
**ANNUAL FINANCIAL REPORT
WILLIAMSON COUNTY, TENNESSEE**



FOR THE YEAR ENDED JUNE 30, 2008



This page is left blank intentionally.

ANNUAL FINANCIAL REPORT
WILLIAMSON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2008

DEPARTMENT OF AUDIT
JOHN G. MORGAN
Comptroller of the Treasury

DIVISION OF COUNTY AUDIT
RICHARD V. NORMENT
Assistant to the Comptroller

JAMES R. ARNETTE
Director

JEFF BAILEY, CPA, CGFM, CFE
Audit Manager

RACHELLE CABADING, CFE
Auditor 4

KATIE ARMSTRONG, CPA, CFE
ROBIN BATES, CPA, CFE
JAY FINCHER
State Auditors

This financial report is available at www.comptroller.state.tn.us

This page is left blank intentionally.

WILLIAMSON COUNTY, TENNESSEE

TABLE OF CONTENTS

	Exhibit	Page(s)
Audit Highlights		9
<u>INTRODUCTORY SECTION</u>		11
Williamson County Officials		13
<u>FINANCIAL SECTION</u>		15
Independent Auditor's Report		17-18
Management's Discussion and Analysis		19-29
BASIC FINANCIAL STATEMENTS:		31
Government-wide Financial Statements:		
Statement of Net Assets	A	33-34
Statement of Activities	B	35-36
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	37-38
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	C-2	39
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	40-41
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	42
Proprietary Fund:		
Statement of Net Assets	D-1	43
Statement of Revenues, Expenses, and Changes in Net Assets	D-2	44
Statement of Cash Flows	D-3	45
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	E	46
Notes to the Financial Statements		47-99
REQUIRED SUPPLEMENTARY INFORMATION:		101
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	F-1	103-106
Highway/Public Works Fund	F-2	107
Schedule of Funding Progress – Pension Plan	F-3	108
Notes to the Required Supplementary Information		109

	Exhibit	Page(s)
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		111
Nonmajor Governmental Funds:		113
Combining Balance Sheet	G-1	115
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	116
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Solid Waste/Sanitation Fund	G-3	117
Drug Control Fund	G-4	118
Major Governmental Funds:		119
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
General Debt Service Fund	H-1	121
Rural Debt Service Fund	H-2	122
Fiduciary Funds:		123
Combining Statement of Fiduciary Assets and Liabilities	I-1	125
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	I-2	126-127
Component Unit:		
Discretely Presented Williamson County School Department:		129
Statement of Activities	J-1	131
Balance Sheet – Governmental Funds	J-2	132
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	J-3	133
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	134
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	135
Combining Balance Sheet – Nonmajor Governmental Funds	J-6	136
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	J-7	137
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	J-8	138-139
School Federal Projects Fund	J-9	140
Central Cafeteria Fund	J-10	141
Extended School Program Fund	J-11	142
Miscellaneous Schedules:		143
Schedule of Changes in Long-term Notes, Other Loans, and Bonds	K-1	145-147
Schedule of Long-term Debt Requirements by Year	K-2	148-149
Schedule of Investments	K-3	150

	Exhibit	Page(s)
Schedule of Transfers – Primary Government and Discretely Presented Williamson County School Department	K-4	151
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Williamson County School Department	K-5	152
Schedule of Detailed Revenues – All Governmental Fund Types	K-6	153-157
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Williamson County School Department	K-7	158-160
Schedule of Detailed Expenditures – All Governmental Fund Types	K-8	161-194
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Williamson County School Department	K-9	195-211
Schedule of Detailed Revenues and Expenses – Self-Insurance Fund	K-10	212
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balances – City Agency Funds	K-11	213
<u>SINGLE AUDIT SECTION</u>		215
Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>		217-219
Auditor’s Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With <u>OMB Circular A-133</u>		221-223
Schedule of Expenditures of Federal Awards and State Grants		225-226
Schedule of Audit Findings Not Corrected		227
Schedule of Findings and Questioned Costs		229-236
Auditee Reporting Responsibilities		237

This page is left blank intentionally.

Audit Highlights
Annual Financial Report
Williamson County, Tennessee
For the Year Ended June 30, 2008

Scope

We have audited the basic financial statements of Williamson County as of and for the year ended June 30, 2008.

Results

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

Our audit resulted in eight findings and recommendations, which we have reviewed with Williamson County management. Detailed findings, recommendations, and managements' responses 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

- ◆ Funds totaling \$7,351.70 were stolen from the county's landfill office.
- ◆ Competitive bids were not solicited for the purchase of fuel.
- ◆ The Office of Accounts and Budgets did not implement adequate controls to protect its information resources.
- ◆ The Parks and Recreation Department receipting software did not assign a consecutive number to receipts.
- ◆ The Building Codes Department did not always issue official prenumbered receipts, and funds were not always deposited within three days of collection as required by state statutes.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Purchases were made for fuel and audiovisual equipment using bids that had expired.

OFFICE OF SHERIFF

- ◆ The department's endorsement of a calendar sale is questionable.

OTHER FINDING

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

This page is left blank intentionally.

INTRODUCTORY SECTION

This page is left blank intentionally.

Williamson County Officials
June 30, 2008

Officials

Rogers Anderson, County Mayor
Eddie Hood, Highway Superintendent
Rebecca Sharber, Ed.D, Director of Schools
Walter Davis, Trustee
Dennis Anglin, Assessor of Property
Elaine Anderson, County Clerk
Debbie McMillan Barrett, Circuit and General Sessions Courts Clerk
Elaine Beeler, Clerk and Master
Brenda Hyden, Juvenile Court Clerk
Sadie Wade, Register
Robert Rhoades, Interim 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

Gary Anderson, Chairman	Janine Moore	Barry Watkins
D'Wayne Greer	Terry Leve	Bill Peach
Janice Mills	Sina Miller	Mark Gregory
Frank Comer	Pat Anderson	James Bond

Highway Commission

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

Budget Committee

Russell Little, Chairman	Mary Brockman	Jeff Ford
Rogers Anderson, County Mayor	Jack Walton	

This page is left blank intentionally.

FINANCIAL SECTION

This page is left blank intentionally.



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0269
PHONE (615) 401-7841

INDEPENDENT AUDITOR'S REPORT

October 15, 2008

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, 2008, which collectively comprise Williamson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Williamson County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented Williamson County Hospital District's financial statements, which represent 30 percent and 37 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, and we did not audit the discretely presented Williamson County Emergency Communications District's financial statements, which represent .3 percent and .3 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, as of June 30, 2008, and for the year then ended. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion on the financial statements insofar as it relates to the amounts included for the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the

governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of June 30, 2008, 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 15, 2008, 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 (GASB) No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues; and GASB Statement No. 50, Pension Disclosures.

The management's discussion and analysis on pages 19 through 29 and the budgetary comparison and pension information on pages 103 through 109 are not required parts of the basic financial statements but they do provide supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Williamson County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Rural Debt Service funds, combining and individual fund financial statements of the Williamson County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not 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,



John G. Morgan
Comptroller of the Treasury

JGM/yu

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, 2008. This discussion and analysis focuses on the primary government only and does not include discussion of discretely presented component units.

Financial Highlights

- The liabilities of Williamson County exceeded its assets at the close of the fiscal year by \$120,138,973 (net assets). Of this amount, \$279,892,327 is debt that is attributable to the Williamson County School Department.
- The government's total net assets increased by \$7,472,898.
- At June 30, 2008, Williamson County's governmental funds reported combined ending fund balances of \$90,033,503, an increase of \$549,705 in comparison with the prior year.
- At June 30, 2008, unreserved fund balance for the General Fund was \$30,810,728, or 54 percent of total General Fund expenditures.
- For the fiscal year ended June 30, 2008, Williamson County's total debt had a net increase of \$9,360,384, of which \$22,566,000 of debt service payments were made, and \$31,926,384 of new debt was issued for school construction projects, public works projects, building renovation and improvements, and equipment acquisition.

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

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

Proprietary 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 47 through 99 of this report.

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

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Williamson County, liabilities exceeded assets by \$120,138,973 at the close of the fiscal year. The Constitution for the State of Tennessee

allows only the local legislative body authorization to issue debt. Therefore, when the Williamson County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the county. As of June 30, 2008, the county had outstanding debt totaling \$279,892,327 for capital purposes for the Williamson County Board of Education, but the capital assets are reported in the financial statements of the Williamson County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net assets. Allocation of school debt to the Williamson County Board of Education would result in Williamson County having net assets of \$159,753,354 at June 30, 2008.

The largest portion of Williamson County Government's net assets (\$74,940,014) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding.

Williamson County's net assets were restated thru a prior-period adjustment by \$3,048,055 within the government-wide financial statements to reflect a change in capital assets policy increasing the threshold from \$5,000 to \$10,000 and the primary government inadvertently omitting a portion of the Agricultural Exposition Center. Williamson County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Williamson County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

WILLIAMSON COUNTY'S Net Assets

	2008 Governmental Activities	2007 Governmental Activities
Current and Other Assets	\$ 181,024,087	\$ 179,634,630
Capital Assets	192,898,572	172,989,186
Total Assets	\$ 373,922,659	\$ 352,623,816
Long-term Liabilities Outstanding	\$ 418,945,481	\$ 409,525,982
Other Liabilities	75,116,151	73,757,760
Total Liabilities	\$ 494,061,632	\$ 483,283,742
Net Assets:		
Invested in Capital Assets,		
Net of Related Debt	\$ 74,940,014	\$ 53,581,080
Restricted	47,348,546	49,774,892
Unrestricted	(242,427,533)	(234,015,898)
Total Net Assets	\$ (120,138,973)	\$ (130,659,926)

An additional portion of Williamson County's net assets (\$47,348,546) represents resources that are subject to external restrictions on how they may be used. The restricted net assets

are made up of 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 increased Williamson County's net assets by \$7,472,898. Elements of this increase are noted in the table below:

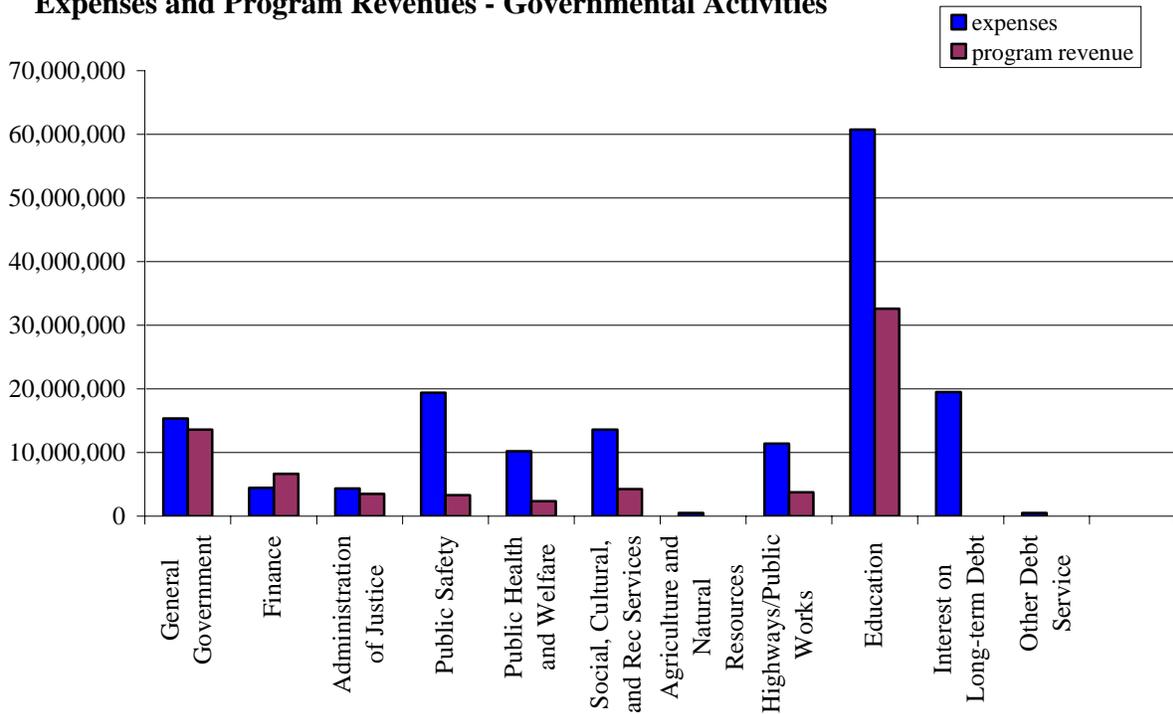
WILLIAMSON COUNTY'S Changes in Net Assets

	2008	2007	
	Governmental	Governmental	Total
	Activities	Activities	
Revenues:			
Program Revenues:			
Charges for Services	\$ 54,240,323	\$ 47,530,372	\$ 101,770,695
Operating Grants and Contributions	6,166,950	6,951,866	13,118,816
Capital Grants and Contributions	9,607,588	2,269,351	11,876,939
Total Program Revenues	<u>\$ 70,014,861</u>	<u>\$ 56,751,589</u>	<u>\$ 126,766,450</u>
General Revenues:			
Property Taxes Levied for General Purposes	\$ 36,029,460	\$ 33,614,921	\$ 69,644,381
Property Taxes Levied for Debt Service	31,556,788	26,838,215	58,395,003
Local Option Sales Tax	972,851	1,058,746	2,031,597
Hotel/Motel Taxes	2,352,527	0	2,352,527
Wheel Taxes	3,550,678	0	3,550,678
Business Taxes	3,949,116	0	3,949,116
Privilege Taxes	3,060,774	0	3,060,774
Adequate Facilities Taxes	3,740,056	0	3,740,056
Other Local Taxes	943,202	18,239,039	19,182,241
Grants and Contributions Not Restricted to Specific Programs	5,626,200	6,361,623	11,987,823
Unrestricted Investment Earnings	4,434,579	5,983,522	10,418,101
Miscellaneous	1,208,797	836,080	2,044,877
Total General Revenues	<u>\$ 97,425,028</u>	<u>\$ 92,932,146</u>	<u>\$ 190,357,174</u>
Total Revenues	<u>\$ 167,439,889</u>	<u>\$ 149,683,735</u>	<u>\$ 317,123,624</u>
Expenses:			
Governmental Activities:			
General Government	\$ 15,339,646	\$ 14,873,257	\$ 30,212,903
Finance	4,430,027	4,072,157	8,502,184
Administration of Justice	4,351,810	4,126,006	8,477,816
Public Safety	19,384,368	18,998,559	38,382,927
Public Health and Welfare	10,222,853	9,406,648	19,629,501
Social, Cultural, and Recreational Services	13,615,096	14,434,041	28,049,137
Agriculture and Natural Resources	480,829	461,157	941,986
Highway/Public Works	11,414,160	11,600,633	23,014,793
Education	60,742,157	81,276,467	142,018,624
Interest on Long-term Debt	19,489,968	18,421,869	37,911,837
Other Debt Service	496,077	788,774	1,284,851
Total Expenses	<u>\$ 159,966,991</u>	<u>\$ 178,459,568</u>	<u>\$ 338,426,559</u>

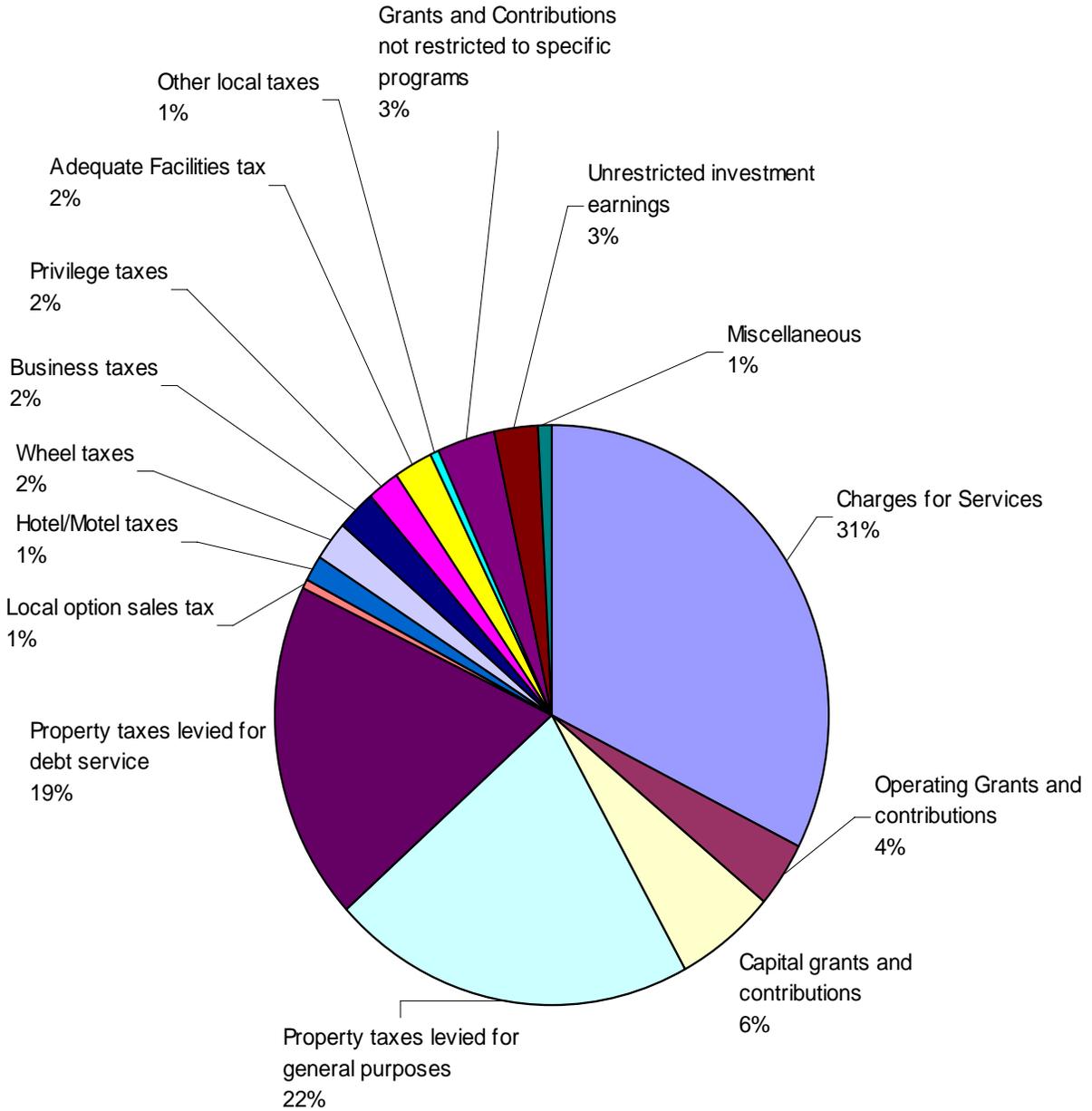
WILLIAMSON COUNTY'S Changes in Net Assets (Cont.)

