
Gasoline		15,835	
Instructional Supplies and Materials		541	
Natural Gas		7,590	
Office Supplies		3,107	
Periodicals		44	
Uniforms		1,700	
Water and Sewer		9,431	
Other Supplies and Materials		68,445	
Refunds		257	
In Service/Staff Development		5,632	
Total Rabies and Animal Control			\$ 828,697

Ambulance/Emergency Medical Services

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

Other Local Health Services

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

Regional Mental Health Center

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

Appropriation to State

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

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

General Welfare Assistance

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

Aid to Dependent Children

Contributions	\$ 6,100	
Total Aid to Dependent Children		6,100

Other Public Health and Welfare

Communication	\$ 7,812	
Dues and Memberships	1,240	
Operating Lease Payments	6,737	
Maintenance and Repair Services - Vehicles	2,827	
Postal Charges	769	
Printing, Stationery, and Forms	935	
Travel	7,042	
Data Processing Supplies	1,239	
Gasoline	7,534	
Office Supplies	4,886	
Periodicals	29	
Uniforms	3,743	
Other Supplies and Materials	3,425	
Premiums on Corporate Surety Bonds	65	
In Service/Staff Development	3,919	
Total Other Public Health and Welfare		52,202

Social, Cultural, and Recreational Services

Adult Activities

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

Senior Citizens Assistance

Contributions	\$ 83,671	
Total Senior Citizens Assistance		83,671

Libraries

County Official/Administrative Officer	\$ 66,664	
Librarians	1,019,099	
Temporary Personnel	12,064	
Part-time Personnel	185,261	
Longevity Pay	12,350	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Communication	\$	3,902	
Contributions		98,115	
Dues and Memberships		829	
Operating Lease Payments		11,165	
Maintenance and Repair Services - Office Equipment		3,337	
Postal Charges		5,851	
Printing, Stationery, and Forms		563	
Travel		311	
Other Contracted Services		24,602	
Data Processing Supplies		89,730	
Library Books/Media		220,671	
Office Supplies		17,895	
Periodicals		7,500	
Utilities		111,657	
Other Supplies and Materials		24,324	
In Service/Staff Development		1,000	
Other Capital Outlay		4,163	
Total Libraries			\$ 1,921,053

Parks and Fair Boards

County Official/Administrative Officer	\$	98,051
Assistant(s)		1,384,154
Supervisor/Director		388,293
Mechanic(s)		33,550
Clerical Personnel		203,195
Custodial Personnel		219,636
Maintenance Personnel		356,830
Temporary Personnel		430,151
Part-time Personnel		2,448,351
Longevity Pay		25,200
Overtime Pay		3,020
Other Per Diem and Fees		8,625
Advertising		12,803
Communication		62,973
Contracts with Private Agencies		130,465
Dues and Memberships		2,065
Maintenance and Repair Services - Buildings		175,992
Maintenance and Repair Services - Equipment		57,636
Maintenance and Repair Services - Office Equipment		24,960
Maintenance and Repair Services - Vehicles		15,153

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Pest Control	\$	2,710	
Postal Charges		10,271	
Printing, Stationery, and Forms		64,544	
Rentals		4,945	
Disposal Fees		23,730	
Permits		3,352	
Other Contracted Services		35,809	
Custodial Supplies		131,322	
Drugs and Medical Supplies		4,912	
Electricity		782,507	
Fertilizer, Lime, and Seed		25,543	
Food Supplies		10,469	
Fuel Oil		1,602	
Gasoline		56,460	
Instructional Supplies and Materials		74,868	
Natural Gas		202,922	
Office Supplies		12,028	
Periodicals		793	
Sand		240	
Uniforms		21,821	
Water and Sewer		130,441	
Clay		28,800	
Chemicals		47,229	
Other Supplies and Materials		117,925	
Refunds		34,034	
Surcharge		11,902	
In Service/Staff Development		30	
Other Charges		79,958	
Total Parks and Fair Boards			\$ 8,002,270

Other Social, Cultural, and Recreational

Supervisor/Director	\$	63,731
Foremen		40,061
Clerical Personnel		67,808
Cafeteria Personnel		32,968
Maintenance Personnel		210,761
Temporary Personnel		42,049
Longevity Pay		2,650
Overtime Pay		10,132
Advertising		11

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational (Cont.)

Communication	\$	11,706	
Dues and Memberships		658	
Operating Lease Payments		2,387	
Maintenance and Repair Services - Buildings		4,872	
Maintenance and Repair Services - Equipment		6,471	
Maintenance and Repair Services - Vehicles		1,550	
Postal Charges		144	
Rentals		19,566	
Travel		348	
Disposal Fees		121,499	
Other Contracted Services		7,784	
Custodial Supplies		12,837	
Electricity		149,957	
Food Supplies		58,668	
Gasoline		10,167	
Natural Gas		33,059	
Office Supplies		1,472	
Periodicals		220	
Small Tools		2,904	
Tires and Tubes		100	
Uniforms		4,644	
Water and Sewer		23,766	
Other Supplies and Materials		28,903	
Other Charges		210	
Other Capital Outlay		7,500	
Total Other Social, Cultural, and Recreational			\$ 981,563

Agriculture and Natural Resources

Agriculture Extension Service

Assistant(s)	\$	76,898
Salary Supplements		138,094
Secretary(ies)		29,217
Longevity Pay		1,150
Board and Committee Members Fees		1,050
Social Security		4,707
Extension Service Medicare		1,325
State Retirement		12,435
Communication		2,141
Dues and Memberships		530
Janitorial Services		6,504

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Operating Lease Payments	\$	2,220	
Maintenance and Repair Services - Equipment		1,071	
Maintenance and Repair Services - Vehicles		260	
Postal Charges		499	
Travel		3,076	
Gasoline		1,005	
Total Agriculture Extension Service			\$ 282,182

Soil Conservation

Secretary(ies)	\$	38,418	
Longevity Pay		1,250	
Other Charges		5,263	
Total Soil Conservation			44,931

Other Operations

Other Economic and Community Development

Supervisor/Director	\$	81,948	
Secretary(ies)		38,709	
Part-time Personnel		38,926	
Advertising		16,090	
Communication		2,929	
Dues and Memberships		3,353	
Maintenance and Repair Services - Office Equipment		3,676	
Postal Charges		146	
Printing, Stationery, and Forms		432	
Travel		17,438	
Other Contracted Services		57,906	
Office Supplies		2,025	
Periodicals		785	
In Service/Staff Development		235	
Total Other Economic and Community Development			264,598

Public Transportation

Other Contracted Services	\$	406,941	
Total Public Transportation			406,941

Veterans' Services

Supervisor/Director	\$	12,782	
Communication		186	
Dues and Memberships		25	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Office Supplies	\$	24	
Other Supplies and Materials		1,464	
Total Veterans' Services			\$ 14,481