	2008 Governmental Activities	2007 Governmental Activities	Total
Change in Net Assets	\$ 7,472,898	\$ (28,775,833)	\$ (21,302,935)
Prior-period Adjustment	3,048,055	(4,310,681)	(1,262,626)
Net Assets, July 1	(130,659,926)	(97,573,412)	(228,233,338)
Net Assets, June 30	\$ (120,138,973)	\$ (130,659,926)	\$ (250,798,899)

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 \$90,033,503, an increase of \$549,705 in comparison with the prior year. Approximately 75 percent of this total amount (\$67,893,346) 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 \$30,810,728 while total fund balance was \$32,144,673. 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 54 percent of total General Fund expenditures, while total fund balance represents 56 percent of that same amount.

The fund balance of the General Fund had an increase of \$3,083,721 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 99.6 percent collected during the current year. Another factor was actual expenditures were nine percent less than budgeted expenditures.

The fund balance of the Highway/Public Works Fund had an increase of \$2,638,562 during the current fiscal year due to revenues exceeding expenditures.

The fund balance of the General Debt Service Fund had a minimal increase of \$229,635 from the prior year.

The fund balance of the Rural Debt Service Fund had a decrease of \$2,174,843 due to a decline in residential privilege taxes collections.

The fund balance of the General Capital Projects Fund had a decrease of \$4,482,166 from the prior year. The decrease can be attributed to the conclusion of 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 4.3 percent above the original budget.

The final amended budget for Highway/Public Works Fund expenditures reflected an increase of 10.1 percent above the original budget.

Williamson County's Outstanding Debt
As of June 30

	<u>2008</u> Governmental Activities	<u>2007</u> Governmental Activities
Bonds Payable	\$ 393,895,000	\$ 384,780,000
Notes Payable	2,345,000	1,985,000
Other Loans Payable	<u>10,459,000</u>	<u>10,573,616</u>
 Total	 <u>\$ 406,699,000</u>	 <u>\$ 397,338,616</u>

- For the fiscal year ended June 30, 2008, Williamson County’s total debt had a net increase of \$9,360,384 during the current fiscal year, of which \$22,566,000 of debt service payments were made, and \$31,926,384 of new debt was issued for school construction projects, public works projects, building renovation and improvements, and equipment acquisition.

- The new debt issues for Williamson County are comprised of the following:
 - a) General obligation bond issues of \$11,100,000 for various school construction projects, public works projects, building renovation and improvements, and equipment acquisition, of which \$3,526,000 was used to refund an internal capital outlay note.
 - b) Rural or “County District School” general obligation bond issues of \$19,250,000 for various school construction and renovation projects.
 - c) General obligation bond anticipation note of \$1,000,000 for various parks and recreation projects.
 - d) Montgomery County Public Building Authority final draw of \$576,384 for various parks and recreation construction and renovation projects.

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

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

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the county as of June 30, 2008, was 4.8 percent, which is a slight increase from the 2007 rate of 3.7 percent. This compares favorably to the state's average unemployment rate of 6.5 percent and the national average rate of 5.5 percent.
- The occupancy rate of the government's central business district for the past three years was 94.2 percent for 2006, 94 percent for 2007, and 90.2 percent for 2008.
- Inflationary trends in the region compare favorably to national indices.
- Assessed property value within the county is in excess of \$6.9 billion with an anticipated growth rate of three percent for 2008-2009.

All of these factors were considered in preparing the county's budget for the 2009 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.

This page is left blank intentionally.

BASIC FINANCIAL STATEMENTS

This page is left blank intentionally.

Exhibit A

Williamson County, Tennessee
Statement of Net Assets
June 30, 2008

	Primary Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Emergency Communications District
<u>ASSETS</u>				
Cash	\$ 16,240	\$ 500	\$ 1,321,631	\$ 833,436
Cash with Paying Agents	300,000	0	0	0
Equity in Pooled Cash and Investments	94,174,773	45,049,712	0	0
Accounts Receivable	101,125	93,094	32,622,025	104,075
Allowance for Uncollectibles	0	0	(6,657,101)	0
Property Taxes Receivable	71,824,425	75,556,746	0	0
Allowance for Uncollectible Property Taxes	(642,976)	(669,006)	0	0
Due from Other Governments	6,220,662	9,727,017	0	38,000
Prepaid Items	0	0	582,953	0
Cash Shortage	45,037	0	0	0
Deferred Charges - Debt Issuance Costs	2,190,176	0	251,857	0
Inventories	0	0	1,703,572	0
Investment in Joint Venture	6,794,625	0	0	0
Other Receivable	0	0	3,233,626	0
Restricted Assets:				
Customer Deposits	0	0	817,415	0
Bond Reserves	0	0	33,263,876	0
Capital Assets:				
Assets Not Depreciated:				
Land	53,148,360	25,585,276	6,513,813	0
Construction in Progress	15,351,659	3,215,748	6,526,127	127,227
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	76,169,062	248,300,422	0	0
Other Capital Assets	22,290,935	14,161,387	103,323,569	901,855
Infrastructure	25,938,556	0	0	0
Total Assets	<u>\$ 373,922,659</u>	<u>\$ 421,020,896</u>	<u>\$ 183,503,363</u>	<u>\$ 2,004,593</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 117,478	\$ 53,327	\$ 4,113,637	\$ 129,046
Accrued Payroll	0	11,830	4,429,786	0
Payroll Deductions Payable	0	41	0	0
Contracts Payable	0	749,544	0	0
Retainage Payable	0	28,250	0	0
Accrued Interest Payable	4,738,134	0	226,314	0
Due to State of Tennessee	2,887	0	0	0
Other Accrued Expenses	0	0	2,316,127	0
Estimated Amounts Due to Third-party Payors	0	0	519,886	0
Customer Deposits Payable	253,100	0	0	0
Deferred Revenue - Current Property Taxes	70,004,552	73,676,334	0	0
Noncurrent Liabilities:				
Due Within One Year	31,670,729	380,619	4,270,176	0
Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	387,274,752	802,213	43,411,792	0
Total Liabilities	<u>\$ 494,061,632</u>	<u>\$ 75,702,158</u>	<u>\$ 59,287,718</u>	<u>\$ 129,046</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Emergency Communications District
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	\$ 74,940,014	\$ 0	\$ 68,681,541	\$ 0
Invested in Capital Assets	0	291,262,833	0	901,855
Restricted for:				
Capital Projects	6,909,770	30,167,807	0	0
Debt Service	25,056,690	0	0	0
Highway	10,886,693	0	0	0
Solid Waste	3,515,921	0	0	0
Central Cafeteria	0	1,405,675	0	0
Other Purposes	979,472	697,341	829,513	0
Unrestricted	(242,427,533)	21,785,082	54,704,591	973,692
Total Net Assets (Deficit)	<u>\$ (120,138,973)</u>	<u>\$ 345,318,738</u>	<u>\$ 124,215,645</u>	<u>\$ 1,875,547</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, 2008

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Primary Government					Component Units				
	Program Revenues		Capital Grants and Contributions		Total Governmental Activities	Williamson County School Department		Williamson County Hospital District		Emergency Communications District
Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Expenses	Expenses		Revenue	Revenue	Revenue		
Primary Government:										
Governmental Activities:										
General Government	\$ 15,339,646	\$ 4,468,557	\$ 8,708,769	\$ 15,339,646	\$ (1,755,452)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	4,430,027	6,613,069	45,002	11,088,108	2,228,044	0	0	0	0	0
Administration of Justice	4,351,810	3,473,798	14,978	7,840,586	(863,034)	0	0	0	0	0
Public Safety	19,384,368	1,646,406	497,892	21,528,666	(16,062,675)	0	0	0	0	0
Public Health and Welfare	10,222,853	1,415,471	952,965	12,591,289	(7,854,417)	0	0	0	0	0
Social, Cultural, and Recreational Services	13,615,096	3,923,457	310,434	17,849,087	(9,381,205)	0	0	0	0	0
Agriculture and Natural Resources	480,829	0	0	480,829	(480,829)	0	0	0	0	0
Highway/Public Works	11,414,160	82,927	400,927	12,307,014	(7,670,998)	0	0	0	0	0
Education	60,742,157	32,616,638	0	93,358,795	(28,125,519)	0	0	0	0	0
Interest on Long-term Debt	19,489,968	0	0	19,489,968	(19,489,968)	0	0	0	0	0
Other Debt Service	496,077	0	0	496,077	(496,077)	0	0	0	0	0
Total Governmental Activities	\$ 159,966,991	\$ 54,240,323	\$ 9,607,588	\$ 223,814,902	\$ (89,952,130)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Component Units:										
Williamson County School Department	\$ 224,701,081	\$ 8,427,994	\$ 26,732,960	\$ 239,861,035	\$ 0	\$ (178,860,981)	\$ 0	\$ 0	\$ 0	\$ 0
Williamson County Hospital District	130,608,421	140,806,922	255,563	271,670,906	0	0	10,454,064	0	0	0
Emergency Communications District	1,387,115	1,367,177	0	2,754,292	0	0	0	0	0	(19,938)
Total Component Units	\$ 356,696,617	\$ 150,602,093	\$ 26,988,523	\$ 534,287,233	\$ 0	\$ (178,860,981)	\$ 10,454,064	\$ 0	\$ 0	\$ (19,938)
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes				\$ 36,029,460		\$ 71,192,019	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes Levied for Debt Service				31,556,788		0	0	0	0	0
Local Option Sales Taxes				972,851		33,587,622	0	0	0	0
Hotel/Motel Taxes				2,352,527		0	0	0	0	0
Wheel Taxes				3,550,678		0	0	0	0	0
Business Taxes				3,949,116		0	0	0	0	0
Privilege Taxes				3,060,774		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	Capital Grants and Contributions	Total Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Communications District	Emergency	Communications	District
General Revenues (Cont.):										
Taxes (Cont.):										
Adequate Facilities Taxes				\$ 3,740,056	\$	0	\$	0	\$	0
Other Local Taxes				943,202		14,117		0		0
Grants and Contributions Not Restricted to Specific Programs				5,626,200		85,836,854		0		0
Unrestricted Investment Income				4,434,579		1,402,002		1,699,752		29,620
Miscellaneous				1,208,797		403,206		685,360		0
Total General Revenues				\$ 97,425,028		\$ 192,435,820		\$ 2,385,112		\$ 29,620
Change in Net Assets				\$ 7,472,898		\$ 13,574,839		\$ 12,839,176		\$ 9,682
Net Assets, July 1, 2007				(130,659,926)		333,361,451		111,376,469		1,865,865
Prior-period Adjustment				3,048,055		(1,617,552)		0		0
Net Assets, June 30, 2008				\$ (120,138,973)		\$ 345,318,738		\$ 124,215,645		\$ 1,875,547

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, 2008

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Governmental Funds	
Cash	\$ 14,640	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,600	\$ 16,240
Equity in Pooled Cash and Investments	29,514,272	9,941,993	21,233,071	3,241,976	19,260,983	3,622,526	86,814,821
Accounts Receivable	10,845	0	42,285	0	0	47,995	101,125
Due from Other Governments	4,059,610	1,206,287	0	0	698,239	256,526	6,220,662
Due from Other Funds	900	0	0	0	0	0	900
Property Taxes Receivable	34,712,619	834,635	24,029,873	9,508,416	0	2,738,882	71,824,425
Allowance for Uncollectible Property Taxes	(302,483)	(18,918)	(197,449)	(93,758)	0	(30,368)	(642,976)
Cash Shortage	45,037	0	0	0	0	0	45,037
Total Assets	\$ 68,055,440	\$ 11,963,997	\$ 45,107,780	\$ 12,656,634	\$ 19,959,222	\$ 6,637,161	\$ 164,380,234

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities							
Accounts Payable	\$ 52,835	\$ 0	\$ 0	\$ 0	\$ 63,156	\$ 1,487	\$ 117,478
Claims and Judgments Payable	128,048	141,000	0	0	0	20,000	289,048
Due to Other Funds	0	0	0	0	0	900	900
Due to State of Tennessee	2,887	0	0	0	0	0	2,887
Current Liabilities Payable from Restricted Assets:							
Customer Deposits Payable	0	0	0	0	253,100	0	253,100
Deferred Revenue - Current Property Taxes	33,871,183	760,722	23,502,454	9,227,674	0	2,642,519	70,004,552
Deferred Revenue - Delinquent Property Taxes	476,953	53,195	286,971	171,584	0	60,794	1,049,497
Other Deferred Revenues	1,378,861	473,475	0	0	627,135	149,798	2,629,269
Total Liabilities	\$ 35,910,767	\$ 1,428,392	\$ 23,789,425	\$ 9,399,258	\$ 943,391	\$ 2,875,498	\$ 74,346,731
Fund Balances							
Reserved for Encumbrances	\$ 810,807	\$ 1,289,557	\$ 0	\$ 0	\$ 2,418,140	\$ 127,262	\$ 4,645,766
Reserved for Alcohol and Drug Treatment	50,239	0	0	0	0	0	50,239
Reserved for Litigation Tax - Jail, Workhouse, or Courthouse	0	0	373,562	0	0	0	373,562
Reserved for Drug Court	27,853	0	0	0	0	0	27,853
Reserved for Sexual Offender Registration	6,845	0	0	0	0	0	6,845
Reserved for Courtroom Security	13,969	0	0	0	0	0	13,969

(Continued)

Exhibit C-1

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Governmental Funds	Governmental Funds	
<u>Fund Balances (Cont.)</u>								
Reserved for Victims Assistance Programs	\$ 93,003	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 93,003
Reserved for Computer System - Register	241,276	0	0	0	0	0	0	241,276
Reserved for Automation Purposes - Circuit Court	4,335	0	0	0	0	0	0	4,335
Reserved for Automation Purposes - Criminal Court	17,492	0	0	0	0	0	0	17,492
Reserved for Automation Purposes - General Sessions Court	7,654	0	0	0	0	0	0	7,654
Reserved for Automation Purposes - Juvenile Court	9,754	0	0	0	0	0	0	9,754
Reserved for Automation Purposes - Chancery Court	22,264	0	0	0	0	0	0	22,264
Reserved for Automation Purposes - Sheriff	28,454	0	0	0	0	0	0	28,454
Reserved for Capital Projects	0	0	0	0	16,597,691	0	0	16,597,691
Unreserved, Reported In:								
General Fund	30,810,728	0	0	0	0	0	0	30,810,728
Special Revenue Funds	0	9,246,048	0	0	0	0	3,634,401	12,880,449
Debt Service Funds	0	0	20,944,793	3,257,376	0	0	0	24,202,169
<u>Total Fund Balances</u>	<u>\$ 32,144,673</u>	<u>\$ 10,535,605</u>	<u>\$ 21,318,355</u>	<u>\$ 3,257,376</u>	<u>\$ 19,015,831</u>	<u>\$ 3,761,663</u>	<u>\$ 0</u>	<u>\$ 90,033,503</u>
<u>Total Liabilities and Fund Balances</u>	<u>\$ 68,055,440</u>	<u>\$ 11,963,997</u>	<u>\$ 45,107,780</u>	<u>\$ 12,656,634</u>	<u>\$ 19,959,222</u>	<u>\$ 6,637,161</u>	<u>\$ 0</u>	<u>\$ 164,380,234</u>

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, 2008

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)		\$	90,033,503
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	53,148,360	
Add: construction in progress		15,351,659	
Add: infrastructure net of accumulated depreciation		25,938,556	
Add: buildings and improvements net of accumulated depreciation		76,169,062	
Add: other capital assets net of accumulated depreciation		<u>22,290,935</u>	192,898,572
(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.			2,638,467
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(2,345,000)	
Add: deferred amount on refunded debt		4,760,538	
Less: unamortized debt premiums		(9,073,754)	
Less: bonds payable		(393,895,000)	
Less: other loans payable		(10,459,000)	
Add: deferred charges - debt issuance costs		2,190,176	
Less: accrued interest on bonds and notes		(4,738,134)	
Less: landfill closure/postclosure care costs		(895,980)	
Less: compensated absences payable		<u>(1,726,752)</u>	(416,182,906)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>3,678,766</u>
Net assets of governmental activities (Exhibit A)		\$	<u>(120,138,973)</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, 2008

	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	
Revenues								
Local Taxes	\$ 36,896,531	\$ 8,509,836	\$ 22,791,201	\$ 8,839,953	\$ 8,676,763	\$ 3,538,273	\$ 89,252,557	
Licenses and Permits	1,365,679	0	0	0	0	0	1,365,679	
Fines, Forfeitures, and Penalties	683,762	0	0	0	0	244,347	928,109	
Charges for Current Services	5,168,439	0	0	0	0	870,260	6,038,699	
Other Local Revenues	2,216,186	105,989	2,494,544	461,297	446,764	241,738	5,966,518	
Fees Received from County Officials	10,785,640	0	0	0	0	0	10,785,640	
State of Tennessee	4,990,398	3,086,715	0	0	0	125,145	8,202,258	
Federal Government	1,226,401	429,336	0	0	509,754	0	2,165,491	
Other Governments and Citizens Groups	386,251	155,268	701,156	84,831	101,333	2,080	1,430,919	
Total Revenues	\$ 63,719,287	\$ 12,287,144	\$ 25,986,901	\$ 9,386,081	\$ 9,734,614	\$ 5,021,843	\$ 126,135,870	
Expenditures								
Current:								
General Government	\$ 9,364,856	0	0	0	0	0	9,364,856	
Finance	3,328,090	0	0	0	0	0	3,328,090	
Administration of Justice	2,942,157	0	0	0	0	100,839	3,042,996	
Public Safety	13,713,137	0	0	0	0	198,590	13,911,727	
Public Health and Welfare	3,840,860	0	0	0	0	2,955,045	6,795,905	
Social, Cultural, and Recreational Services	10,688,809	0	0	0	0	0	10,688,809	
Agriculture and Natural Resources	369,067	0	0	0	0	0	369,067	
Other Operations	13,178,093	0	0	0	0	587,573	13,765,666	
Highways	0	9,948,582	0	0	0	0	9,948,582	
Debt Service:								
Principal on Debt	0	0	14,326,000	8,240,000	0	0	22,566,000	
Interest on Debt	0	0	11,533,683	7,135,430	0	0	18,669,113	
Other Debt Service	0	0	529,878	185,494	0	0	715,372	
Capital Projects	0	0	0	0	15,966,746	0	15,966,746	
Capital Projects - Donated	0	0	0	0	26,664,193	0	26,664,193	
Total Expenditures	\$ 57,425,069	\$ 9,948,582	\$ 26,389,561	\$ 15,560,924	\$ 42,630,939	\$ 3,842,047	\$ 155,797,122	
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,294,218	\$ 2,338,562	\$ (402,660)	\$ (6,174,843)	\$ (32,896,325)	\$ 1,179,796	\$ (29,661,252)	

(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		
<u>Other Financing Sources (Uses)</u>								
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,350,000	\$ 0	\$ 0	\$ 30,350,000
Notes Issued	0	0	0	0	1,000,000	0	0	1,000,000
Premiums on Debt Issued	0	0	0	0	168,517	0	0	168,517
Other Loans Issued	0	0	0	0	576,384	0	0	576,384
Transfers In	70,154	300,000	632,295	4,000,000	2,889,485	500,000	0	8,391,934
Transfers Out	(3,280,651)	0	0	0	(6,570,227)	(425,000)	0	(10,275,878)
Total Other Financing Sources (Uses)	\$ (3,210,497)	\$ 300,000	\$ 632,295	\$ 4,000,000	\$ 28,414,159	\$ 75,000	\$ 0	\$ 30,210,957
Net Change in Fund Balances	\$ 3,083,721	\$ 2,638,562	\$ 229,635	\$ (2,174,843)	\$ (4,482,166)	\$ 1,254,796	\$ 0	\$ 549,705
Fund Balance, July 1, 2007	29,060,952	7,897,043	21,088,720	5,432,219	23,497,997	2,506,867	0	89,483,798
Fund Balance, June 30, 2008	\$ 32,144,673	\$ 10,535,605	\$ 21,318,355	\$ 3,257,376	\$ 19,015,831	\$ 3,761,663	\$ 0	\$ 90,033,503

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, 2008

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)		\$ 549,705
(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	\$ 15,181,450	
Less: current year depreciation expense	<u>(6,521,105)</u>	8,660,345
(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	\$ 8,931,285	
Less: loss on disposal of capital assets	<u>(730,299)</u>	8,200,986
(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, 2008	\$ 3,678,766	
Less: deferred delinquent property taxes and other deferred June 30, 2007	<u>(2,604,030)</u>	1,074,736
(4) The issuance of long-term debt (e.g., notes, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Less: bond proceeds	\$ (30,350,000)	
Less: note proceeds	(1,000,000)	
Less: other loan proceeds	(576,384)	
Add: amortization of debt issuance premiums	819,395	
Add: debt issuance cost on debt issued during year	219,295	
Less: premiums on debt issued during year	(168,517)	
Less: deferred charges on refunding debt amortized during the year	(763,973)	
Less: debt issuance cost amortized during the year	(180,931)	
Add: principal payments on notes	640,000	
Add: principal payments on other loans	691,000	
Add: principal payments on bonds	<u>21,235,000</u>	(9,435,115)
(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	\$ 124,049	
Change in closure/postclosure care costs	(22,588)	
Change in compensated absences	<u>(199,287)</u>	(97,826)
(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 funds is reported with governmental activities in the statement of activities.		<u>(1,479,933)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 7,472,898</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, 2008

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>ASSETS</u>	
Current Assets:	
Cash with Paying Agents	\$ 300,000
Equity in Pooled Cash and Investments	<u>7,359,952</u>
Total Assets	<u>\$ 7,659,952</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Claims and Judgments Payable	<u>\$ 5,021,485</u>
Total Liabilities	<u>\$ 5,021,485</u>
<u>NET ASSETS</u>	
Unrestricted	<u>\$ 2,638,467</u>
Net Assets	<u><u>\$ 2,638,467</u></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, 2008

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
	<hr/>
<u>Operating Revenues</u>	
Charges for Services	\$ 39,866,328
Other Local Revenues	804,687
Total Operating Revenues	<hr/> \$ 40,671,015 <hr/>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 1,960,569
Life Insurance	161,028
Dental Insurance	2,592,658
Medical Claims	37,436,693
Total Operating Expenses	<hr/> \$ 42,150,948 <hr/>
Change in Net Assets	\$ (1,479,933)
Net Assets, July 1, 2007	<hr/> 4,118,400 <hr/>
Net Assets, June 30, 2008	<hr/> \$ 2,638,467 <hr/>

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, 2008

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
	<hr/>
<u>Cash Flows from Operating Activities</u>	
Receipts from Interfund Services Provided	\$ 39,866,328
Receipts from Customers and Users	804,687
Payments to Suppliers	(42,541,203)
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ (1,870,188)
Increase (Decrease) in Cash	\$ (1,870,188)
Cash, July 1, 2007	<hr/> 9,530,140
Cash, June 30, 2008	<hr/> <hr/> \$ 7,659,952
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (1,479,933)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Increase (Decrease) in Claims and Judgments Payable	<hr/> (390,255)
Net Cash Provided By (Used In) Operating Activities	<hr/> <hr/> \$ (1,870,188)
<u>Reconciliation of Cash with Statement of Net Assets</u>	
Cash with Paying Agents Per Net Assets	\$ 300,000
Equity in Pooled Cash and Investments Per Net Assets	<hr/> 7,359,952
Cash, June 30, 2008	<hr/> <hr/> \$ 7,659,952

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, 2008

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 13,546,679
Equity in Pooled Cash and Investments	2,715,227
Investments	12,788
Accounts Receivable	15,368
Due from Other Governments	6,545,830
Taxes Receivable	9,510,185
Allowance for Uncollectible Taxes	<u>(84,206)</u>
Total Assets	<u>\$ 32,261,871</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 16,427,592
Due to Joint Ventures	1,572,901
Due to Litigants, Heirs, and Others	<u>14,261,378</u>
Total Liabilities	<u>\$ 32,261,871</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, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

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

The Williamson County Hospital District provides health care to the citizens of Williamson County, and the Williamson County Commission appoints its governing body. The county annually provides a subsidy to the hospital to help defray the 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, 2008, 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 (\$26,664,193) were contributed by the county to the School Department during the year ended June 30, 2008.

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. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

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

Williamson County reports the following major governmental funds:

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

Highway/Public Works Fund – This fund accounts for transactions of the county’s Highway Department.

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

Rural Debt Service Fund – This fund accounts for the accumulation of resources for, and the payment of, long-term debt principal,

interest, and related costs specifically issued for K-8 schools outside the territorial boundaries of the Franklin Special School District.

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

Additionally, Williamson County reports the following fund types:

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

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Williamson County, property taxes for the City of Nolensville and the Town of Thompson's Station, various cities' share of adequate facilities tax 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 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 and cash with paying agent.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; the county's own legally issued bonds or notes; the State Treasurer's Investment Pool; and repurchase agreements.

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

cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

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

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

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

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

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets (customer deposits payable) reflected in the primary government's General Capital Projects Fund represent deposits placed with Williamson County for road damage deposits (\$253,100). 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 does 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 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, 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, 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, 2008, Williamson County had \$279,892,327 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, 2008:

<u>Fund/Purpose</u>	<u>Amount</u>
General:	
Water Tap Fees	\$ 23,657
Hillsboro Scholarship	1,210
Unclaimed Property	30,172
Library Donations	30,342
Drug Court	24,299
Veteran's Park Bricks	8,397
Drug Control:	
Unawarded Fofeitures and Seizures	1,548
General Purpose School:	
Academic Excellence Foundation	5,342

7. Prior-period Adjustments

Capital assets were restated for the primary government (\$3,048,055) from the prior year because the capital assets policy changed, increasing the threshold from \$5,000 to \$10,000, and the primary government omitting a portion of the Agricultural Exposition Center.

Capital assets were restated for the discretely presented School Department (\$1,617,552) from the prior year because the capital assets policy changed, increasing the threshold from \$5,000 to \$10,000.

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 State Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, 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 from Prior Periods

As noted in the Annual Financial Report for the year ended June 30, 2006, in the Schedule of Findings and Questioned Costs as item 06.01, collections of at least \$45,037.43 were not accounted for at the Fairview Recreation Center. On September 10, 2007, a former supervisor at the Fairview Recreation Center was indicted and charged with theft over \$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. The debtor will pay a minimum of \$300 per month. The debtor recognizes that payments over and above the \$300 per month will be necessary to ensure that principal of \$45,037.43 is paid within 48 months from November 1, 2008. The defendant did not pay any funds toward liquidating the cash shortage during the current audit period.

As noted in the Annual Financial Report for the year ended June 30, 2007, in the Schedule of Findings and Questioned Costs as item 07.02, collections at the main branch of the library totaling \$266 were stolen. A police investigation did not discover any suspects; therefore, the county does not expect to recover these funds.

As noted in the Annual Financial Report for the year ended June 30, 2007, in the Schedule of Findings and Questioned Costs as item 07.03, the County Clerk's Office was entered and \$50 was stolen. In 2007, an arrest was made, the defendant was sentenced to four years for violating parole on another charge and ordered to pay \$50 in restitution; however, the county does not expect to recover these funds.

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; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool and in repurchase agreements. Repurchase agreements must be approved by the state director of Local Finance and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the market value of the securities on the day of purchase.

Investment Balances. As of June 30, 2008, Williamson County had the following investments carried at fair value or cost. Except for nonpooled investments in the Constitutional Officers - Agency Fund, all investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

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

Investment	Maturities	Fair Value or Cost
Pooled:		
State Treasurer's Investment Pool	Daily	\$ 65,962,159
Nonpooled:		
Constitutional Officers - Agency	Various	12,788

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, 2008, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

B. Capital Assets

Capital assets activity for the year ended June 30, 2008, 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 7-1-07	Increases	Decreases	Balance 6-30-08
Capital Assets Not Depreciated:				
Land	\$ 43,953,167	\$ 9,736,700	\$ (541,507)	\$ 53,148,360
Construction in Progress	6,946,532	9,625,296	(1,220,169)	15,351,659
Total Capital Assets Not Depreciated	<u>\$ 50,899,699</u>	<u>\$ 19,361,996</u>	<u>\$ (1,761,676)</u>	<u>\$ 68,500,019</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 96,511,956	\$ 4,489,257	\$ (1,077,310)	\$ 99,923,903
Infrastructure	55,499,875	411,126	(145,657)	55,765,344
Other Capital Assets	41,003,298	5,559,782	(1,987,168)	44,575,912
Total Capital Assets Depreciated	<u>\$ 193,015,129</u>	<u>\$ 10,460,165</u>	<u>\$ (3,210,135)</u>	<u>\$ 200,265,159</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 21,454,379	\$ 2,556,968	\$ (256,506)	\$ 23,754,841
Infrastructure	28,666,408	1,273,858	(113,478)	29,826,788
Other Capital Assets	20,804,855	2,690,279	(1,210,157)	22,284,977
Total Accumulated Depreciation	<u>\$ 70,925,642</u>	<u>\$ 6,521,105</u>	<u>\$ (1,580,141)</u>	<u>\$ 75,866,606</u>
Total Capital Assets Depreciated, Net	<u>\$ 122,089,487</u>	<u>\$ 3,939,060</u>	<u>\$ (1,629,994)</u>	<u>\$ 124,398,553</u>
Governmental Activities Capital Assets, Net	<u>\$ 172,989,186</u>	<u>\$ 23,301,056</u>	<u>\$ (3,391,670)</u>	<u>\$ 192,898,572</u>

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

Governmental Activities:

General Government	\$ 846,422
Finance	11,744
Public Safety	1,216,876
Public Health and Welfare	603,102
Social, Cultural, and Recreational Services	1,911,872
Other Operations	50,355
Highways/Public Works	<u>1,880,734</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 6,521,105</u>

Discretely Presented Williamson County School Department

Governmental Activities:

	Balance 7-1-07	Increases	Decreases	Balance 6-30-08
Capital Assets Not Depreciated:				
Land	\$ 21,187,952	\$ 4,397,324	\$ 0	\$ 25,585,276
Construction in Progress	31,397,524	2,520,994	(30,702,770)	3,215,748
Total Capital Assets Not Depreciated	<u>\$ 52,585,476</u>	<u>\$ 6,918,318</u>	<u>\$ (30,702,770)</u>	<u>\$ 28,801,024</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 288,750,318	\$ 34,770,924	\$ (777,148)	\$ 322,744,094
Other Capital Assets	24,710,699	4,664,759	(4,448,840)	24,926,618
Total Capital Assets Depreciated	<u>\$ 313,461,017</u>	<u>\$ 39,435,683</u>	<u>\$ (5,225,988)</u>	<u>\$ 347,670,712</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 67,279,222	\$ 7,275,866	\$ (111,416)	\$ 74,443,672
Other Capital Assets	12,606,198	1,612,325	(3,453,292)	10,765,231
Total Accumulated Depreciation	<u>\$ 79,885,420</u>	<u>\$ 8,888,191</u>	<u>\$ (3,564,708)</u>	<u>\$ 85,208,903</u>
Total Capital Assets Depreciated, Net	<u>\$ 233,575,597</u>	<u>\$ 30,547,492</u>	<u>\$ (1,661,280)</u>	<u>\$ 262,461,809</u>

Governmental Activities (Cont.):

	Balance 7-1-07	Increases	Decreases	Balance 6-30-08
Governmental Activities				
Capital Assets, Net	\$ 286,161,073	\$ 37,465,810	\$ (32,364,050)	\$ 291,262,833

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

Governmental Activities:

Instruction	\$ 16,533
Support Services	8,726,997
Operation of Non-Instructional Services	<u>144,661</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 8,888,191</u>

C. Construction Commitments

At June 30, 2008, Williamson County had uncompleted construction contracts of approximately \$633,911 in the General Capital Projects Fund for construction of a new highway department building, parks/recreation projects, and renovations to the administrative office complex and the old historic courthouse. Funding has been provided for these future expenditures.