Other Charges

Dues and Memberships	\$	43,990	
Building and Contents Insurance		291,195	
Excess Risk Insurance		529,882	
Trustee's Commission		914,194	
Workers' Compensation Insurance		222,410	
Total Other Charges			2,001,671

Employee Benefits

Social Security	\$	1,857,534	
State Retirement		2,024,910	
Life Insurance		37,960	
Medical Insurance		6,473,371	
Disability Insurance		21,444	
Unemployment Compensation		63,620	
Local Retirement		65,215	
Employer Medicare		435,903	
Total Employee Benefits			10,979,957

ARRA Grant No. 1

Contracts with Private Agencies	\$	6,812	
Data Processing Equipment		4,056	
Total ARRA Grant No. 1			10,868

ARRA Grant No. 2

Deputy(ies)	\$	39,365	
Clerical Personnel		653	
Other Fringe Benefits		18,153	
Communication		555	
Office Supplies		206	
Data Processing Equipment		910	
Total ARRA Grant No. 2			59,842

ARRA Grant No. 3

Communication Equipment	\$	8,139	
Total ARRA Grant No. 3			8,139

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous

Contracts with Government Agencies	\$	68,463	
Contracts with Private Agencies		212,139	
Contributions		621,217	
Duplicating Supplies		31,721	
Total Miscellaneous			\$ 933,540

Total General Fund \$ 59,989,458

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	91,998
Deputy(ies)		137,530
Laborers		545,190
Guards		417,834
Clerical Personnel		95,784
Longevity Pay		9,800
Overtime Pay		85,283
Advertising		3,712
Communication		12,146
Dues and Memberships		869
Evaluation and Testing		605
Maintenance and Repair Services - Buildings		10,111
Maintenance and Repair Services - Equipment		166,462
Maintenance and Repair Services - Office Equipment		1,881
Maintenance and Repair Services - Vehicles		97,235
Postal Charges		47
Printing, Stationery, and Forms		4,437
Rentals		704
Travel		1,607
Other Contracted Services		1,113,637
Diesel Fuel		255,262
Electricity		25,899
Gasoline		10,435
Lubricants		5,227
Natural Gas		1,961
Office Supplies		2,668
Periodicals		124
Tires and Tubes		44,798
Uniforms		10,452

(Continued)

Exhibit K-8

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.)

Water and Sewer	\$	2,006	
Other Supplies and Materials		26,077	
In Service/Staff Development		665	
Other Charges		53,940	
Motor Vehicles		32,292	
Other Capital Outlay		126,492	
Total Sanitation Management			\$ 3,395,170

Other Operations

Other Charges

Building and Contents Insurance	\$	39,788	
Excess Risk Insurance		114,911	
Trustee's Commission		63,902	
Vehicle and Equipment Insurance		10,219	
Workers' Compensation Insurance		3,124	
Total Other Charges			231,944

Employee Benefits

Social Security	\$	83,199	
State Retirement		72,275	
Life Insurance		1,350	
Medical Insurance		225,000	
Employer Medicare		19,459	
Total Employee Benefits			401,283

Total Solid Waste/Sanitation Fund \$ 4,028,397

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	603	
Confidential Drug Enforcement Payments		2,050	
Maintenance and Repair Services - Vehicles		3,978	
Tow-in Services		650	
Office Supplies		4,726	
Trustee's Commission		408	
In Service/Staff Development		1,949	
Other Capital Outlay		11,536	
Total Drug Enforcement			\$ 25,900

Total Drug Control Fund 25,900

(Continued)

Exhibit K-8

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

District Attorney General Fund

Administration of Justice

District Attorney General

Other Salaries and Wages	\$	15,410	
Jury and Witness Expense		987	
Advertising		370	
Communication		7,129	
Dues and Memberships		3,446	
Postal Charges		219	
Rentals		2,475	
Travel		2,418	
Law Enforcement Supplies		190	
Office Supplies		2,262	
Water and Sewer		452	
Other Supplies and Materials		43	
Trustee's Commission		1,242	
Other Charges		40,284	
Data Processing Equipment		2,650	
Furniture and Fixtures		50	
Office Equipment		210	
Total District Attorney General			\$ 79,837

Total District Attorney General Fund \$ 79,837

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Bank Charges	\$	321	
Total County Trustee's Office			\$ 321

Total Constitutional Officers - Fees Fund 321

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	107,869	
Accountants/Bookkeepers		55,744	
Dispatchers/Radio Operators		48,672	
Secretary(ies)		40,214	
Longevity Pay		43,600	
Board and Committee Members Fees		7,050	
Advertising		474	
Communication		10,023	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Engineering Services	\$	276,389	
Evaluation and Testing		2,595	
Operating Lease Payments		1,409	
Legal Services		16,169	
Legal Notices, Recording, and Court Costs		942	
Maintenance and Repair Services - Office Equipment		1,126	
Postal Charges		1,000	
Electricity		43,847	
Natural Gas		18,005	
Office Supplies		4,047	
Water and Sewer		5,770	
Other Charges		8,109	
Total Administration			\$ 693,054

Highway and Bridge Maintenance

Foremen	\$	158,101	
Equipment Operators		1,914,439	
Part-time Personnel		83,220	
Overtime Pay		123,522	
Contracts with Private Agencies		103,018	
Rentals		54,994	
Other Contracted Services		10,232	
Asphalt - Cold Mix		11,179	
Asphalt - Hot Mix		1,423,133	
Asphalt - Liquid		36,348	
Other Road Supplies		35,387	
Pipe		62,664	
Road Signs		26,965	
Salt		105,040	
Uniforms		20,246	
Other Charges		3,763	
Total Highway and Bridge Maintenance			4,172,251

Operation and Maintenance of Equipment

Foremen	\$	52,957	
Mechanic(s)		119,066	
Nightwatchmen		100,776	
Part-time Personnel		8,744	
Diesel Fuel		376,345	
Equipment Parts - Heavy		657,783	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Equipment and Machinery Parts	\$	2,133	
Garage Supplies		49,823	
Gasoline		105,243	
Lubricants		21,846	
Tires and Tubes		110,966	
Total Operation and Maintenance of Equipment			\$ 1,605,682

Quarry Operations

Equipment Operators	\$	251,494	
Overtime Pay		13,549	
Explosive and Drilling Services		89,427	
Maintenance and Repair Services - Vehicles		290,036	
Electricity		65,088	
Other Supplies and Materials		4,375	
Total Quarry Operations			713,969

Other Charges

Building and Contents Insurance	\$	29,449	
Excess Risk Insurance		87,161	
Trustee's Commission		110,767	
Vehicle and Equipment Insurance		3,033	
Total Other Charges			230,410