At June 30, 2008, the School Department had uncompleted construction contracts of approximately \$7,743,708 in the Education Capital Projects Fund for the school building program. Funding has been provided for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2008, is as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General Fund	Nonmajor governmental	\$ 900
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	1,618

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, 2008, 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	\$ 250,761	\$ 500,000
General Capital Projects Fund	12,761	300,000	381,534	0
Fiduciary Funds	57,393	0	0	0
Total	\$ 70,154	\$ 300,000	\$ 632,295	\$ 500,000

Transfers Out	Transfers In		
	Rural Debt Service Fund	General Capital Projects Fund	Fiduciary Funds
General Fund	\$ 0	\$ 2,464,485	\$ 65,405
General Capital Projects Fund	4,000,000	0	1,875,932
Nonmajor Governmental Funds	0	425,000	0
Total	\$ 4,000,000	\$ 2,889,485	\$ 1,941,337

Discretely Presented Williamson County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Education Capital Projects Fund
General Purpose School Fund	\$ 0	\$ 5,681,645
Nonmajor governmental funds	106,281	0
Total	\$ 106,281	\$ 5,681,645

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.

E. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

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

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 20 years for bonds, up to seven years for notes, and up to 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2008, will be retired from the debt service funds.

General obligation bonds, capital outlay notes, and other loans outstanding as of June 30, 2008, are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-08
General Obligation Bonds	2.25 to 5.875%	\$ 217,975,000	\$ 94,590,000
General Obligation Bonds - Refunding	2 to 5.5	165,335,000	138,470,000
Rural School Bonds	2 to 5.875	149,035,000	110,830,000
Rural School Bonds - Refunding	2 to 5.5	71,375,000	50,005,000
Capital Outlay Notes	2 to 3.5	5,395,000	2,345,000
Other Loans	variable	14,600,000	10,459,000

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, 2008, the variable interest rate was 1.29 percent, and other fees totaled approximately .25 percent (letter of credit), .05 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, 2008, the variable interest rate was 1.54 percent, and other fees totaled approximately .30 percent (letter of credit), .06 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, 2008, the variable interest rate was 1.54 percent, and other fees totaled approximately .25 percent (letter of credit), .07 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2008, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2009	\$ 22,075,000	\$ 18,095,352	\$ 40,170,352
2010	22,155,000	17,128,310	39,283,310
2011	23,960,000	16,127,501	40,087,501
2012	25,715,000	15,072,109	40,787,109
2013	27,180,000	13,885,047	41,065,047
2014-2018	138,105,000	50,347,449	188,452,449
2019-2023	95,385,000	20,312,073	115,697,073
2024-2028	39,320,000	4,040,564	43,360,564
Total	\$ 393,895,000	\$ 155,008,405	\$ 548,903,405

Year Ending June 30	Notes		
	Principal	Interest	Total
2009	\$ 1,660,000	\$ 45,424	\$ 1,705,424
2010	685,000	23,972	708,972
			0
Total	\$ 2,345,000	\$ 69,396	\$ 2,414,396

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2009	\$ 722,000	\$ 147,398	\$ 38,172	\$ 907,570
2010	753,000	137,355	35,932	926,287
2011	787,000	126,888	33,598	947,486
2012	823,000	115,959	31,161	970,120
2013	859,000	104,537	28,614	992,151
2014-2018	4,904,000	333,362	100,845	5,338,207
2019-2023	1,611,000	68,315	23,081	1,702,396
Total	\$ 10,459,000	\$ 1,033,814	\$ 291,403	\$ 11,784,217

There is \$24,575,731 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$3,110, based on the 2000 federal census. Debt per capita, including bonds, notes, and other loans totaled \$3,212, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2008, was as follows:

Governmental Activities:	Other		
	Bonds	Notes	Loans
Balance, July 1, 2007	\$ 384,780,000	\$ 1,985,000	\$ 10,573,616
Additions	30,350,000	1,000,000	576,384
Deductions	(21,235,000)	(640,000)	(691,000)
Balance, June 30, 2008	\$ 393,895,000	\$ 2,345,000	\$ 10,459,000
Balance Due Within One Year	\$ 22,075,000	\$ 1,660,000	\$ 722,000

	Compensated Absences	Claims and Judgments	Closure/ Postclosure Care Costs
Balance, July 1, 2007	\$ 1,527,465	\$ 5,586,388	\$ 873,392
Additions	1,702,192	42,192,774	1,276,524
Deductions	(1,502,905)	(42,468,629)	(1,253,936)
Balance, June 30, 2008	<u>\$ 1,726,752</u>	<u>\$ 5,310,533</u>	<u>\$ 895,980</u>
Balance Due Within One Year	<u>\$ 1,653,196</u>	<u>\$ 5,310,533</u>	<u>\$ 250,000</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2008	\$ 414,632,265
Less: Due Within One Year	(31,670,729)
Add: Unamortized Premium on Debt	9,073,754
Less: Deferred Amount on Refunding	<u>(4,760,538)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 387,274,752</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, \$5,021,485 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 Fund and Highway/Public Works Fund. Landfill closure/postclosure care costs will be paid from the General Capital Projects Fund.

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, 2008, the following outstanding bonds are considered defeased:

	<u>Amount</u>
1999 Public Improvements	\$ 14,235,000
1999 Rural School	14,355,000
2000 General Obligation	9,015,000
2000 School Construction	20,320,000
2000 Rural School	11,260,000
2006 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, 2008, was as follows:

Governmental Activities:

	<u>Compensated Absences</u>	<u>Claims and Judgments</u>	<u>Energy System Liabilities</u>
Balance, July 1, 2007	\$ 829,050	\$ 333,599	\$ 67,274
Additions	898,667	1,588,989	0
Deductions	<u>(835,256)</u>	<u>(1,675,838)</u>	<u>(23,653)</u>
Balance, June 30, 2008	<u>\$ 892,461</u>	<u>\$ 246,750</u>	<u>\$ 43,621</u>
Balance Due Within One Year	<u>\$ 133,869</u>	<u>\$ 246,750</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2008	\$ 1,182,832
Less: Due Within One Year	<u>(380,619)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 802,213</u>

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

F. 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, 2008, were \$13,175. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

G. Short-term Debt

Williamson County issued bond anticipation notes in advance of issuing debt and deposited the proceeds in the General Capital Projects Fund. These notes were necessary because funds were not available to meet various capital projects expenditures coming due before the bond issuance. Short-term debt activity for the year ended June 30, 2008, was as follows:

	Balance 7-1-07	Issued	Paid	Balance 6-30-08
Bond Anticipation Note	\$ 0	\$ 3,526,000	\$ (3,526,000)	\$ 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 \$175,000 on PPO plans and \$150,000 on HMO plans, per specific loss. The PPO and HMO plans do not carry aggregate reinsurance.

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

		Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2006-07	\$	4,680,351	34,591,294	(33,859,905)	\$ 5,411,740
2007-08		5,411,740	40,190,379	(40,580,634)	5,021,485

Williamson County and the discretely presented Williamson County School Department are self-insured for all other risks of loss, including general liability, property, casualty, and workers' compensation. The county carries commercial insurance coverage for any specific loss exceeding \$100,000 and aggregate losses from \$850,000 to \$3,000,000 in a given year. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues and Statement No. 50, Pension Disclosures became effective for the year ended June 30, 2008.

GASB Statement No. 48 establishes criteria to ascertain whether certain transactions are sales or collateralized borrowings and provides guidance on how to account for sales or pledges of receivables or future revenues. This statement provides additional guidance for sales of receivables and future revenues within the same reporting entity. This statement also requires governments to disclose in the notes to the financial statements the nature of any receivables or future revenues that have been pledged or sold. Tennessee state statutes do not currently allow counties to sell or pledge receivables or sell future revenue streams. Therefore, those provisions of GASB Statement No. 48 that pertain to the sale or pledge of receivables or sale of future revenue will not apply to Williamson County. GASB Statement No. 48 had no effect on the financial statements of Williamson County for the year ended June 30, 2008, since the county has not pledged any of its future revenues. However, it is reasonably expected that Williamson County may pledge a future revenue stream toward the payment of debt in subsequent years.

GASB Statement No. 50 amends previous guidance concerning pension information. This statement closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and enhances the information disclosed in the notes to the financial statements or presented as required supplementary information for pension plans. This statement requires Williamson County to provide additional and more detailed pension plan note disclosures than in previous years.

C. Subsequent Events

On July 14, 2008, Williamson County authorized the issuance of capital outlay notes totaling \$4,500,000 for the purchase of property.

On August 18, 2008, Robert Rhoades left as the interim sheriff and was succeeded by Jeff Long.

On September 15, 2008, Williamson County issued a tax anticipation note of \$5,000,000 for school purposes.

On September 22, 2008, county employees discovered that a burglary had occurred at the Williamson County landfill office. Funds totaling \$7,351.70 were stolen. Details of this theft are discussed in the Schedule of Findings and Questioned Costs section of this report.

D. Contingent Liabilities

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

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

E. Change in Administration

On February 13, 2008, Ricky Headley left the Office of Sheriff and was succeeded by Robert Rhoades.

F. Landfill Closure/Postclosure Care Costs

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the General Capital Projects Fund reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used. During 1995-96, the county closed the old cell (trench 7) and opened the first of five newly proposed cells (area 1). However, the Williamson County Landfill stopped accepting household garbage as of January 1998. The \$895,980 reported as landfill closure and postclosure care liability at June 30, 2008, represents the net amount reported to date based on the use of 100 percent of an old cell (trench 7) and 100 percent of the estimated capacity of another

cell (area 1). These amounts are based on what it would cost to perform all closure and postclosure care in 2007. 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 2007-08 revenues (\$378,627) and expenditures (\$53,009) 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

Employees

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://treasury.state.tn.us/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, 2008, was 7.86 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 ending June 30, 2008, Williamson County's annual pension cost of \$4,251,734 to TCRS was equal to the county's required and actual

contributions. The required contribution was determined as part of the July 1, 2005, 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 postretirement increases of three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. Williamson County's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2005 was ten years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-08	\$4,251,734	100%	\$0
6-30-07	3,957,552	100	0
6-30-06	3,179,861	100	0

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 85.94 percent funded. The actuarial accrued liability for benefits was \$95.03 million, and the actuarial value of assets was \$81.67 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$13.36 million. The covered payroll (annual payroll of active employees covered by the plan) was \$49.96 million, and the ratio of the UAAL to the covered payroll was 26.74 percent.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear 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 (ARC) 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. A cost of living adjustment (COLA) is provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the Williamson County School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2008, was 6.24 percent of annual covered payroll. The employer contribution requirement for the Williamson County School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2008, 2007, and 2006, were \$6,164,736, \$5,640,385, and \$4,537,709, respectively, equal to the required contributions for each year.

I. Other Postemployment Benefits (OPEB)

In addition to the retirement commitments described above, Williamson County and the discretely presented Williamson County School Department provide post-retirement health and dental care benefits through its self-insurance program for retirees who are at least age 55, with at least ten years of continuous service, or are any age, with 30 or more years of continuous service. Currently, 72 county and 307 school retirees receive medical benefits, and 68 county and 334 school retirees receive dental benefits. The county or the Williamson County School Department will reimburse up to 90 percent (depending on the service provider) of the amount of validated claims for medical, dental, and hospitalization costs incurred by pre-Medicare retirees. Retirees are responsible for the cost of administrative fees, along with the dependent coverage applicable to family coverage. Once the retirees or their dependent(s) become eligible for Medicare, the county coverage will become the secondary insurance provider. During the year, expenditures totaling \$558,263 (county medical), \$22,882 (county dental), \$2,619,290 (school medical), and \$165,090 (school dental) were recognized for postemployment health care.

Williamson County and the Williamson County School Department participate 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 Tennessee Code Annotated 8-27-701. 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://tennessee.gov/finance/act/cafr.html>. 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

does not provide a subsidy for local government participants; however, the state provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The monthly support for Williamson County and noncertified Williamson County 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 \$263 (county) and \$2,938 (school) were recognized for postemployment health care.

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 NOTE – DISCRETELY PRESENTED WILLIAMSON COUNTY HOSPITAL DISTRICT**

A. **Reporting Entity**

Williamson County Hospital District operates under the name of Williamson Medical Center and is a general, short-term, acute care hospital organized as a political subdivision of Williamson County, Tennessee. The medical center constitutes a component unit of the county, which is considered the primary government unit. The Williamson County Commission adopted a resolution in 1992, in conjunction with acquiring title to the property and equipment of the district, giving the district complete authority and responsibility to manage and operate the medical center as provided in Chapter 107 of the Private Act of 1957, passed by the Tennessee legislature. These financial statements include the activities of the medical center, and the Williamson Medical Center Foundation, a discretely presented component unit established in 2003. The county is financially accountable as it appoints a voting majority of the district's Board of Trustees, and the full faith and credit of the county is pledged for payment of principal and interest on the outstanding hospital revenue and tax bonds.

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

B. **Significant Accounting Policies**

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

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

Inventories – Inventories consist principally of medical and pharmaceutical supplies and are stated at the lower of cost (first-in, first-out method) or fair market 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 are stated at cost. Depreciation is computed by the straight-line method over the estimated useful life of the asset, generally 40 years for buildings, ten to 25 years for land improvements, five to 20 years for capital equipment, and three to 20 years for major moveable equipment. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation expense and the allowance for depreciation, respectively. The medical center reviews the carrying values of long-lived assets if facts and circumstances indicate that recoverability may have been impaired. Costs of maintenance and repairs are expensed as incurred. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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

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

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

Net Patient Service Revenue/Receivables – Net patient service revenue is reported on an accrual basis in the period in which services are provided at the estimated net realizable amounts, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Current operations are charged with an estimated provision for bad debts based upon management's evaluation of collectability. Such evaluation includes historical experience, aging of the receivables, and other factors that affect the collectability of the receivables. The estimated provision for bad debts is reported as a reduction in net patient service revenue.

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

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

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

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

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

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

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

C. Net Patient Service Revenue and Patient Accounts Receivable

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

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

Gross Patient Service Charges	\$ 321,264,347
Less:	
Medicare Contractual Adjustments	(80,371,107)
TennCare Contractual Adjustments	(16,631,364)
Other Contractual Adjustments	(79,061,153)
Bad Debt	(9,488,582)
Charity Care	(3,268,299)
	<hr/>
Net Patient Service Revenue	<u><u>\$ 132,443,842</u></u>

Net patient accounts receivable consist of the following:

Insurance Carriers Under Commercial Plans	\$ 9,738,747
Managed Care Plans	3,721,125
Medicare	5,603,641
TennCare	429,381
Patients, Including Self-Insured	13,129,131
Less: Allowance for Uncollectible Accounts	(6,657,101)
	<hr/>
Total	<u><u>\$ 25,964,924</u></u>

D. Third-party Payor Agreements

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

Amounts earned under these contractual arrangements are subject to review and final determination by fiscal intermediaries and other appropriate governmental authorities or their agents. In the opinion of management, adequate provision has been made for any adjustments, which may result from such reviews. In addition, participation in these programs subjects the medical center to significant rules and regulations; failure to adhere to such could result in fines, penalties, or expulsion from the programs.

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

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

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

Net patient service revenue related to Medicare and TennCare was approximately \$42,887,000 and \$1,798,000, respectively, in 2008.

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

E. Assets Limited as to Use

Assets limited as to use consist of the following:

By Board for Capital Improvements:	
Cash	\$ 30,609,482
By Board for Bond Principal and Interest Payments:	
Cash	2,654,394
By Donors:	
Cash	<u>817,415</u>
 Total Assets Limited as to Use	 <u><u>\$ 34,081,291</u></u>

Balances consist of bank deposits at June 30, 2008. 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, interest, and construction related accounts payable.

All cash assets limited as to use at June 30, 2008, are categorized as investments 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.N. for additional information related to the medical center's risks with respect to its investments.

F. Property and Equipment

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

	Balance 7-1-07	Additions	Retirements	Balance 6-30-08
Land	\$ 6,513,813	\$ 0	\$ 0	\$ 6,513,813
Land improvements	2,186,668	39,850	0	2,226,518
Building and improvements	99,745,081	6,834,634	(13,449)	106,566,266
Equipment	51,464,414	5,181,394	(961,939)	55,683,869
Equipment under capital leases	8,564,194	99,995	0	8,664,189
Subtotal	<u>\$ 168,474,170</u>	<u>\$ 12,155,873</u>	<u>\$ (975,388)</u>	<u>\$ 179,654,655</u>
Less: Accumulated depreciation and amortization	(62,419,947)	(8,347,058)	949,732	(69,817,273)
Add: Construction in progress	2,807,820	3,718,307	0	6,526,127
 Total	 <u><u>\$ 108,862,043</u></u>	 <u><u>\$ 7,527,122</u></u>	 <u><u>\$ (25,656)</u></u>	 <u><u>\$ 116,363,509</u></u>

Construction in progress at June 30, 2008, consists primarily of a new parking garage, as well as continuing construction on the Outpatient Imaging Center and a surgery suite. Estimated costs to complete these projects totaled approximately \$7,300,000 at June 30, 2008.