Employee Benefits

Social Security	\$	187,109	
State Retirement		227,562	
Life Insurance		4,200	
Medical Insurance		702,000	
Disability Insurance		5,310	
Unemployment Compensation		640	
Employer Medicare		43,808	
Total Employee Benefits			1,170,629

Capital Outlay

Bridge Construction	\$	47,403	
Highway Construction		188,424	
Highway Equipment		41,870	
Site Development		2,626	
Total Capital Outlay			280,323

Total Highway/Public Works Fund \$ 8,866,318

(Continued)

Exhibit K-8

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

<u>General Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>General Government</u>		
Principal on Bonds	\$ 6,828,800	
Principal on Other Loans	601,535	
Total General Government		\$ 7,430,335
<u>Highways and Streets</u>		
Principal on Bonds	\$ 151,200	
Total Highways and Streets		151,200
<u>Education</u>		
Principal on Bonds	\$ 7,650,000	
Principal on Notes	255,000	
Principal on Other Loans	151,465	
Total Education		8,056,465
<u>Interest on Debt</u>		
<u>General Government</u>		
Interest on Bonds	\$ 5,966,297	
Interest on Other Loans	31,625	
Total General Government		5,997,922
<u>Highways and Streets</u>		
Interest on Bonds	\$ 56,308	
Total Highways and Streets		56,308
<u>Education</u>		
Interest on Bonds	\$ 5,819,905	
Interest on Notes	8,925	
Interest on Other Loans	7,397	
Total Education		5,836,227
<u>Other Debt Service</u>		
<u>General Government</u>		
Fiscal Agent Charges	\$ 6,677	
Trustee's Commission	518,531	
Other Charges	37,675	
Underwriter's Discount	80,275	
Other Debt Issuance Charges	16,131	
Total General Government		659,289

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Other Debt Service (Cont.)

Education

Contributions	\$ 675,000	
Underwriter's Discount	101,005	
Other Debt Issuance Charges	20,296	
Total Education	\$ 796,301	

Total General Debt Service Fund \$ 28,984,047

Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 5,480,000	
Principal on Notes	430,000	
Total Education	\$ 5,910,000	

Interest on Debt

Education

Interest on Bonds	\$ 8,479,256	
Interest on Notes	15,050	
Total Education	8,494,306	

Other Debt Service

Education

Fiscal Agent Charges	\$ 3,810	
Trustee's Commission	223,780	
Underwriter's Discount	214,115	
Other Debt Issuance Charges	45,602	
Other Debt Service	171	
Total Education	487,478	

Total Rural Debt Service Fund 14,891,784

General Capital Projects Fund

Capital Projects

General Administration Projects

Building Improvements	\$ 95,638	
Heating and Air Conditioning Equipment	47,859	
Building Purchases	2,316	
Other Equipment	80,044	
Other Capital Outlay	886	
Total General Administration Projects	\$ 226,743	

(Continued)

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Administration of Justice Projects

Building Improvements	\$ 3,059,115	
Total Administration of Justice Projects		\$ 3,059,115

Public Safety Projects

Trustee's Commission	\$ 115	
Building Improvements	200,071	
Motor Vehicles	46,994	
Other Equipment	957,642	
Other Capital Outlay	257,474	
Total Public Safety Projects		1,462,296

Public Health and Welfare Projects

Landfill Closure/Postclosure Care Costs	\$ 67,595	
Building Improvements	11,971	
Motor Vehicles	229,082	
Other Equipment	177,359	
Other Construction	382,344	
Total Public Health and Welfare Projects		868,351

Social, Cultural, and Recreation Projects

Trustee's Commission	\$ 1,894	
Building Construction	195,906	
Heating and Air Conditioning Equipment	265	
Other Equipment	31,368	
Other Construction	28,168	
Other Capital Outlay	54,684	
Total Social, Cultural, and Recreation Projects		312,285

Public Utility Projects

Other Construction	\$ 891,566	
Total Public Utility Projects		891,566

Other General Government Projects

Other Capital Outlay	\$ 41,007	
Total Other General Government Projects		41,007

Highway and Street Capital Projects

Consultants	\$ 49,261	
Trustee's Commission	1,171	
Building Construction	1,447,657	

(Continued)

Exhibit K-8

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Highway and Street Capital Projects (Cont.)

Highway Construction	\$ 197,987	
Other Capital Outlay	<u>109,876</u>	
Total Highway and Street Capital Projects		\$ 1,805,952

Education Capital Projects

Trustee's Commission	\$ 44,696	
Underwriter's Discount	501,369	
Other Debt Issuance Charges	140,500	
Other Debt Service	<u>2</u>	
Total Education Capital Projects		686,567

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 64,880,412	
Total Capital Projects Donated to School Department		<u>64,880,412</u>

Total General Capital Projects Fund \$ 74,234,294

Total Governmental Funds - Primary Government \$ 191,100,356

Exhibit K-9

Williamson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Williamson County School Department
For the Year Ended June 30, 2010

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 74,295,675	
Career Ladder Program	578,702	
Career Ladder Extended Contracts	214,481	
Homebound Teachers	108,177	
Educational Assistants	1,738,527	
Longevity Pay	30,525	
Certified Substitute Teachers	715,575	
Non-certified Substitute Teachers	1,323,888	
Social Security	4,702,441	
State Retirement	4,872,548	
Life Insurance	86,411	
Medical Insurance	15,513,522	
Dental Insurance	865,000	
Unemployment Compensation	88,678	
Employer Medicare	1,108,860	
Maintenance and Repair Services - Equipment	52,736	
Other Contracted Services	415,418	
Instructional Supplies and Materials	1,361,769	
Textbooks	1,562,758	
Fee Waivers	101,227	
Other Charges	4,374	
Regular Instruction Equipment	162,010	
Total Regular Instruction Program		\$ 109,903,302

Alternative Instruction Program

Teachers	\$ 235,027	
Career Ladder Program	2,000	
Educational Assistants	45,799	
Longevity Pay	300	
Social Security	17,132	
State Retirement	17,898	
Life Insurance	442	
Medical Insurance	72,000	
Dental Insurance	4,500	
Employer Medicare	4,007	
Other Supplies and Materials	5,953	
Other Equipment	1,080	
Total Alternative Instruction Program		406,138

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 10,562,884	
Career Ladder Program	88,166	
Educational Assistants	3,731,480	
Speech Pathologist	1,553,288	
Longevity Pay	33,550	
Other Salaries and Wages	114,165	
Social Security	951,705	
State Retirement	1,060,478	
Life Insurance	25,300	
Medical Insurance	4,277,228	
Dental Insurance	258,750	
Employer Medicare	223,410	
Contracts with Other Public Agencies	39,755	
Contracts with Private Agencies	512,712	
Maintenance and Repair Services - Equipment	8,373	
Other Contracted Services	76,695	
Instructional Supplies and Materials	106,810	
Textbooks	6,962	
Special Education Equipment	48,576	
Total Special Education Program		\$ 23,680,287