G. Investments in Joint Ventures

During 2006, the medical center entered into a joint venture with physicians to own and operate Williamson Surgery Center, LLC, which began operations during the fiscal year ended June 30, 2006. The joint venture is governed equally by the medical center and by the physicians. The medical center transferred certain property and equipment to the joint venture in 2006 as a part of its initial investment of \$1,850,000. The medical center provides various administrative and other services and personnel to the surgery center. Other operating revenue for the year ended June 30, 2008, includes \$2,322,278 for these employees and services, and other receivables at June 30, 2008, include \$1,545,408 due from the surgery center. During 2007, the amount due the surgery center was restructured as a note receivable with monthly payments of \$11,253, including interest at five percent through 2022. The medical center also recognized \$102,852 as its equity in the loss of the surgery center for 2008 based on the medical center's interest of approximately 74 percent. Condensed financial information for the surgery center as of and for the year ended June 30, 2008, is as follows:

Assets	<u>\$ 2,162,455</u>
Liabilities	\$ 1,890,116
Member's Equity	<u>272,339</u>
Total	<u>\$ 2,162,455</u>
Net Loss For the Year	<u>\$ 137,136</u>

Liabilities include \$300,000 outstanding on a \$1,500,000 line of credit.

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. The joint venture is owned equally by the medical center and Saint Thomas Network. The medical center and Saint Thomas Network have agreed to divide the net income/loss of WSTCH based on an allocation of 80 percent and 20 percent, respectively. The medical center contributed \$40,000 to the joint venture in 2008 as its initial investment. The medical center provides administrative and other services and personnel to WSTCH. Other operating revenue for the year ended June 30, 2008, includes \$123,593 for these employees and services.

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 owned approximately 6.6 percent at June 30, 2008. The medical center's equity in S.H.S. was approximately \$698,900 at June 30, 2008. Equity earnings are distributed based upon tons

of laundry processed by S.H.S. The medical center paid S.H.S. approximately \$657,000 for laundry services for 2008.

H. Williamson County Ambulance Service

Pursuant to terms of an agreement with the county, which has been and may continue to be renewed annually upon agreement by both parties, the medical center controls and operates the Williamson County Ambulance Service. In accordance with this agreement, the county made unrestricted donations to the medical center of \$1,845,792 in 2008, 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 \$1,517,000 at June 30, 2008.

I. Bonds and Notes Payable

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

	Balance 7-1-07	Additions	Reductions	Balance 6-30-08	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	\$ 14,000,000	\$ 0	\$ (575,000)	\$ 13,425,000	\$ 600,000
Hospital Revenue and Tax Bonds Series 2004A	13,445,000	0	(565,000)	12,880,000	580,000
Hospital Revenue and Refunding Tax Bonds Series 1997	8,910,000	0	(8,910,000)	0	0
Hospital Revenue and Refunding Tax Bonds Series 2008	0	7,100,000	0	7,100,000	1,690,000
4.43% Note Payable to Bank (LIBOR + 1.75%)	8,833,333	0	(500,000)	8,333,333	500,000
4.75% Note Payable to Bank	285,289	0	(285,289)	0	0
4.78% Equipment Loan	688,063	0	(247,814)	440,249	259,935
2.94% Note Payable to Bank	198,616	1,457	(200,073)	0	0
4.31% Note Payable to Bank	0	4,727,852	0	4,727,852	360,000

	Balance 7-1-07	Additions	Reductions	Balance 6-30-08	Amounts Due Within One Year
3.11% Note Payable to Bank (LIBOR + 0.65%)	\$ 0	\$ 742,231	\$ (41,235)	\$ 700,996	\$ 247,410
Total	\$ 46,360,301	\$ 12,571,540	\$ (11,324,411)	\$ 47,607,430	\$ 4,237,345

On December 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004B, for improving, renovating, and equipping 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 three percent to 4.375 percent and are due through May 1, 2025.

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

On June 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004A, for improving, renovating, and equipping 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 3.75 percent to 4.875 percent and are due through May 1, 2024.

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

The Hospital Revenue and Tax Refunding Bonds, Series 1997 were issued to advance refund a portion of the previously outstanding Hospital Revenue and Tax Bonds, Series 1992, which had been used to acquire medical center facilities.

The Series 1997 Bonds maturing on or after May 1, 2008, were subject to redemption at the option of the county on or after May 1, 2007, as a whole at any time or in part from time to time on any interest payment date at 101 percent of par value on May 1, 2007, through April 30, 2008, and at 100 percent of par value on May 1, 2008, and thereafter. The Series 1997 Bonds were redeemed as a whole on February 29, 2008, in conjunction with the issuance of the Series 2008 Bonds discussed below. There was no significant gain or loss related to this transaction.

On February 28, 2008, the county issued \$7,100,000 in Hospital Revenue and Tax Refunding Bonds, Series 2008 for the purpose of refunding the Series

1997 Bonds. The Series 2008 Bonds bear interest at rates ranging from 3.5 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, with which the medical center was in compliance at June 30, 2008, involving the issuance of additional debt and income available for debt service, with which the medical center was in compliance at June 30, 2008.

The medical center also issues notes payable to finance certain property and equipment additions. The 4.43 percent note payable to bank represents amounts drawn under a \$10,000,000 line of credit, which converted to a term loan on April 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in April 2015. This loan bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.75 percent and is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 4.78 percent equipment loan is payable in monthly amounts of principal and interest of \$22,946 through February 2010 and is secured by equipment. The 4.75 percent note payable to bank was payable in monthly amounts of principal and interest of \$95,854 and was paid in full in September 2007. The 2.94 percent note payable to bank was payable in monthly principal and interest amounts of \$39,723 and was paid in full in November 2007. The 3.11 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus 0.65 percent and is secured by equipment. The 4.31 percent note payable to bank represents amounts drawn thus far on a \$7,500,000 construction loan with monthly interest only payments until November 1, 2008. On December 1, 2008, the note payable will convert to a term loan payable in monthly amounts of principal and interest based on a 15-year amortization, but maturing in November 2013.

The debt service requirements at June 30, 2008, related to bonds and notes payable are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2009	\$ 4,237,345	\$ 1,967,793
2010	4,202,914	1,811,387
2011	4,066,365	1,669,149
2012	3,970,190	1,526,343

Debt Requirements (Cont.)	Principal	
Year Ending	Maturities or	
June 30	Sinking Fund	Interest
	Requirements	
2013	\$ 5,267,282	\$ 1,349,074
2014-2018	13,363,334	4,270,459
2019-2023	9,340,000	2,027,819
2024-2025	3,160,000	189,737
Total	<u>\$ 47,607,430</u>	<u>\$ 14,811,761</u>

Approximately \$48,000 in interest expense was capitalized as part of the cost of construction projects during 2008.

J. Leases

The medical center leases equipment and office space under capital and operating lease agreements. Future minimum lease payments under capital leases and noncancellable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2008, are as follows:

Year Ending	Capital	Operating
June 30	Leases	Leases
2009	\$ 37,534	\$ 2,667,756
2010	37,534	2,474,092
2011	6,256	678,930
2012	0	620,878
2013	0	399,466
2014	0	264,614
Total future minimum lease payments	\$ 81,324	<u>\$ 7,105,736</u>
Less amounts representing interest of 7.88%	<u>(6,786)</u>	
Present value of net minimum lease payments	<u>\$ 74,538</u>	

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

Balance				Balance	Due Within
7-1-07	Additions	Reductions		6-30-08	One Year
\$ 0	\$ 99,995	\$ (25,457)		\$ 74,538	\$ 32,831

The medical center generates rental income primarily from operating leases of three medical office buildings. Rental revenue was \$2,682,467 in 2008 and is included in other revenue.

Future minimum rental revenue under noncancellable leases, including a lease with the surgery center currently for \$59,955 per month through September 2015, at June 30, 2008, is as follows:

Year Ending June 30	Amount
2009	\$ 2,171,860
2010	1,853,520
2011	1,333,973
2012	1,280,368
2013	1,213,696
Thereafter	<u>1,969,499</u>
Total	<u>\$ 9,822,916</u>

Future minimum rental payments generally include minor annual increases for inflation. Rental income in excess of rent expense was \$870,082 for 2008.

K. Capital Contributions

During 2003, Williamson County contributed \$20,000,000 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.

Other capital contributions for 2008 include amounts related to the foundation.

L. Employees' Retirement Plan

The medical center participates in a tax-sheltered annuity program for substantially all of its employees that have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately \$1,992,000 in 2008 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. Currently, the medical center's contribution percentage is five percent of covered wages for nonmanagement employees and nine percent for management employees. Employees may make voluntary contributions so long as the total amount contributed by the employee does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. The plan's investments at June 30, 2008, consist of various mutual fund and fixed income investments.

M. Other Receivables

Other current and long-term receivables at June 30, 2008, include \$429,930 from certain physicians, which were made as part of the medical center's recruitment program 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 three years, as long as the physician continues to practice in the area. The medical center amortizes these loans over the physicians' service commitments.

N. Commitments and Contingencies

Medical malpractice liability is limited under provisions of the Tennessee Governmental Tort Liability Act (Section 29-20-403, et seq., Tennessee Code Annotated), which removed tort liability from governmental entities which, in the opinion of counsel for the medical center, includes the medical center. In addition to requiring claims to be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a provision 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 also maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are \$1,000,000 per claim and \$3,000,000 in the aggregate annually with a deductible of \$100,000 per claim. In addition, the medical center maintains a \$3,000,000 annual aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past three fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2008, that have resulted in the assertion of claims, and other claims may be asserted arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse, and, most recently under the provisions of the Health Insurance Portability and Accountability Act of

1996, matters related to patient records, privacy, and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

The medical center is self-insured for medical and other healthcare benefits provided to its employees and their families. The medical center maintains reinsurance through a commercial excess coverage policy, which covers annual individual employee claims paid in excess of \$175,000 for the plan year. Contributions by the medical center and participating employees are based on actual claims experience. A provision for estimated incurred but not reported claims has been provided in the accompanying financial statements. Total expenses under this program amounted to approximately \$8,072,000 for the year ended June 30, 2008.

In June 2007, the medical center entered in to a contract for the purchase of real estate, whereby, the medical center has agreed to purchase space in a medical office building at an estimated total cost of \$2,061,300. The space will be used to house an outpatient imaging center. The contract required the medical center to deposit earnest money at the time the contract was executed. The earnest money is to subsequently be applied to the purchase price. As of June 30, 2008, this facility was still under construction and not yet available for use by the medical center. Once completed, the medical center will be required to purchase the facility based on a purchase price to be determined based on information documented in the previously stated contract for purchase of real estate.

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 of 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.

O. Fair Value of Financial Instruments

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

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

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

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

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

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

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

Long-term debt: The fair value of the medical center's long-term debt is estimated based on the medical center's current incremental borrowing rates for similar types of borrowing arrangements. Based on the analyses, the fair value of the Series 2004A, Series 2004B, and the Series 2008 Bonds and other long-term debt at June 30, 2008, approximates carrying values.

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

A. Summary of Significant Accounting Policies

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the Williamson County Commission approved resolution number 3-88-7, which established a district for their county, the Williamson County Emergency Communications District. As provided by the act, the district operates as a governmental organization through the directives of a seven-member board of directors and provides enhanced 911 emergency telephone service for its service area. 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 14 of the Governmental Accounting Standards Board (GASB); the district is a component unit of the primary government of Williamson County, Tennessee. The district reports its financial information separately from Williamson County; however, the county in its financial report also discretely presents the district's financial information.

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

GASB 14 specifies that component units must be legally separate organizations that have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. By Section 7-86-114, Tennessee Code Annotated, before issuing negotiable bonds, the district must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Williamson County Commission has the ability to adjust the district's service charges. Because the district is both a legal entity and financially accountable to the primary government of Williamson County as the County Commission approves all members of the governing board and by the nature of its fiscal dependence on Williamson County as described above, it is a component unit of Williamson County.

At June 30, 2008, there were no related receivables or payables between Williamson County and the district. The district did not engage in any activities that were subject to the approval of Williamson County.

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

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

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

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included in the statement of net assets. Net assets (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt, restricted for debt services, and unrestricted components. As of June 30, 2008, 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, cash and cash equivalents. At June 30, 2008, 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, 2008, 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, 2008, the carrying amount of cash deposits was \$833,436, and the bank balance was \$974,525. At June 30, 2008, 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	June 30, 2008	
		Carrying Amount	Bank Balance
First Tennessee Bank Checking	variable	\$ 97,340	\$ 238,429
Local Government Investment Pool	variable	736,096	736,096
Total		<u>\$ 833,436</u>	<u>\$ 974,525</u>

C. Accounts Receivable

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

The following is the detail of the receivables at June 30, 2008:

AT&T	\$ 48,431
Fairview	18,000
Xspedius	6,186
NUVOX	8,000
USLEC	4,382
Others	<u>19,076</u>
Total	<u>\$ 104,075</u>

D. Capital Assets

Capital assets are summarized as follows:

	Balance		Balance	
	7-1-07	Additions	Retirements	6-30-08
Communications equipment	\$ 1,149,923	\$ 520,423	\$ (60,440)	\$ 1,609,906
Office furniture and equipment	69,386	0	(5,223)	64,163
Subtotal	\$ 1,219,309	\$ 520,423	\$ (65,663)	\$ 1,674,069
Less: Accumulated depreciation	(576,223)	(211,449)	15,458	(772,214)
Add: Construction in progress	0	127,227	0	127,227
Total	\$ 643,086	\$ 436,201	\$ (50,205)	\$ 1,029,082

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

The following is the detail of the payables at June 30, 2008:

AT&T for capital assets	\$ 127,227
AT&T for service	468
Various administration fees	<u>1,351</u>
Total	<u>\$ 129,046</u>

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. Amounts paid to Williamson County for the fiscal year 2008 totaled \$898,133.

This page is left blank intentionally.

**REQUIRED SUPPLEMENTARY
INFORMATION**

This page is left blank intentionally.

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual		Budgeted Amounts	Variance with Final Budget - Positive (Negative)
				Revenues/ Expenditures			
				Original	Final		
Revenues							
Local Taxes	\$ 36,896,531	\$ 0	\$ 0	\$ 36,896,531	\$ 33,837,987	\$ 33,837,987	\$ 3,058,544
Licenses and Permits	1,365,679	0	0	1,365,679	1,425,000	1,425,000	(59,321)
Fines, Forfeitures, and Penalties	683,762	0	0	683,762	436,500	436,500	247,262
Charges for Current Services	5,168,439	0	0	5,168,439	4,833,100	4,898,100	270,339
Other Local Revenues	2,216,186	0	0	2,216,186	2,455,000	2,545,068	(328,882)
Fees Received from County Officials	10,785,640	0	0	10,785,640	9,635,000	9,635,000	1,150,640
State of Tennessee	4,990,398	0	0	4,990,398	3,209,935	3,598,094	1,392,304
Federal Government	1,226,401	0	0	1,226,401	1,267,172	1,268,084	(41,683)
Other Governments and Citizens Groups	386,251	0	0	386,251	160,000	304,060	82,191
Total Revenues	\$ 63,719,287	\$ 0	\$ 0	\$ 63,719,287	\$ 57,259,694	\$ 57,947,893	\$ 5,771,394
Expenditures							
General Government							
County Commission	\$ 621,355	(6,300)	3,050	618,105	690,139	690,139	72,034
Board of Equalization	2,516	0	0	2,516	3,000	3,000	484
Beer Board	1,275	0	0	1,275	3,000	3,000	1,725
Other Boards and Committees	1,950	0	0	1,950	3,675	3,675	1,725
County Mayor/Executive	344,536	(22,952)	23,120	344,704	468,835	468,835	124,131
Personnel Office	189,290	(200)	0	189,090	239,126	240,626	51,536
County Attorney	534,561	0	0	534,561	568,890	568,890	34,329
Election Commission	454,415	(1,869)	32,105	484,651	481,170	658,292	173,641
Register of Deeds	628,888	0	0	628,888	556,173	668,762	39,874
Development	2,073,845	(42,124)	151,835	2,183,556	2,151,810	2,251,810	68,254
Planning	9,449	(11,655)	8,815	6,609	26,330	26,330	19,721
Building	18,234	(91)	0	18,143	18,855	22,355	4,212
Engineering	30,521	(10,110)	2,511	22,922	51,950	53,850	30,928
Codes Compliance	11,389	(9,130)	9,030	11,289	55,079	55,079	43,790