Vocational Education Program

Teachers	\$ 2,860,077	
Career Ladder Program	22,259	
Educational Assistants	234,131	
Longevity Pay	2,900	
Other Salaries and Wages	75,881	
Social Security	190,154	
State Retirement	197,317	
Life Insurance	3,778	
Medical Insurance	669,500	
Dental Insurance	42,000	
Employer Medicare	44,471	
Maintenance and Repair Services - Equipment	21,668	
Other Contracted Services	76,072	
Instructional Supplies and Materials	117,890	
Other Supplies and Materials	171	
Other Charges	509	
Vocational Instruction Equipment	112,671	
Total Vocational Education Program		4,671,449

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Student Body Education Program

Other Salaries and Wages	\$	63,422	
Certified Substitute Teachers		23,734	
In-Service Training		9,100	
Other Contracted Services		19,511	
Instructional Supplies and Materials		471,098	
Library Books/Media		221,575	
Other Supplies and Materials		85,761	
In Service/Staff Development		70,930	
Other Charges		21,949	
Regular Instruction Equipment		587,093	
Total Student Body Education Program			\$ 1,574,173

Adult Education Program

Teachers	\$	240,887	
Longevity Pay		400	
Other Salaries and Wages		19,501	
Social Security		15,725	
State Retirement		9,225	
Life Insurance		153	
Medical Insurance		40,000	
Dental Insurance		2,500	
Employer Medicare		3,678	
Instructional Supplies and Materials		20,902	
Other Supplies and Materials		4,161	
Other Charges		13,403	
Other Equipment		1,409	
Total Adult Education Program			371,944

Support Services

Attendance

Longevity Pay	\$	700	
Other Salaries and Wages		96,080	
Social Security		5,974	
State Retirement		6,122	
Life Insurance		102	
Medical Insurance		16,000	
Dental Insurance		1,000	
Employer Medicare		1,397	
Total Attendance			127,375

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

Medical Personnel	\$	1,652,656	
Longevity Pay		7,400	
Social Security		97,605	
State Retirement		107,700	
Life Insurance		2,427	
Medical Insurance		416,000	
Dental Insurance		26,000	
Employer Medicare		22,827	
Travel		8,823	
Drugs and Medical Supplies		17,859	
Other Supplies and Materials		3,150	
In Service/Staff Development		315	
Health Equipment		3,877	
Total Health Services			\$ 2,366,639

Other Student Support

Career Ladder Program	\$	24,981	
Guidance Personnel		3,786,853	
Social Workers		179,254	
Secretary(ies)		192,683	
Longevity Pay		2,800	
Other Salaries and Wages		100,286	
Social Security		250,387	
State Retirement		268,200	
Life Insurance		4,356	
Medical Insurance		732,250	
Dental Insurance		45,750	
Employer Medicare		59,917	
Contracts with Government Agencies		277,544	
Travel		549	
Other Contracted Services		395,279	
Other Supplies and Materials		220,958	
Other Charges		2,570	
Total Other Student Support			6,544,617

Regular Instruction Program

Supervisor/Director	\$	375,798
Career Ladder Program		32,292
Librarians		2,037,509

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Secretary(ies)	\$	264,835	
Clerical Personnel		540,775	
Longevity Pay		11,975	
Other Salaries and Wages		494,465	
In-Service Training		61,442	
Social Security		222,735	
State Retirement		249,515	
Life Insurance		4,917	
Medical Insurance		782,500	
Dental Insurance		49,000	
Employer Medicare		53,079	
Travel		17,667	
Other Contracted Services		102,935	
Other Supplies and Materials		91,737	
In Service/Staff Development		368,906	
Regular Instruction Equipment		3,000	
Other Equipment		1,515	
Total Regular Instruction Program			\$ 5,766,597

Special Education Program

Supervisor/Director	\$	93,809	
Career Ladder Program		5,800	
Psychological Personnel		989,469	
Secretary(ies)		78,634	
Longevity Pay		2,050	
Other Salaries and Wages		329,268	
In-Service Training		34,848	
Social Security		92,235	
State Retirement		95,700	
Life Insurance		1,279	
Medical Insurance		224,000	
Dental Insurance		14,000	
Employer Medicare		21,583	
Travel		55,887	
Other Contracted Services		307,926	
Other Supplies and Materials		44,242	
In Service/Staff Development		9,772	
Other Equipment		858	
Total Special Education Program			2,401,360

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

Career Ladder Program	\$	1,000	
Secretary(ies)		39,275	
Longevity Pay		600	
Other Salaries and Wages		135,494	
Social Security		10,466	
State Retirement		11,766	
Life Insurance		153	
Medical Insurance		24,000	
Dental Insurance		1,500	
Employer Medicare		2,448	
Travel		4,007	
Other Contracted Services		6,257	
Other Supplies and Materials		1,682	
In Service/Staff Development		7,117	
Total Vocational Education Program			\$ 245,765

Adult Programs

Career Ladder Program	\$	3,000	
Secretary(ies)		24,223	
Longevity Pay		600	
Other Salaries and Wages		84,577	
Social Security		6,958	
State Retirement		7,494	
Life Insurance		102	
Medical Insurance		16,000	
Dental Insurance		1,000	
Employer Medicare		1,627	
Travel		642	
Total Adult Programs			146,223

Other Programs

On-Behalf Payments to OPEB	\$	13,826	
Total Other Programs			13,826

Board of Education

Other Salaries and Wages	\$	83,197	
Board and Committee Members Fees		72,600	
Social Security		8,635	
State Retirement		6,164	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Life Insurance	\$	51	
Medical Insurance		8,000	
Dental Insurance		500	
Employer Medicare		2,019	
Audit Services		42,996	
Dues and Memberships		28,098	
Legal Services		12,630	
Travel		51	
Other Contracted Services		21,341	
Other Supplies and Materials		3,628	
Judgments		94,058	
Liability Insurance		560,830	
Trustee's Commission		2,027,371	
Workers' Compensation Insurance		813,386	
In Service/Staff Development		1,101	
Criminal Investigation of Applicants - TBI		27,210	
Total Board of Education			\$ 3,813,866

Director of Schools

County Official/Administrative Officer	\$	179,226	
Assistant(s)		125,204	
Secretary(ies)		152,875	
Longevity Pay		3,350	
Social Security		24,702	
State Retirement		30,950	
Life Insurance		503	
Medical Insurance		48,000	
Dental Insurance		3,000	
Employer Medicare		6,462	
Communication		297,388	
Travel		290	
Other Contracted Services		77,668	
Office Supplies		25,488	
In Service/Staff Development		175	
Total Director of Schools			975,281

Office of the Principal

Principals	\$	3,511,454	
Career Ladder Program		71,991	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Accountants/Bookkeepers	\$	1,098,208	
Assistant Principals		3,745,027	
Secretary(ies)		1,335,388	
Longevity Pay		37,300	
Other Salaries and Wages		26,959	
Social Security		586,313	
State Retirement		649,148	
Life Insurance		9,167	
Medical Insurance		1,457,750	
Dental Insurance		91,000	
Employer Medicare		138,145	
Communication		1,602	
Other Contracted Services		458,299	
Total Office of the Principal			\$ 13,217,751

Fiscal Services

Supervisor/Director	\$	96,655	
Accountants/Bookkeepers		417,700	
Purchasing Personnel		140,952	
Longevity Pay		7,850	
Overtime Pay		81	
Other Salaries and Wages		78,844	
Social Security		43,959	
State Retirement		54,756	
Life Insurance		765	
Medical Insurance		120,000	
Dental Insurance		7,500	
Employer Medicare		10,281	
Travel		564	
Other Contracted Services		15,743	
In Service/Staff Development		7,828	
Administration Equipment		21,971	
Total Fiscal Services			1,025,449

Human Services/Personnel

Supervisor/Director	\$	93,806
Secretary(ies)		242,372
Longevity Pay		1,700
Overtime Pay		1,439

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel (Cont.)

Other Salaries and Wages	\$	80,860	
Social Security		25,298	
State Retirement		29,797	
Life Insurance		421	
Medical Insurance		72,000	
Dental Insurance		4,500	
Employer Medicare		5,916	
Travel		1,698	
Other Contracted Services		44,301	
Other Supplies and Materials		15,767	
In Service/Staff Development		580	
Total Human Services/Personnel			\$ 620,455

Operation of Plant

Supervisor/Director	\$	95,527	
Secretary(ies)		29,483	
Custodial Personnel		133,130	
Longevity Pay		6,050	
Other Salaries and Wages		65,281	
Social Security		19,991	
State Retirement		24,728	
Life Insurance		361	
Medical Insurance		64,000	
Dental Insurance		4,000	
Employer Medicare		4,670	
Janitorial Services		4,572,032	
Travel		463	
Disposal Fees		79,728	
Other Contracted Services		174,986	
Electricity		4,867,599	
Natural Gas		513,359	
Water and Sewer		829,055	
Other Supplies and Materials		27,009	
Building and Contents Insurance		232,492	
Plant Operation Equipment		502	
Total Operation of Plant			11,744,446

Maintenance of Plant

Supervisor/Director	\$	77,250	
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(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Secretary(ies)	\$	68,633	
Maintenance Personnel		2,040,611	
Longevity Pay		18,950	
Overtime Pay		34,156	
Other Salaries and Wages		59,328	
Social Security		137,887	
State Retirement		173,856	
Life Insurance		3,311	
Medical Insurance		536,000	
Dental Insurance		33,500	
Employer Medicare		32,247	
Maintenance and Repair Services - Buildings		436,752	
Maintenance and Repair Services - Equipment		180,890	
Travel		2,487	
Other Contracted Services		622,686	
General Construction Materials		769,632	
Other Supplies and Materials		10,915	
In Service/Staff Development		10,093	
Other Charges		26,022	
Plant Operation Equipment		20,550	
Total Maintenance of Plant			\$ 5,295,756

Transportation

Supervisor/Director	\$	74,563
Mechanic(s)		415,032
Bus Drivers		4,042,188
Clerical Personnel		29,608
Longevity Pay		97,450
Overtime Pay		18,047
Other Salaries and Wages		642,457
Social Security		308,602
State Retirement		394,487
Life Insurance		12,920
Medical Insurance		2,168,000
Dental Insurance		135,500
Employer Medicare		72,635
Maintenance and Repair Services - Vehicles		71,511
Other Contracted Services		20,422
Gasoline		1,120,294

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Lubricants	\$	31,642	
Tires and Tubes		187,299	
Vehicle Parts		214,354	
Other Supplies and Materials		18,299	
Vehicle and Equipment Insurance		138,672	
In Service/Staff Development		5,660	
Other Charges		23,548	
Transportation Equipment		30,086	
Total Transportation			\$ 10,273,276

Central and Other

Supervisor/Director	\$	171,372	
Data Processing Personnel		1,440,158	
Longevity Pay		12,250	
Social Security		96,566	
State Retirement		121,197	
Life Insurance		1,632	
Medical Insurance		256,000	
Dental Insurance		16,000	
Employer Medicare		22,584	
Travel		15,095	
Other Contracted Services		597,749	
Other Supplies and Materials		89,918	
In Service/Staff Development		7,245	
Data Processing Equipment		84,675	
Total Central and Other			2,932,441

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	74,709	
Clerical Personnel		39,275	
Longevity Pay		1,500	
Other Salaries and Wages		171,481	
Social Security		25,400	
State Retirement		30,130	
Life Insurance		306	
Medical Insurance		48,000	
Dental Insurance		3,000	
Employer Medicare		5,942	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Travel	\$	3,022	
Other Contracted Services		107,848	
Other Supplies and Materials		12,190	
In Service/Staff Development		2,288	
Other Equipment		4,458	
Total Community Services			\$ 529,549

Early Childhood Education

Teachers	\$	553,546	
Career Ladder Program		4,000	
Educational Assistants		133,502	
Longevity Pay		700	
Social Security		40,801	
State Retirement		45,916	
Life Insurance		1,122	
Medical Insurance		171,000	
Dental Insurance		6,000	
Employer Medicare		9,542	
Travel		669	
Instructional Supplies and Materials		19,126	
Other Supplies and Materials		18,885	
In Service/Staff Development		1,246	
Regular Instruction Equipment		4,566	
Total Early Childhood Education			1,010,621

Capital Projects

Education Capital Projects

Land	\$	675,000	
Total Education Capital Projects			675,000

Total General Purpose School Fund \$ 210,333,586

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	344,822	
Educational Assistants		12,533	
Other Salaries and Wages		19,000	
Certified Substitute Teachers		9,805	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Non-certified Substitute Teachers	\$	23,330	
Social Security		25,217	
State Retirement		24,142	
Life Insurance		332	
Medical Insurance		55,975	
Dental Insurance		3,259	
Employer Medicare		5,906	
Instructional Supplies and Materials		8,424	
Other Supplies and Materials		442	
Other Charges		1,068	
Regular Instruction Equipment		1,379	
Total Regular Instruction Program			\$ 535,634

Special Education Program

Teachers	\$	81,353	
Educational Assistants		1,827,092	
Other Salaries and Wages		183,875	
Certified Substitute Teachers		4,365	
Non-certified Substitute Teachers		16,322	
Social Security		120,953	
State Retirement		140,266	
Life Insurance		6,021	
Medical Insurance		1,003,067	
Dental Insurance		59,038	
Employer Medicare		28,735	
Other Contracted Services		138,170	
Instructional Supplies and Materials		1,668	
Other Supplies and Materials		5,686	
Special Education Equipment		17,626	
Total Special Education Program			3,634,237

Vocational Education Program

Clerical Personnel	\$	27,242	
Social Security		1,535	
State Retirement		2,054	
Life Insurance		47	
Medical Insurance		7,875	
Dental Insurance		458	
Employer Medicare		359	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program (Cont.)