(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 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Geographical Information Systems	\$ 1,109,620	\$ (34,866)	9,313	\$ 1,084,067	\$ 1,082,353	\$ 1,173,353	\$ 89,286
County Buildings	2,558,970	(164,289)	104,052	2,498,733	3,117,840	3,138,840	640,107
Other Facilities	140,376	0	0	140,376	144,866	144,866	4,490
Preservation of Records	244,418	(73,426)	15,463	186,455	243,907	246,407	59,952
Risk Management	149,556	0	15	149,571	184,632	184,632	35,061
Other Risk Management	239,692	(323)	0	239,369	247,555	247,555	8,186
<u>Finance</u>							
Accounting and Budgeting	578,278	(5,914)	4,420	576,784	615,874	615,874	39,090
Property Assessor's Office	1,485,161	(126,009)	60,530	1,419,682	1,492,319	1,495,486	75,804
County Trustee's Office	426,544	0	18,093	444,637	461,700	461,700	17,063
County Clerk's Office	838,107	(1,183)	2,542	839,466	889,300	899,300	59,834
<u>Administration of Justice</u>							
Circuit Court	1,331,390	(2,963)	28,168	1,356,595	1,388,647	1,451,147	94,552
General Sessions Court	622,403	0	1,213	623,616	631,245	636,245	12,629
Drug Court	85,549	0	0	85,549	0	85,549	0
Chancery Court	376,181	(509)	0	375,672	380,848	380,848	5,176
Juvenile Court	373,772	(3,375)	350	370,747	394,691	394,691	23,944
Other Administration of Justice	152,862	0	0	152,862	150,110	170,109	17,247
<u>Public Safety</u>							
Sheriff's Department	5,741,114	(28,837)	36,109	5,748,386	6,040,404	6,311,414	563,028
Traffic Control	61,741	0	188	61,929	93,665	93,665	31,736
Jail	4,454,266	(49,419)	27,743	4,432,590	4,732,814	4,825,314	392,724
Workhouse	200,671	0	360	201,031	207,952	211,452	10,421
Juvenile Services	1,561,943	(5,577)	969	1,557,335	1,566,292	1,589,792	32,457
Fire Prevention and Control	508,805	(3,055)	6,207	511,957	538,121	538,121	26,164
Civil Defense	879,646	(8,005)	3,576	875,217	883,995	961,700	86,483

(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 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
Rescue Squad	\$ 167,790	\$ (5,054)	\$ 3,282	\$ 166,018	\$ 236,857	\$ 236,857	\$ 70,839
County Coroner/Medical Examiner	137,161	(895)	0	136,266	121,705	142,200	5,934
<u>Public Health and Welfare</u>							
Local Health Center	871,644	(26,871)	8,517	853,290	1,307,387	1,347,887	494,597
Rabies and Animal Control	819,490	(64,810)	55,322	810,002	836,183	888,601	78,599
Ambulance/Emergency Medical Services	1,845,797	0	0	1,845,797	1,845,797	1,845,797	0
Other Local Health Services	26,429	0	0	26,429	10,640	26,429	0
Regional Mental Health Center	24,220	0	0	24,220	24,220	24,220	0
Appropriation to State	115,351	0	0	115,351	115,351	115,351	0
General Welfare Assistance	19,574	0	0	19,574	19,574	19,574	0
Aid to Dependent Children	6,263	0	0	6,263	12,267	12,267	6,004
Other Public Health and Welfare	112,092	(6,967)	18,887	124,012	145,705	147,155	23,143
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	50,515	0	0	50,515	50,515	50,515	0
Senior Citizens Assistance	94,327	0	0	94,327	97,513	97,513	3,186
Libraries	1,952,783	(16,858)	65,055	2,000,980	1,942,743	2,121,363	120,383
Parks and Fair Boards	7,350,218	(142,471)	81,218	7,288,965	7,163,270	7,881,626	592,661
Other Social, Cultural, and Recreational	1,240,966	(101,371)	21,475	1,161,070	1,240,596	1,241,096	80,026
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	325,751	(950)	410	325,211	338,792	339,192	13,981
Soil Conservation	43,316	0	0	43,316	43,328	43,328	12
<u>Other Operations</u>							
Tourism	140,225	0	0	140,225	514,039	140,225	0
Other Economic and Community Development	205,653	0	5,734	211,387	322,286	324,923	113,536
Public Transportation	270,578	0	0	270,578	290,000	425,000	154,422
Veterans' Services	14,000	0	0	14,000	13,119	14,269	269

(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 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Other Operations (Cont.)</u>							
Other Charges	\$ 2,317,331	\$ (32,694)	\$ 1,130	\$ 2,285,767	\$ 2,188,418	\$ 2,513,418	\$ 227,651
Employee Benefits	9,593,129	0	0	9,593,129	9,958,250	9,958,250	365,121
Miscellaneous	637,177	(8,000)	0	629,177	352,778	672,149	42,972
Total Expenditures	\$ 57,425,069	\$ (1,019,122)	\$ 810,807	\$ 57,216,754	\$ 59,998,495	\$ 62,601,908	\$ 5,385,154
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	\$ 6,294,218	\$ 1,019,122	\$ (810,807)	\$ 6,502,533	\$ (2,738,801)	\$ (4,654,015)	\$ 11,156,548
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 70,154	\$ 0	\$ 0	\$ 70,154	\$ 0	\$ 0	\$ 70,154
Transfers Out	(3,280,651)	0	0	(3,280,651)	(500,000)	(3,129,890)	(150,761)
Total Other Financing Sources (Uses)	\$ (3,210,497)	\$ 0	\$ 0	\$ (3,210,497)	\$ (500,000)	\$ (3,129,890)	\$ (80,607)
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 3,083,721	\$ 1,019,122	\$ (810,807)	\$ 3,292,036	\$ (3,238,801)	\$ (7,783,905)	\$ 11,075,941
	29,060,952	(1,019,122)	0	28,041,830	26,963,609	26,963,609	1,078,221
Fund Balance, June 30, 2008	\$ 32,144,673	\$ 0	\$ (810,807)	\$ 31,333,866	\$ 23,724,808	\$ 19,179,704	\$ 12,154,162

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 8,509,836	\$ 0	\$ 0	\$ 8,509,836	\$ 7,244,260	\$ 7,244,260	\$ 1,265,576
Other Local Revenues	105,989	0	0	105,989	35,000	35,000	70,989
State of Tennessee	3,086,715	0	0	3,086,715	2,750,000	3,156,420	(69,705)
Federal Government	429,336	0	0	429,336	0	429,336	0
Other Governments and Citizens Groups	155,268	0	0	155,268	50,000	50,000	105,268
Total Revenues	\$ 12,287,144	\$ 0	\$ 0	\$ 12,287,144	\$ 10,079,260	\$ 10,915,016	\$ 1,372,128
Expenditures							
<u>Highways</u>							
Administration	\$ 703,229	\$ (3,363)	\$ 725	\$ 700,591	\$ 683,391	\$ 745,841	\$ 45,250
Highway and Bridge Maintenance	4,955,093	(152,836)	605,440	5,407,697	5,337,984	5,728,729	321,032
Operation and Maintenance of Equipment	1,579,038	(7,220)	81,112	1,652,930	1,933,969	2,096,531	443,601
Quarry Operations	676,760	0	2,000	678,760	751,105	751,105	72,345
Other Charges	554,413	(1,000)	0	553,413	705,000	705,000	151,587
Employee Benefits	1,030,294	0	0	1,030,294	1,069,790	1,069,790	39,496
Capital Outlay	449,755	(38,792)	600,280	1,011,243	592,000	1,092,000	80,757
Total Expenditures	\$ 9,948,582	\$ (203,211)	\$ 1,289,557	\$ 11,034,928	\$ 11,073,239	\$ 12,188,996	\$ 1,154,068
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,338,562	\$ 203,211	\$ (1,289,557)	\$ 1,252,216	\$ (993,979)	\$ (1,273,980)	\$ 2,526,196
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 300,000	\$ 0	\$ 0	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0
Total Other Financing Sources (Uses)	\$ 300,000	\$ 0	\$ 0	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0
Net Change in Fund Balance	\$ 2,638,562	\$ 203,211	\$ (1,289,557)	\$ 1,552,216	\$ (693,979)	\$ (973,980)	\$ 2,526,196
Fund Balance, July 1, 2007	7,897,043	(203,211)	0	7,693,832	7,883,534	7,883,534	(189,702)
Fund Balance, June 30, 2008	\$ 10,535,605	\$ 0	\$ (1,289,557)	\$ 9,246,048	\$ 7,189,555	\$ 6,909,554	\$ 2,336,494

Exhibit F-3

Williamson County, Tennessee
Schedule of Funding Progress – Pension Plan
June 30, 2008

(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)
6-30-07	\$ 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 was a change made during the year; therefore, only the most current year is presented.

WILLIAMSON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2008

A. BUDGETARY INFORMATION

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

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

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

B. CASH SHORTAGE

As noted in Annual Financial Report for the year ended June 30, 2006 in the Schedule of Findings and Questioned Costs as item 06.01, collections of at least \$45,037.43 were not accounted for at the Fairview Recreation Center. On September 10, 2007, a former supervisor at the Fairview Recreation Center was indicted and charged with theft over \$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. The debtor will pay a minimum of \$300 per month. The debtor recognizes that payments over and above the \$300 per month will be necessary to ensure that the principal of \$45,037.43 is paid within 48 months from November 1, 2008. The defendant did not pay any funds toward liquidating the cash shortage during the current audit period.

This page is left blank intentionally.

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

This page is left blank intentionally.

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.

This page is left blank intentionally.

Williamson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
Cash	\$ 550	\$ 0	\$ 150	\$ 900	\$ 1,600	
Equity in Pooled Cash and Investments	3,230,806	191,816	199,904	0	3,622,526	
Accounts Receivable	47,995	0	0	0	47,995	
Due from Other Governments	256,526	0	0	0	256,526	
Property Taxes Receivable	2,738,882	0	0	0	2,738,882	
Allowance for Uncollectible Property Taxes	(30,368)	0	0	0	(30,368)	
Total Assets	\$ 6,244,391	\$ 191,816	\$ 200,054	\$ 900	\$ 6,637,161	

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

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees		
Accounts Payable	\$ 225	\$ 0	\$ 1,262	\$ 0	\$ 1,487	
Claims and Judgments Payable	20,000	0	0	0	20,000	
Due to Other Funds	0	0	0	900	900	
Deferred Revenue - Current Property Taxes	2,642,519	0	0	0	2,642,519	
Deferred Revenue - Delinquent Property Taxes	60,794	0	0	0	60,794	
Other Deferred Revenues	149,798	0	0	0	149,798	
Total Liabilities	\$ 2,873,336	\$ 0	\$ 1,262	\$ 900	\$ 2,875,498	
<u>Fund Balances</u>						
Reserved for Encumbrances	\$ 121,592	\$ 5,670	\$ 0	\$ 0	\$ 127,262	
Unreserved	3,249,463	186,146	198,792	0	3,634,401	
Total Fund Balances	\$ 3,371,055	\$ 191,816	\$ 198,792	\$ 0	\$ 3,761,663	
Total Liabilities and Fund Balances	\$ 6,244,391	\$ 191,816	\$ 200,054	\$ 900	\$ 6,637,161	

Liabilities

Accounts Payable
Claims and Judgments Payable
Due to Other Funds
Deferred Revenue - Current Property Taxes
Deferred Revenue - Delinquent Property Taxes
Other Deferred Revenues
Total Liabilities

Fund Balances

Reserved for Encumbrances
Unreserved
Total Fund Balances

Total Liabilities and Fund Balances

Exhibit G-2

Williamson County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2008

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	
<u>Revenues</u>				
Local Taxes	\$ 3,538,273	\$ 0	\$ 0	\$ 3,538,273
Fines, Forfeitures, and Penalties	0	140,946	103,401	244,347
Charges for Current Services	870,260	0	0	870,260
Other Local Revenues	236,458	5,280	0	241,738
State of Tennessee	120,881	4,264	0	125,145
Other Governments and Citizens Groups	630	1,450	0	2,080
Total Revenues	<u>\$ 4,766,502</u>	<u>\$ 151,940</u>	<u>\$ 103,401</u>	<u>\$ 5,021,843</u>
<u>Expenditures</u>				
Current:				
Administration of Justice	\$ 0	\$ 0	\$ 100,839	\$ 100,839
Public Safety	0	198,590	0	198,590
Public Health and Welfare	2,955,045	0	0	2,955,045
Other Operations	587,573	0	0	587,573
Total Expenditures	<u>\$ 3,542,618</u>	<u>\$ 198,590</u>	<u>\$ 100,839</u>	<u>\$ 3,842,047</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,223,884</u>	<u>\$ (46,650)</u>	<u>\$ 2,562</u>	<u>\$ 1,179,796</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 500,000	\$ 0	\$ 0	\$ 500,000
Transfers Out	(425,000)	0	0	(425,000)
Total Other Financing Sources (Uses)	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 75,000</u>
Net Change in Fund Balances	\$ 1,298,884	\$ (46,650)	\$ 2,562	\$ 1,254,796
Fund Balance, July 1, 2007	2,072,171	238,466	196,230	2,506,867
Fund Balance, June 30, 2008	<u>\$ 3,371,055</u>	<u>\$ 191,816</u>	<u>\$ 198,792</u>	<u>\$ 3,761,663</u>

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 3,538,273	\$ 0	\$ 0	\$ 3,538,273	\$ 3,353,166	\$ 3,353,166	\$ 185,107
Charges for Current Services	870,260	0	0	870,260	690,000	790,000	80,260
Other Local Revenues	236,458	0	0	236,458	119,000	120,309	116,149
State of Tennessee	120,881	0	0	120,881	100,000	116,260	4,621
Federal Government	0	0	0	0	0	58,000	(58,000)
Other Governments and Citizens Groups	630	0	0	630	0	610	20
Total Revenues	\$ 4,766,502	\$ 0	\$ 0	\$ 4,766,502	\$ 4,262,166	\$ 4,438,345	\$ 328,157
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 2,955,045	\$ (127,684)	\$ 121,592	\$ 2,948,953	\$ 3,233,853	\$ 3,352,222	\$ 403,269
Other Operations	227,499	0	0	227,499	273,343	273,343	45,844
Other Charges	360,074	0	0	360,074	397,250	397,250	37,176
Employee Benefits							
Total Expenditures	\$ 3,542,618	\$ (127,684)	\$ 121,592	\$ 3,536,526	\$ 3,904,446	\$ 4,022,815	\$ 486,289
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,223,884	\$ 127,684	\$ (121,592)	\$ 1,229,976	\$ 357,720	\$ 415,530	\$ 814,446
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 500,000	\$ 0	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
Transfers Out	(425,000)	0	0	(425,000)	0	(425,000)	0
Total Other Financing Sources (Uses)	\$ 75,000	\$ 0	\$ 0	\$ 75,000	\$ 500,000	\$ 75,000	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 1,298,884	\$ 127,684	\$ (121,592)	\$ 1,304,976	\$ 857,720	\$ 490,530	\$ 814,446
Fund Balance, July 1, 2007	2,072,171	(127,684)	0	1,944,487	1,944,151	1,944,151	336
Fund Balance, June 30, 2008	\$ 3,371,055	\$ 0	\$ (121,592)	\$ 3,249,463	\$ 2,801,871	\$ 2,434,681	\$ 814,782

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 140,946	\$ 0	\$ 0	\$ 140,946	\$ 36,000	\$ 36,000	\$ 104,946
Other Local Revenues	5,280	0	0	5,280	0	0	5,280
State of Tennessee	4,264	0	0	4,264	0	0	4,264
Other Governments and Citizens Groups	1,450	0	0	1,450	0	0	1,450
Total Revenues	\$ 151,940	\$ 0	\$ 0	\$ 151,940	\$ 36,000	\$ 36,000	\$ 115,940
<u>Expenditures</u>							
Public Safety							
Drug Enforcement	\$ 198,590	(3,944)	5,670	200,316	254,380	254,380	54,064
Total Expenditures	\$ 198,590	(3,944)	5,670	200,316	254,380	254,380	54,064
Excess (Deficiency) of Revenues Over Expenditures	\$ (46,650)	3,944	(5,670)	(48,376)	(218,380)	(218,380)	170,004
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (46,650)	3,944	(5,670)	(48,376)	(218,380)	(218,380)	170,004
	238,466	(3,944)	0	234,522	234,519	234,519	3
Fund Balance, June 30, 2008	\$ 191,816	\$ 0	\$ (5,670)	\$ 186,146	\$ 16,139	\$ 16,139	\$ 170,007

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.

This page is left blank intentionally.

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, 2008

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 22,791,201	\$ 20,937,072	\$ 20,937,072	\$ 1,854,129
Other Local Revenues	2,494,544	2,470,000	2,470,000	24,544
Other Governments and Citizens Groups	701,156	0	0	701,156
Total Revenues	<u>\$ 25,986,901</u>	<u>\$ 23,407,072</u>	<u>\$ 23,407,072</u>	<u>\$ 2,579,829</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 6,416,299	\$ 9,167,000	\$ 6,417,000	\$ 701
Highways and Streets	141,761	142,000	142,000	239
Education	7,767,940	7,790,000	7,790,000	22,060
<u>Interest on Debt</u>				
General Government	5,917,966	7,550,000	6,005,592	87,626
Highways and Streets	66,201	66,500	66,500	299
Education	5,549,516	5,549,500	5,557,500	7,984
<u>Other Debt Service</u>				
General Government	529,878	570,000	570,000	40,122
Total Expenditures	<u>\$ 26,389,561</u>	<u>\$ 30,835,000</u>	<u>\$ 26,548,592</u>	<u>\$ 159,031</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (402,660)</u>	<u>\$ (7,427,928)</u>	<u>\$ (3,141,520)</u>	<u>\$ 2,738,860</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 632,295	\$ 2,000,000	\$ 0	\$ 632,295
Total Other Financing Sources (Uses)	<u>\$ 632,295</u>	<u>\$ 2,000,000</u>	<u>\$ 0</u>	<u>\$ 632,295</u>
Net Change in Fund Balance	\$ 229,635	\$ (5,427,928)	\$ (3,141,520)	\$ 3,371,155
Fund Balance, July 1, 2007	21,088,720	21,089,212	21,089,212	(492)
Fund Balance, June 30, 2008	<u>\$ 21,318,355</u>	<u>\$ 15,661,284</u>	<u>\$ 17,947,692</u>	<u>\$ 3,370,663</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, 2008

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,839,953	\$ 8,156,864	\$ 8,156,864	\$ 683,089
Other Local Revenues	461,297	500,000	500,000	(38,703)
Other Governments and Citizens Groups	84,831	0	0	84,831
Total Revenues	<u>\$ 9,386,081</u>	<u>\$ 8,656,864</u>	<u>\$ 8,656,864</u>	<u>\$ 729,217</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 8,240,000	\$ 8,250,000	\$ 8,250,000	\$ 10,000
<u>Interest on Debt</u>				
Education	7,135,430	7,016,000	7,136,000	570
<u>Other Debt Service</u>				
Education	185,494	235,000	235,000	49,506
Total Expenditures	<u>\$ 15,560,924</u>	<u>\$ 15,501,000</u>	<u>\$ 15,621,000</u>	<u>\$ 60,076</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (6,174,843)</u>	<u>\$ (6,844,136)</u>	<u>\$ (6,964,136)</u>	<u>\$ 789,293</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 4,000,000	\$ 6,000,000	\$ 4,000,000	\$ 0
Total Other Financing Sources (Uses)	<u>\$ 4,000,000</u>	<u>\$ 6,000,000</u>	<u>\$ 4,000,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (2,174,843)	\$ (844,136)	\$ (2,964,136)	\$ 789,293
Fund Balance, July 1, 2007	<u>5,432,219</u>	<u>5,432,216</u>	<u>5,432,216</u>	<u>3</u>
Fund Balance, June 30, 2008	<u>\$ 3,257,376</u>	<u>\$ 4,588,080</u>	<u>\$ 2,468,080</u>	<u>\$ 789,296</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.

This page is left blank intentionally.

Exhibit I-1

Williamson County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2008

	Agency Funds							Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	Consti- tional Officers - Agency	Other Agency		
<u>ASSETS</u>								
Cash	\$ 0	\$ 0	0	\$ 10,739	\$ 13,535,940	\$ 0	\$ 0	\$ 13,546,679
Equity in Pooled Cash and Investments	0	778	455,005	2,240,360	0	19,084	0	2,715,227
Investments	0	0	0	0	12,788	0	0	12,788
Accounts Receivable	0	0	0	0	15,368	0	0	15,368
Due from Other Governments	5,876,426	0	669,404	0	0	0	0	6,545,830
Taxes Receivable	0	0	9,510,185	0	0	0	0	9,510,185
Allowance for Uncollectible Taxes	0	0	(84,206)	0	0	0	0	(84,206)
Total Assets	\$ 5,876,426	\$ 778	\$ 10,550,388	\$ 2,251,099	\$ 13,564,096	\$ 19,084	\$ 0	\$ 32,261,871
<u>LIABILITIES</u>								
Due to Other Taxing Units	\$ 5,876,426	\$ 778	\$ 10,550,388	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,427,592
Due to Joint Venture	0	0	0	1,572,901	0	0	0	1,572,901
Due to Litigants, Heirs, and Others	0	0	0	678,198	13,564,096	19,084	0	14,261,378
Total Liabilities	\$ 5,876,426	\$ 778	\$ 10,550,388	\$ 2,251,099	\$ 13,564,096	\$ 19,084	\$ 0	\$ 32,261,871

Exhibit I-2

Williamson County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2008

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 36,727,719	\$ 36,727,719	\$ 0
Due from Other Governments	5,799,108	5,876,426	5,799,108	5,876,426
Total Assets	\$ 5,799,108	\$ 42,604,145	\$ 42,526,827	\$ 5,876,426
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,799,108	\$ 42,604,145	\$ 42,526,827	\$ 5,876,426
Total Liabilities	\$ 5,799,108	\$ 42,604,145	\$ 42,526,827	\$ 5,876,426
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 323	\$ 107,527	\$ 107,072	\$ 778
Total Assets	\$ 323	\$ 107,527	\$ 107,072	\$ 778
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 323	\$ 107,527	\$ 107,072	\$ 778
Total Liabilities	\$ 323	\$ 107,527	\$ 107,072	\$ 778
<u>Cities Adequate Facilities Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,110,797	\$ 1,110,797	\$ 0
Total Assets	\$ 0	\$ 1,110,797	\$ 1,110,797	\$ 0
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 1,110,797	\$ 1,110,797	\$ 0
Total Liabilities	\$ 0	\$ 1,110,797	\$ 1,110,797	\$ 0
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 418,933	\$ 29,168,544	\$ 29,132,472	\$ 455,005
Due from Other Governments	721,000	669,404	721,000	669,404
Taxes Receivable	9,321,434	9,510,185	9,321,434	9,510,185
Allowance for Uncollectible Taxes	(71,409)	(84,206)	(71,409)	(84,206)
Total Assets	\$ 10,389,958	\$ 39,263,927	\$ 39,103,497	\$ 10,550,388
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 10,389,958	\$ 39,263,927	\$ 39,103,497	\$ 10,550,388
Total Liabilities	\$ 10,389,958	\$ 39,263,927	\$ 39,103,497	\$ 10,550,388
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 2,425,331	\$ 1,046,264	\$ 1,231,235	\$ 2,240,360
Cash	7,167	10,739	7,167	10,739
Total Assets	\$ 2,432,498	\$ 1,057,003	\$ 1,238,402	\$ 2,251,099

(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 (Cont.)</u>				
<u>Liabilities</u>				
Due to Joint Venture	\$ 1,724,972	\$ 380,489	\$ 532,560	\$ 1,572,901
Due to Litigants, Heirs, and Others	707,526	676,514	705,842	678,198
Total Liabilities	\$ 2,432,498	\$ 1,057,003	\$ 1,238,402	\$ 2,251,099
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 12,701,283	\$ 74,053,149	\$ 73,218,492	\$ 13,535,940
Investments	17,419	12,788	17,419	12,788
Accounts Receivable	10,691	15,368	10,691	15,368
Total Assets	\$ 12,729,393	\$ 74,081,305	\$ 73,246,602	\$ 13,564,096
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 12,729,393	\$ 74,081,305	\$ 73,246,602	\$ 13,564,096
Total Liabilities	\$ 12,729,393	\$ 74,081,305	\$ 73,246,602	\$ 13,564,096
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 12,031	\$ 25,250	\$ 18,197	\$ 19,084
Total Assets	\$ 12,031	\$ 25,250	\$ 18,197	\$ 19,084
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 12,031	\$ 25,250	\$ 18,197	\$ 19,084
Total Liabilities	\$ 12,031	\$ 25,250	\$ 18,197	\$ 19,084
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 2,856,618	\$ 68,186,101	\$ 68,327,492	\$ 2,715,227
Cash	12,708,450	74,063,888	73,225,659	13,546,679
Investments	17,419	12,788	17,419	12,788
Due from Other Governments	6,520,108	6,545,830	6,520,108	6,545,830
Accounts Receivable	10,691	15,368	10,691	15,368
Taxes Receivable	9,321,434	9,510,185	9,321,434	9,510,185
Allowance for Uncollectible Taxes	(71,409)	(84,206)	(71,409)	(84,206)
Total Assets	\$ 31,363,311	\$ 158,249,954	\$ 157,351,394	\$ 32,261,871
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 16,189,389	\$ 83,086,396	\$ 82,848,193	\$ 16,427,592
Due to Joint Venture	1,724,972	380,489	532,560	1,572,901
Due to Litigants, Heirs, and Others	13,448,950	74,783,069	73,970,641	14,261,378
Total Liabilities	\$ 31,363,311	\$ 158,249,954	\$ 157,351,394	\$ 32,261,871

This page is left blank intentionally.

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

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

Extended School Program 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.

This page is left blank intentionally.

Exhibit J-1

Williamson County, Tennessee
Statement of Activities
Discretely Presented Williamson County School Department
For the Year Ended June 30, 2008

Functions/Programs	Program Revenues			Expenses	Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Total Governmental Activities	
Component Unit:						
Governmental Activities:						
Instruction	\$ 133,364,234	\$ 8,183,149	\$ 10,000	\$ 658,047	\$ 8,183,149	\$ (124,513,038)
Support Services	80,246,169	383,751	26,722,960	71,542	383,751	(53,067,916)
Operation of Non-Instructional Services	11,090,678	2,112,246	0	7,698,405	2,112,246	(1,280,027)
Total Governmental Activities	\$ 224,701,081	\$ 8,427,994	\$ 10,679,146	\$ 8,427,994	\$ 10,679,146	\$ (178,860,981)
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes						\$ 71,192,019
Local Option Sales Taxes						33,587,622
Other Local Taxes						14,117
Grants and Contributions Not Restricted to Specific Programs						85,836,854
Unrestricted Investment Income						1,402,002
Miscellaneous						403,206
Total General Revenues						\$ 192,435,820
Change in Net Assets						\$ 13,574,839
Net Assets, July 1, 2007						333,361,451
Prior-period Adjustment						(1,617,552)
Net Assets, June 30, 2008						\$ 345,318,738

Exhibit J-2

Williamson County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Williamson County School Department
June 30, 2008

	Major Funds		Nonmajor	Total
	General Purpose School	Education Capital Projects	Other Governmental Funds	
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 200	\$ 500
Equity in Pooled Cash and Investments	12,243,217	30,952,169	1,854,326	45,049,712
Accounts Receivable	84,836	0	8,258	93,094
Due from Other Governments	9,618,745	0	108,272	9,727,017
Due from Other Funds	1,618	0	0	1,618
Property Taxes Receivable	75,556,746	0	0	75,556,746
Allowance for Uncollectible Property Taxes	(669,006)	0	0	(669,006)
Total Assets	\$ 96,836,456	\$ 30,952,169	\$ 1,971,056	\$ 129,759,681
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 46,759	\$ 6,568	\$ 0	\$ 53,327
Accrued Payroll	11,830	0	0	11,830
Payroll Deductions Payable	41	0	0	41
Contracts Payable	0	749,544	0	749,544
Retainage Payable	0	28,250	0	28,250
Claims and Judgments Payable	246,750	0	0	246,750
Due to Other Funds	0	0	1,618	1,618
Deferred Revenue - Current Property Taxes	73,676,334	0	0	73,676,334
Deferred Revenue - Delinquent Property Taxes	981,403	0	0	981,403
Other Deferred Revenues	2,930,000	0	0	2,930,000
Other Long-term Liabilities	43,621	0	0	43,621
Total Liabilities	\$ 77,936,738	\$ 784,362	\$ 1,618	\$ 78,722,718
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 2,964,450	\$ 7,743,708	\$ 140,078	\$ 10,848,236
Reserved for Career Ladder - Extended Contract	156,824	0	0	156,824
Reserved for Career Ladder Program	26,027	0	0	26,027
Reserved for Title I Grants to Local Education Agencies	0	0	29,069	29,069
Reserved for Innovative Education Program Strategies	0	0	494	494
Reserved for Special Education - Grants to States	0	0	53,137	53,137
Other Federal Reserves	0	0	36,118	36,118
Unreserved, Reported In:				
General Fund	15,752,417	0	0	15,752,417
Special Revenue Funds	0	0	1,710,542	1,710,542
Capital Projects Funds	0	22,424,099	0	22,424,099
Total Fund Balances	\$ 18,899,718	\$ 30,167,807	\$ 1,969,438	\$ 51,036,963
Total Liabilities and Fund Balances	\$ 96,836,456	\$ 30,952,169	\$ 1,971,056	\$ 129,759,681

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, 2008

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)		\$	51,036,963
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	25,585,276	
Add: construction in progress		3,215,748	
Add: buildings and improvements net of accumulated depreciation		248,300,422	
Add: other capital assets net of accumulated depreciation		<u>14,161,387</u>	291,262,833
(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			(892,461)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>3,911,403</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>345,318,738</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, 2008

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 104,734,765	\$ 0	\$ 0	\$ 104,734,765
Licenses and Permits	8,016	0	0	8,016
Charges for Current Services	751,828	0	7,259,472	8,011,300
Other Local Revenues	2,099,083	0	48,248	2,147,331
State of Tennessee	87,380,618	0	95,020	87,475,638
Federal Government	1,041,463	0	7,284,636	8,326,099
Other Governments and Citizens Groups	0	26,664,193	0	26,664,193
Total Revenues	<u>\$ 196,015,773</u>	<u>\$ 26,664,193</u>	<u>\$ 14,687,376</u>	<u>\$ 237,367,342</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 129,029,042	\$ 0	\$ 4,341,359	\$ 133,370,401
Support Services	66,278,698	0	1,632,687	67,911,385
Operation of Non-Instructional Services	1,492,033	0	8,797,428	10,289,461
Capital Projects	0	19,027,296	0	19,027,296
Total Expenditures	<u>\$ 196,799,773</u>	<u>\$ 19,027,296</u>	<u>\$ 14,771,474</u>	<u>\$ 230,598,543</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (784,000)</u>	<u>\$ 7,636,897</u>	<u>\$ (84,098)</u>	<u>\$ 6,768,799</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 106,281	\$ 5,681,645	\$ 0	\$ 5,787,926
Transfers Out	(5,681,645)	0	(106,281)	(5,787,926)
Total Other Financing Sources (Uses)	<u>\$ (5,575,364)</u>	<u>\$ 5,681,645</u>	<u>\$ (106,281)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ (6,359,364)	\$ 13,318,542	\$ (190,379)	\$ 6,768,799
Fund Balance, July 1, 2007	<u>25,259,082</u>	<u>16,849,265</u>	<u>2,159,817</u>	<u>44,268,164</u>
Fund Balance, June 30, 2008	<u>\$ 18,899,718</u>	<u>\$ 30,167,807</u>	<u>\$ 1,969,438</u>	<u>\$ 51,036,963</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, 2008

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)		\$ 6,768,799
(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	\$ 15,582,464	
Less: current year depreciation expense	<u>(8,888,191)</u>	6,694,273
(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	\$ 68,767	
Less: loss on disposal of capital assets	<u>(43,728)</u>	25,039
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes/other deferred June 30, 2007	\$ (3,761,264)	
Add: deferred delinquent property taxes/other deferred June 30, 2008	<u>3,911,403</u>	150,139
(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		<u>(63,411)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 13,574,839</u>

Exhibit J-6

Williamson County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Williamson County School Department
June 30, 2008

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Cash	\$ 0	\$ 150	\$ 50	\$ 200
Equity in Pooled Cash and Investments	249,192	1,322,650	282,484	1,854,326
Accounts Receivable	258	1,806	6,194	8,258
Due from Other Governments	0	108,272	0	108,272
Total Assets	\$ 249,450	\$ 1,432,878	\$ 288,728	\$ 1,971,056
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Due to Other Funds	\$ 1,618	\$ 0	\$ 0	\$ 1,618
Total Liabilities	\$ 1,618	\$ 0	\$ 0	\$ 1,618
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 129,014	\$ 6,390	\$ 4,674	\$ 140,078
Reserved for Title I Grants to Local Education Agencies	29,069	0	0	29,069
Reserved for Innovative Education Program Strategies	494	0	0	494
Reserved for Special Education - Grants to States	53,137	0	0	53,137
Other Federal Reserves	36,118	0	0	36,118
Unreserved	0	1,426,488	284,054	1,710,542
Total Fund Balances	\$ 247,832	\$ 1,432,878	\$ 288,728	\$ 1,969,438
Total Liabilities and Fund Balances	\$ 249,450	\$ 1,432,878	\$ 288,728	\$ 1,971,056