Instructional Supplies and Materials	\$	14,097	
Vocational Instruction Equipment		<u>114,844</u>	
Total Vocational Education Program			\$ 168,511

Support Services

Health Services

Medical Personnel	\$	417,732	
Social Security		25,147	
State Retirement		20,652	
Life Insurance		339	
Medical Insurance		56,275	
Dental Insurance		3,325	
Employer Medicare		5,881	
Travel		1,691	
In Service/Staff Development		<u>3,649</u>	
Total Health Services			534,691

Other Student Support

Other Salaries and Wages	\$	4,655	
Social Security		286	
State Retirement		292	
Employer Medicare		67	
Travel		34,579	
Other Contracted Services		46,017	
Other Supplies and Materials		293	
In Service/Staff Development		19,580	
Other Charges		<u>5,570</u>	
Total Other Student Support			111,339

Regular Instruction Program

Secretary(ies)	\$	14,741	
Other Salaries and Wages		147,035	
In-Service Training		59,203	
Social Security		13,245	
State Retirement		14,342	
Life Insurance		139	
Medical Insurance		22,675	
Dental Insurance		1,359	
Employer Medicare		3,098	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Travel	\$	5,948	
Other Contracted Services		7,451	
Other Supplies and Materials		1,897	
In Service/Staff Development		210,313	
Other Charges		360	
Total Regular Instruction Program			\$ 501,806

Special Education Program

Psychological Personnel	\$	114,052	
Secretary(ies)		38,000	
Other Salaries and Wages		50,759	
In-Service Training		4,969	
Social Security		12,321	
State Retirement		13,671	
Life Insurance		208	
Medical Insurance		34,625	
Dental Insurance		2,042	
Employer Medicare		2,883	
Travel		4,356	
Other Contracted Services		59,235	
Other Supplies and Materials		23,693	
In Service/Staff Development		93,377	
Other Equipment		1,992	
Total Special Education Program			456,183

Vocational Education Program

In Service/Staff Development	\$	100	
Total Vocational Education Program			100

Office of the Principal

Assistant Principals	\$	194,247	
Social Security		11,707	
State Retirement		12,471	
Life Insurance		140	
Medical Insurance		23,625	
Dental Insurance		1,375	
Employer Medicare		2,738	
Total Office of the Principal			246,303

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation

Contracts with Public Carriers	\$	630	
Gasoline		6,718	
Other Supplies and Materials		842	
Transportation Equipment		262,253	
Total Transportation			\$ 270,443

Total School Federal Projects Fund \$ 6,459,247

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	74,563	
Clerical Personnel		66,378	
Cafeteria Personnel		2,481,916	
Longevity Pay		41,200	
Overtime Pay		6,757	
Other Salaries and Wages		154,811	
Social Security		167,120	
State Retirement		151,651	
Life Insurance		5,559	
Medical Insurance		880,000	
Dental Insurance		51,050	
Unemployment Compensation		5,515	
Employer Medicare		39,119	
Communication		25,088	
Maintenance and Repair Services - Equipment		6,972	
Transportation - Other than Students		59,268	
Travel		4,186	
Other Contracted Services		50,571	
Equipment and Machinery Parts		45,216	
Food Supplies		3,084,199	
Uniforms		16,633	
USDA - Commodities		448,573	
Other Supplies and Materials		321,286	
In Service/Staff Development		2,309	
Other Charges		4,206	
Food Service Equipment		398,711	
Total Food Service			\$ 8,592,857

Total Central Cafeteria Fund 8,592,857

(Continued)

Exhibit K-9

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

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Accountants/Bookkeepers	\$	29,420	
Secretary(ies)		5,964	
Attendants		468,873	
Longevity Pay		1,000	
Other Salaries and Wages		163,776	
Social Security		39,789	
State Retirement		22,170	
Life Insurance		395	
Medical Insurance		65,125	
Dental Insurance		3,875	
Employer Medicare		9,306	
Communication		687	
Travel		3,140	
Other Contracted Services		38,482	
Food Supplies		28,828	
Other Supplies and Materials		31,740	
Refunds		988	
In Service/Staff Development		3,105	
Other Equipment		25,460	
Total Community Services			\$ 942,123

Total Extended School Program Fund \$ 942,123

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$	953,412	
Contributions		1,517,768	
Engineering Services		13,249	
Legal Services		281	
Other Contracted Services		229,574	
T&I Construction Materials		49,940	
Utilities		58,360	
Building Construction		47,564,214	
Building Improvements		6,565,027	
Data Processing Equipment		2,957,600	
Furniture and Fixtures		137,127	
Land		1,128,477	
Maintenance Equipment		76,346	
Plant Operation Equipment		20,204	
Site Development		128,671	
Transportation Equipment		1,538,462	
Other Capital Outlay		589,833	
Total Education Capital Projects			\$ 63,528,545

Total Education Capital Projects Fund 63,528,545

Total Governmental Funds - Williamson County School Department \$ 289,856,358

Exhibit K-10

Williamson County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2010

	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	\$ 39,243,086
Other Employee Benefits Charges/Contributions	5,082,336
Total Charges for Current Services	<u>\$ 44,325,422</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Retirees' Insurance Payments	\$ 913,891
Cobra Insurance Payments	100,915
Miscellaneous Refunds	2,154,874
Total Other Local Revenues	<u>\$ 3,169,680</u>
<u>Federal Government</u>	
<u>Federal through State</u>	
On-Behalf Contributions for OPEB	\$ 263,435
Total Federal Government	<u>\$ 263,435</u>
Total Revenues	<u>\$ 47,758,537</u>
<u>Expenses</u>	
<u>Other Operations</u>	
<u>Employee Benefits</u>	
Handling Charges and Administrative Costs	\$ 2,416,318
Life Insurance	229,829
Dental Insurance	2,628,033
Medical Claims	35,727,079
Other Self-Insured Claims	10,163,444
Total Other General Government	<u>\$ 51,164,703</u>
Total Expenses	<u>\$ 51,164,703</u>

Exhibit K-11

Williamson County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balances - City Agency Funds
For the Year Ended June 30, 2010

	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	\$ 8,796,240	\$ 8,796,240
Trustee's Collections - Prior Year	0	0	0	204,526	204,526
<u>Circuit/Clerk & Master Collections -</u>					
Prior Years	0	0	0	48,485	48,485
Interest and Penalty	0	0	0	35,163	35,163
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	273	273
Payments in-Lieu-of Taxes - Other	0	0	0	11,548	11,548
Local Option Sales Tax	33,405,989	0	0	3,524,763	36,930,752
Interstate Telecommunications Tax	0	0	0	1,071	1,071
<u>City/School District Property Taxes</u>					
Current Property Taxes	0	308,253	0	17,158,460	17,466,713
Trustee's Collections - Prior Year	0	3,639	0	465,634	469,273
Interest and Penalty	0	997	0	79,295	80,292
Pick-up Taxes	0	0	0	92,919	92,919
Marriage Licenses	0	0	0	959	959
Other Local Revenues	0	0	0	162	162
Mixed Drink Tax	0	0	0	60,004	60,004
Transfers In	0	0	714,247	379,411	1,093,658
<u>Total Cash Receipts</u>	\$ 33,405,989	\$ 312,889	\$ 714,247	\$ 30,858,913	\$ 65,292,038
<u>Cash Disbursements</u>					
Remittance of Revenues Collected	\$ 33,071,929	\$ 305,129	\$ 714,247	\$ 30,182,611	\$ 64,273,916
Trustee's Commission	334,060	7,494	0	573,203	914,757
<u>Total Cash Disbursements</u>	\$ 33,405,989	\$ 312,623	\$ 714,247	\$ 30,755,814	\$ 65,188,673
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0	\$ 266	\$ 0	\$ 103,099	\$ 103,365
Cash Balance, July 1, 2009	0	1,002	0	411,681	412,683
Cash Balance, June 30, 2010	\$ 0	\$ 1,268	\$ 0	\$ 514,780	\$ 516,048

SINGLE AUDIT SECTION



STATE OF TENNESSEE

COMPTROLLER OF THE TREASURY

DEPARTMENT OF AUDIT

DIVISION OF COUNTY AUDIT

SUITE 1500

JAMES K. POLK STATE OFFICE BUILDING

NASHVILLE, TENNESSEE 37243-1402

PHONE (615) 401-7841

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

October 22, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2010, which collectively comprise Williamson County's basic financial statements and have issued our report thereon dated October 22, 2010. Our report includes references to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District as described in our report on Williamson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness: 10.03.

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. We consider the following deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies: 10.01, 10.04, 10.05, and 10.06.

Compliance and Other Matters

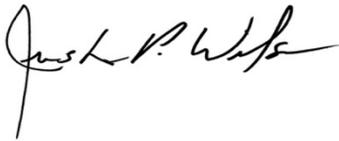
As part of obtaining reasonable assurance about whether Williamson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 10.02.

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

Williamson County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Williamson County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway superintendent, County Commission, Board of Education, Audit Committee, others within Williamson County, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb



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

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

October 22, 2010

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

To the County Mayor and Board of County Commissioners:

Compliance

We have audited the compliance of Williamson County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. Williamson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Williamson County's management. Our responsibility is to express an opinion on Williamson County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Williamson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We

believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Williamson County's compliance with those requirements.

In our opinion, Williamson County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

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

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

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

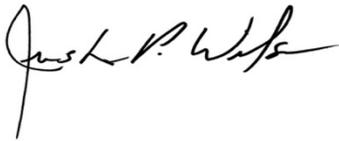
Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County as of and for the year ended June 30, 2010, and have issued our report thereon dated October 22, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Williamson County's 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Williamson County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Williamson County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway superintendent, County Commission, Board of Education, Audit Committee, others within Williamson County, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Yours very truly,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

Williamson County, Tennessee
 Schedule of Expenditures of Federal Awards and State Grants (1)
 For the Year Ended June 30, 2010

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	\$ 448,573 (8)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	119,464
National School Lunch Program	10.555	N/A	1,502,322 (8)
Total U.S. Department of Agriculture			<u>\$ 2,070,359</u>
U.S. Department of Commerce National Telecommunications and Information Administration:			
Passed-through State Department of Military:			
Public Safety Interoperable Communications Grant Program	11.555	GG-09-026337-00	<u>\$ 301,460</u>
Total U.S. Department of Commerce National Telecommunications and Information Administration			<u>\$ 301,460</u>
U.S. Department of Justice:			
Direct Program:			
Federal Asset Forfeiture Program	16.XXX	N/A	\$ 58,977
State Criminal Alien Assistance Grant Program	16.606	N/A	22,042
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government	16.804	N/A	10,868
Passed-through the City of Franklin:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	5,636
Passed-through State Department of Finance and Administration:			
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government	16.803	(2)	67,981
Total U.S. Department of Justice			<u>\$ 165,504</u>
U.S. Department of Labor:			
Passed-through State Department of Education:			
WIA Dislocated Workers, Recovery Act	17.260	Z-09-219699-00	<u>\$ 6,588</u>
Total U.S. Department of Labor			<u>\$ 6,588</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(3)	\$ 423,002
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	(2)	17,461
Alcohol Open Container Requirements	20.607	(4)	31,410
Total U.S. Department of Transportation			<u>\$ 471,873</u>
Institute of Museum and Library Services:			
Direct Program:			
Promotion of the Humanities - Public Programs	45.164	N/A	\$ 2,500
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(2)	11,545
Total Institute of Museum and Library Services			<u>\$ 14,045</u>
U.S. Department of Education:			
Direct Program:			
Funds for the Improvement of Education	84.215X	N/A	\$ 391,434
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(5)	174,137

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education: (Cont.)			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 556,886
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	4,662,398
Special Education - Preschool Grants	84.173	N/A	59,579
Special Education - Grants to States, Recovery Act	84.391	N/A	1,011,352
Special Education - Preschool Grants, Recovery Act	84.392	N/A	6,421
Career and Technical Education - Basic Grants to States	84.048	N/A	229,014
Safe and Drug-free Schools and Communities - State Grants	84.186	(2)	52,473
Education Technology State Grants	84.318	(2)	8,652
Education Technology State Grants, Recovery Act	84.386	N/A	10,931
English Language Acquisition Grants	84.365	N/A	71,971
Improving Teacher Quality State Grants	84.367	N/A	424,224
State Fiscal Stabilization Cluster:			
State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394	N/A	5,217,900
State Fiscal Stabilization Fund - Government Services, Recovery Act	84.397	N/A	343,448
Total U.S. Department of Education			<u>\$ 13,220,820</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Public Safety Interoperable Communications Grant Program	97.001	(2)	\$ 145,188
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	GG-09-028882-00	109,818
Emergency Management Performance Grants	97.042	(2)	40,000
Homeland Security Grant Program	97.067	(2)	536,066
Total U.S. Department of Homeland Security			<u>\$ 831,072</u>
Total Expenditures of Federal Awards			<u>\$ 17,081,721</u>
Contract			
Number			
<u>State Grants</u>			
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	\$ 136,027
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	34,965
Litter Program - State Department of Transportation	N/A	(6)	73,033
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)	6,975
Adult Education - State Department of Education	N/A	(7)	58,046
Early Childhood Education Lottery - State Department of Education	N/A	(2)	467,606
Energy Efficient Schools Initiative Grant - State Department of Education	N/A	(2)	649,350
Economic Development Three Star Grant Program - State Department of			
Economic and Community Development	N/A	Z-09-217106-00	1,500
Development and Coordination of Rural Health Services - State			
Department of Health	N/A	Z-10-219828-00	894,779
Total State Grants			<u>\$ 2,331,281</u>

CFDA - Catalog of Federal Domestic Assistance
N/A - Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) CM-STP-9400: \$254,751; CPD080042: \$168,251.
- (4) Z-09-214448-00: \$13,594; Z-08-024006-00: \$8,563; Z-09-214698-00: \$9,253.
- (5) Z-10-218567-00: \$149,531; Z-10-218458-00: \$24,606.
- (6) Z-09-212812: \$13,483; Z-10-220394: \$59,550.
- (7) Z-10-218567-00: \$49,844; Z-10-2184580-00: \$8,202.
- (8) Total for CFDA No. 10.555 is \$1,950,895.

Williamson County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2010

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, 2009, which have not been corrected.

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
09.01	238	The Self-Insurance Fund had a deficit in unrestricted net assets

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
09.03	240	Duties were not segregated adequately in the Office of County Clerk

WILLIAMSON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2010

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Williamson County is unqualified.
2. The audit of the financial statements of Williamson County disclosed significant deficiencies in internal control. One of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of Williamson County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Special Education Cluster: Special Education – Grants to States, Special Education – Preschool Grants, Special Education – Grants to States, Recovery Act, and Special Education – Preschool Grants, Recovery Act (CFDA Nos. 84.027, 84.173, 84.391, and 84.392); the State Fiscal Stabilization Fund Cluster: State Fiscal Stabilization Fund – Education State Grants, Recovery Act and State Fiscal Stabilization Fund – Government Services, Recovery Act (CFDA Nos. 84.394 and 84.397); and the Homeland Security Grant Program (CFDA No. 97.067) were determined to be major programs.
8. A \$512,452 threshold was used to distinguish between Type A and Type B federal programs.
9. Williamson County did qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The director of accounts and budgets provided written responses on certain findings, which are paraphrased in this report.

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 10.01 THE SELF-INSURANCE FUND HAD A DEFICIT IN UNRESTRICTED NET ASSETS
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The Self-Insurance Fund had a deficit of \$4,905,884 in unrestricted net assets at June 30, 2010. This deficit resulted from the recognition of liabilities in the financial statements for claims and judgments totaling \$5,837,553 at year-end. This deficit in net assets resulted from estimated/actual claims exceeding available resources.

RECOMMENDATION

County officials should develop a plan to address the deficit in net assets, and should closely review and monitor this fund.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The county increased funding for the Self-Insurance Fund by \$1,000 per employee for budget year 2010-11. Adjustments to employee contributions and to some benefit areas are being made effective January 1, 2011.

FINDING 10.02 SOME FUNDS WERE NOT DEPOSITED WITHIN THREE DAYS OF COLLECTION AT VARIOUS GENERAL GOVERNMENT DEPARTMENTS
(Noncompliance Under Government Auditing Standards)

Various general government departments did not always deposit funds within three days of collection. Section 5-8-207, Tennessee Code Annotated, requires county officials to deposit public funds to the office bank account within three days of collection. This deficiency is the result of management’s decisions. The delay in depositing the funds increases the risks of fraud and abuse.

RECOMMENDATION

Management should ensure that all funds are deposited to the office bank accounts within three days of collection as required by state statute.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Management will enforce compliance with the three day deposit law. There has been some confusion among departments as to the start date for the three days. Representatives of the Department of Accounts and Budgets are meeting with departments and will educate and reinforce the requirements of the three day deposit law.

FINDING 10.03 **A CASH SHORTAGE OF AT LEAST \$106,446.17 EXISTED AT THE WILLIAMSON COUNTY ANIMAL CONTROL DEPARTMENT AS OF MARCH 31, 2010**
(Internal Control – Material Weakness Under Government Auditing Standards)

On July 26, 2010, our office issued a special report on the Williamson County Animal Control Department for the period May 17, 2005, through March 31, 2010. This report disclosed that receipts were not deposited or otherwise accounted for properly resulting in a cash shortage of at least \$106,446.17 as of March 31, 2010. This report is available at www.tn.gov/comptroller. The former bookkeeper for the Williamson County Animal Control Department, Ms. Kerraina Jensen, pled guilty to theft over \$60,000 on November 15, 2010, and was sentenced to eight years confinement, which was suspended to eight years probation and payment of restitution of \$106,446.17.

FINDING 10.04 **THE OFFICE OF ACCOUNTS AND BUDGETS HAD DEFICIENCIES IN CONTROLS OVER ITS INFORMATION SYSTEM ENVIRONMENT**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The Office of Accounts and Budgets did not implement adequate controls to protect its information resources. This finding does not identify specific vulnerabilities that could allow someone to exploit the office's information system or misuse county funds. Disclosing those vulnerabilities could present a potential security risk by providing the readers with information that might be confidential pursuant to Section 10-7-504(i), Tennessee Code Annotated. Sound business practices dictate that proper controls be implemented. Without these controls, unauthorized system activity could occur. This vulnerability was corrected after it was brought to the official's attention.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The county has worked with its software vendor to correct this deficiency.

OFFICE OF JUVENILE COURT CLERK

FINDING 10.05 **THE COURT SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The software application allowed users to alter 1) cash receipt and cash disbursement journal entries after they had been posted to the general ledger, 2) beginning general ledger balances, and 3) previously processed receipts and disbursements. All of these alterations could be made without leaving an audit trail. 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

The office should contact the software developer to remove from the application the ability to alter cash receipt and cash disbursement journal entries and the beginning general ledger balances. Any changes to beginning general ledger balances should be performed by an adjusting journal entry. The ability to alter processed receipts and disbursements should be removed from the application.

OTHER FINDING AND RECOMMENDATION

FINDING 10.06 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICE OF COUNTY CLERK**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

Duties were not segregated adequately among the official and employees in the Office of County Clerk. Employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions. Also, this deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

Officials should segregate duties to the extent possible using available resources.

**PART III, FINDINGS AND QUESTIONED
COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs for federal awards.

**WILLIAMSON COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2010**

There were no audit findings relative to federal awards presented in the prior- or current-years' Schedules of Findings and Questioned Costs.