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, 2008

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 6,570,785	\$ 688,687	\$ 7,259,472
Other Local Revenues	0	44,486	3,762	48,248
State of Tennessee	0	95,020	0	95,020
Federal Government	6,020,055	1,264,581	0	7,284,636
Total Revenues	<u>\$ 6,020,055</u>	<u>\$ 7,974,872</u>	<u>\$ 692,449</u>	<u>\$ 14,687,376</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 4,341,359	\$ 0	\$ 0	\$ 4,341,359
Support Services	1,632,687	0	0	1,632,687
Operation of Non-Instructional Services	0	8,143,350	654,078	8,797,428
Total Expenditures	<u>\$ 5,974,046</u>	<u>\$ 8,143,350</u>	<u>\$ 654,078</u>	<u>\$ 14,771,474</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 46,009</u>	<u>\$ (168,478)</u>	<u>\$ 38,371</u>	<u>\$ (84,098)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (96,032)	\$ 0	\$ (10,249)	\$ (106,281)
Total Other Financing Sources (Uses)	<u>\$ (96,032)</u>	<u>\$ 0</u>	<u>\$ (10,249)</u>	<u>\$ (106,281)</u>
Net Change in Fund Balances	\$ (50,023)	\$ (168,478)	\$ 28,122	\$ (190,379)
Fund Balance, July 1, 2007	297,855	1,601,356	260,606	2,159,817
Fund Balance, June 30, 2008	<u>\$ 247,832</u>	<u>\$ 1,432,878</u>	<u>\$ 288,728</u>	<u>\$ 1,969,438</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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 104,734,765	\$ 0	\$ 0	\$ 104,734,765	\$ 101,563,620	\$ 101,563,620	\$ 3,171,145
Licenses and Permits	8,016	0	0	8,016	8,000	8,000	16
Charges for Current Services	751,828	0	0	751,828	882,800	898,200	(146,372)
Other Local Revenues	2,099,083	0	0	2,099,083	1,681,500	1,681,500	417,583
State of Tennessee	87,380,618	0	0	87,380,618	87,050,037	87,314,824	65,794
Federal Government	1,041,463	0	0	1,041,463	903,607	1,283,286	(241,823)
Total Revenues	\$ 196,015,773	\$ 0	\$ 0	\$ 196,015,773	\$ 192,089,564	\$ 192,749,430	\$ 3,266,343
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 101,415,147	\$ (591,718)	\$ 70,984	\$ 100,894,413	\$ 101,649,139	\$ 102,123,968	\$ 1,229,555
Alternative Instruction Program	411,803	0	380	412,183	394,777	419,822	7,639
Special Education Program	20,615,645	(25,429)	13,158	20,603,374	20,787,107	20,983,175	379,801
Vocational Education Program	4,355,062	(75,405)	52,042	4,331,699	4,432,962	4,529,461	197,762
Student Body Education Program	1,829,082	(95,299)	92,359	1,826,142	1,888,150	1,888,150	62,008
Adult Education Program	402,303	(16,413)	5,357	391,247	360,277	422,322	31,075
<u>Support Services</u>							
Attendance	110,471	0	0	110,471	114,733	114,733	4,262
Health Services	2,244,924	0	19,900	2,264,824	2,330,990	2,365,640	100,816
Other Student Support	5,809,939	(16,877)	92,051	5,885,113	5,966,625	5,966,625	81,512
Regular Instruction Program	5,759,387	(78,209)	66,870	5,748,048	5,671,791	6,092,866	344,818
Special Education Program	2,107,798	(9,282)	8,716	2,107,232	2,182,073	2,232,073	124,841
Vocational Education Program	213,838	(2,462)	0	211,376	219,797	219,797	8,421
Adult Programs	141,829	0	0	141,829	137,866	149,301	7,472
Other Programs	13,175	0	0	13,175	0	13,175	0
Board of Education	3,473,596	(40,490)	42,071	3,475,177	3,123,587	3,658,587	183,410
Director of Schools	1,466,787	(2,415)	1,667	1,466,039	1,478,332	1,513,332	47,293
Office of the Principal	12,488,167	0	0	12,488,167	12,400,388	12,610,743	122,576

(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 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Fiscal Services	\$ 925,531	\$ (3,580)	\$ 29,206	\$ 951,157	\$ 977,596	\$ 977,596	\$ 26,439
Human Services/Personnel	782,613	(1,935)	13,654	794,332	941,657	941,657	147,325
Operation of Plant	11,581,500	(98,756)	64,699	11,547,443	11,737,899	11,730,899	183,456
Maintenance of Plant	4,974,805	(400,433)	311,361	4,885,733	4,931,706	5,031,706	145,973
Transportation	11,524,459	(1,775,319)	2,062,376	11,811,516	9,870,870	12,367,722	556,206
Central and Other	2,659,879	(23,209)	4,136	2,640,806	2,756,331	2,756,331	115,525
<u>Operation of Non-Instructional Services</u>							
Community Services	575,462	(839)	7,431	582,054	590,206	590,206	8,152
Early Childhood Education	916,571	(1,031)	6,032	921,572	824,980	957,531	35,959
Total Expenditures	\$ 196,799,773	\$ (3,259,101)	\$ 2,964,450	\$ 196,505,122	\$ 195,769,839	\$ 200,657,418	\$ 4,152,296
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ (784,000)	\$ 3,259,101	\$ (2,964,450)	\$ (489,349)	\$ (3,680,275)	\$ (7,907,988)	\$ 7,418,639
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 106,281	\$ 0	\$ 0	\$ 106,281	\$ 25,000	\$ 25,000	\$ 81,281
Transfers Out	(5,681,645)	0	0	(5,681,645)	0	(5,693,179)	11,534
Total Other Financing Sources (Uses)	\$ (5,575,364)	\$ 0	\$ 0	\$ (5,575,364)	\$ 25,000	\$ (5,668,179)	\$ 92,815
<u>Net Change in Fund Balance</u>							
Fund Balance, July 1, 2007	\$ (6,359,364)	\$ 3,259,101	\$ (2,964,450)	\$ (6,064,713)	\$ (3,655,275)	\$ (13,576,167)	\$ 7,511,454
Fund Balance, July 1, 2007	25,259,082	(3,259,101)	0	21,999,981	21,787,546	21,797,546	202,435
Fund Balance, June 30, 2008	\$ 18,899,718	\$ 0	\$ (2,964,450)	\$ 15,935,268	\$ 18,132,271	\$ 8,221,379	\$ 7,713,889

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 6,020,055	\$ 0	\$ 0	\$ 6,020,055	\$ 7,061,957	\$ 7,054,519	\$ (1,034,464)
Total Revenues	\$ 6,020,055	\$ 0	\$ 0	\$ 6,020,055	\$ 7,061,957	\$ 7,054,519	\$ (1,034,464)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 534,580	\$ (302)	\$ 0	\$ 534,278	\$ 659,263	\$ 620,253	\$ 85,975
Special Education Program	3,576,977	(7,459)	0	3,569,518	3,909,431	4,096,431	526,913
Vocational Education Program	229,802	(61,707)	34,722	202,817	169,995	202,817	0
<u>Support Services</u>							
Health Services	508,399	0	0	508,399	760,669	670,242	161,843
Other Student Support	177,192	0	0	177,192	189,689	196,809	19,617
Regular Instruction Program	541,943	(45,341)	92,684	589,286	797,333	808,764	219,478
Special Education Program	334,131	0	0	334,131	557,756	455,739	121,608
Vocational Education Program	71,022	(672)	1,608	71,958	87,551	71,959	1
Total Expenditures	\$ 5,974,046	\$ (115,481)	\$ 129,014	\$ 5,987,579	\$ 7,131,687	\$ 7,123,014	\$ 1,135,435
Excess (Deficiency) of Revenues Over Expenditures	\$ 46,009	\$ 115,481	\$ (129,014)	\$ 32,476	\$ (69,730)	\$ (68,495)	\$ 100,971
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (96,032)	\$ 0	\$ 0	\$ (96,032)	\$ (112,645)	\$ (115,906)	\$ 19,874
Total Other Financing Sources (Uses)	\$ (96,032)	\$ 0	\$ 0	\$ (96,032)	\$ (112,645)	\$ (115,906)	\$ 19,874
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (50,923)	\$ 115,481	\$ (129,014)	\$ (63,556)	\$ (182,375)	\$ (184,401)	\$ 120,845
	297,855	(115,481)	0	182,374	184,401	184,401	(2,027)
Fund Balance, June 30, 2008	\$ 247,832	\$ 0	\$ (129,014)	\$ 118,818	\$ 2,026	\$ 0	\$ 118,818

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 6,570,785	\$ 0	\$ 0	\$ 6,570,785	\$ 7,418,250	\$ 7,418,250	\$ (847,465)
Other Local Revenues	44,486	0	0	44,486	36,000	36,000	8,486
State of Tennessee	95,020	0	0	95,020	92,000	92,000	3,020
Federal Government	1,264,581	0	0	1,264,581	1,216,076	1,216,076	48,505
Total Revenues	\$ 7,974,872	\$ 0	\$ 0	\$ 7,974,872	\$ 8,762,326	\$ 8,762,326	\$ (787,454)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 8,143,350	\$ (5,000)	\$ 6,390	\$ 8,144,740	\$ 8,753,507	\$ 8,753,507	\$ 608,767
Total Expenditures	\$ 8,143,350	\$ (5,000)	\$ 6,390	\$ 8,144,740	\$ 8,753,507	\$ 8,753,507	\$ 608,767
Excess (Deficiency) of Revenues Over Expenditures	\$ (168,478)	\$ 5,000	\$ (6,390)	\$ (169,868)	\$ 8,819	\$ 8,819	\$ (178,687)
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (168,478)	\$ 5,000	\$ (6,390)	\$ (169,868)	\$ 8,819	\$ 8,819	\$ (178,687)
	1,601,356	(5,000)	0	1,596,356	1,576,721	1,576,721	19,635
Fund Balance, June 30, 2008	\$ 1,432,878	\$ 0	\$ (6,390)	\$ 1,426,488	\$ 1,585,540	\$ 1,585,540	\$ (159,052)

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, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 688,687	\$ 0	\$ 0	\$ 688,687	\$ 710,065	\$ 929,665	\$ (240,978)
Other Local Revenues	3,762	0	0	3,762	2,700	2,700	1,062
Total Revenues	\$ 692,449	\$ 0	\$ 0	\$ 692,449	\$ 712,765	\$ 932,365	\$ (239,916)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 654,078	\$ (1,258)	\$ 4,674	\$ 657,494	\$ 747,872	\$ 953,403	\$ 295,909
Total Expenditures	\$ 654,078	\$ (1,258)	\$ 4,674	\$ 657,494	\$ 747,872	\$ 953,403	\$ 295,909
Excess (Deficiency) of Revenues Over Expenditures	\$ 38,371	\$ 1,258	\$ (4,674)	\$ 34,955	\$ (35,107)	\$ (21,038)	\$ 55,993
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (10,249)	\$ 0	\$ 0	\$ (10,249)	\$ 0	\$ (14,069)	\$ 3,820
Total Other Financing Sources (Uses)	\$ (10,249)	\$ 0	\$ 0	\$ (10,249)	\$ 0	\$ (14,069)	\$ 3,820
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 28,122	\$ 1,258	\$ (4,674)	\$ 24,706	\$ (35,107)	\$ (35,107)	\$ 59,813
Fund Balance, June 30, 2008	260,606	(1,258)	0	259,348	263,126	363,126	(103,778)
	\$ 288,728	\$ 0	\$ (4,674)	\$ 284,054	\$ 228,019	\$ 328,019	\$ (43,965)

MISCELLANEOUS SCHEDULES

This page is left blank intentionally.

Exhibit K-1

Williamson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2008

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-07	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-08
<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	\$ 740,000	0 \$	240,000 \$	500,000
Parks and Recreation Projects	1,000,000	2.65	4-17-08	4-17-09	0	1,000,000	0	1,000,000
<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	1,245,000	0	400,000	845,000
Total Notes Payable					\$ 1,985,000	\$ 1,000,000	\$ 640,000	\$ 2,345,000

OTHER LOANS PAYABLE

<u>Payable through General Debt Service Fund</u>								
Various Projects	8,490,000	Variable	8-24-98	8-24-18	\$ 5,876,000	0 \$	408,000 \$	5,468,000
Recreational Facilities	4,095,000	Variable	4-21-03	5-25-23	2,899,616	576,384	168,000	3,308,000
Various Projects	2,015,000	Variable	5-31-05	5-25-20	1,798,000	0	115,000	1,683,000
Total Other Loans Payable					\$ 10,573,616	\$ 576,384	\$ 691,000	\$ 10,459,000

BONDS PAYABLE

<u>Payable through General Debt Service Fund</u>								
School Refunding	17,435,000	2.85 to 6	11-1-1992	3-1-08	\$ 1,510,000	0 \$	1,510,000 \$	0
General Obligation	8,830,000	4.625 to 5	4-1-1998	5-1-08	435,000	0	435,000	0
General Obligation Refunding	34,110,000	4.5 to 5.5	8-1-1998	9-1-14	19,045,000	0	1,950,000	17,095,000
General Obligation	17,885,000	4.25 to 5.875	11-1-1999	3-1-10	2,825,000	0	895,000	1,930,000
Landfill Equipment, Transfer Station, and Closure	3,705,000	4.25 to 5.875	11-15-1999	3-1-10	585,000	0	185,000	400,000
General Obligation	11,480,000	4.4 to 5.4	11-1-00	3-1-10	1,595,000	0	385,000	1,210,000
School Construction	25,900,000	4.4 to 5.4	11-1-00	3-1-10	3,600,000	0	865,000	2,735,000
School Refunding	3,210,000	4 to 5	3-1-01	3-1-19	3,085,000	0	85,000	3,000,000
General Obligation Refunding	25,020,000	4 to 5	3-1-01	3-1-19	23,675,000	0	1,120,000	22,555,000
Landfill Refunding	2,625,000	4.4 to 5.4	3-1-01	3-1-19	2,575,000	0	15,000	2,560,000
General Obligation	21,490,000	3 to 4.75	11-1-01	4-1-12	4,625,000	0	0	4,625,000
School Improvements	31,880,000	3 to 4.75	11-1-01	4-1-12	6,870,000	0	0	6,870,000
Landfill Equipment and Repairs	1,290,000	3 to 4.75	11-14-01	4-1-12	280,000	0	0	280,000

(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 7-1-07	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-08
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	\$ 9,030,000
General Obligation Refunding - Schools	20,805,000	3 to 5	7-1-02	3-1-20	20,375,000	0	0	20,375,000
General Obligation	25,595,000	3 to 5	12-1-02	4-1-12	6,115,000	0	1,140,000	4,975,000
Landfill Equipment and Closure	735,000	3.5 to 4	12-1-02	4-1-12	165,000	0	30,000	135,000
General Obligation Refunding	3,125,000	2 to 4	2-1-03	4-1-09	1,075,000	0	525,000	550,000
General Obligation	4,450,000	2.25 to 4.4	12-1-03	4-1-23	3,915,000	0	185,000	3,730,000
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	6,090,000	0	60,000	6,030,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-24	9,400,000	0	400,000	9,000,000
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	15,165,000	0	660,000	14,505,000
General Obligation Refunding - Schools	23,605,000	2 to 5	11-15-04	4-1-21	22,475,000	0	960,000	21,515,000
Landfill Refunding	955,000	2 to 5	11-15-04	4-1-21	905,000	0	40,000	865,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-25	19,815,000	0	1,000,000	18,815,000
General Obligation	16,075,000	4 to 4.75	7-1-06	4-1-26	16,075,000	0	40,000	16,035,000
School Improvements	8,300,000	4 to 4.75	7-1-06	4-1-26	8,300,000	0	800,000	7,500,000
Landfill Public Improvement	1,360,000	4 to 4.75	7-1-06	4-1-26	1,360,000	0	10,000	1,350,000
General Obligation Refunding	16,170,000	5	12-20-06	4-1-22	16,170,000	0	0	16,170,000
General Obligation Refunding - Schools	145,000	5	12-20-06	4-1-22	145,000	0	0	145,000
Landfill Refunding	440,000	5	12-20-06	4-1-22	440,000	0	0	440,000
General Obligation	3,565,000	4 to 5	2-22-07	4-1-27	3,565,000	0	45,000	3,520,000
School Improvements	4,070,000	4 to 5	2-22-07	4-1-27	4,070,000	0	55,000	4,015,000
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	5-1-28	0	7,465,000	0	7,465,000
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	5-1-28	0	3,635,000	0	3,635,000
Total Payable through General Debt Service Fund					\$ 235,355,000	\$ 11,100,000	\$ 13,395,000	\$ 233,060,000
Payable through Rural Debt Service Fund								
Rural School Refunding	7,255,000	2.85 to 6	11-1-1992	3-1-08	\$ 355,000	0	\$ 355,000	0
Rural School	18,030,000	4.625 to 5	4-1-1998	5-1-08	880,000	0	880,000	0
Rural School Refunding	22,015,000	4.5 to 5.5	8-1-1998	9-1-15	11,620,000	0	1,395,000	10,225,000
Rural School	21,760,000	4.25 to 5.875	11-1-1999	3-1-10	3,440,000	0	1,090,000	2,350,000
Rural School	15,000,000	4.4 to 5.4	11-1-00	3-1-10	2,340,000	0	750,000	1,590,000
Rural School Refunding	15,660,000	4 to 5	3-1-01	3-1-19	15,510,000	0	105,000	15,405,000
Rural School	3,720,000	4 to 4.75	11-1-01	4-1-21	3,045,000	0	160,000	2,885,000
Rural School Refunding	11,745,000	3 to 5	7-1-02	3-1-20	11,400,000	0	25,000	11,375,000

(Continued)

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-07	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-08
Payable through Rural Debt Service Fund (Cont.)								
Rural School	\$ 9,525,000	3 to 5	12-1-02	4-1-22	\$ 8,525,000	0	\$ 440,000	\$ 8,085,000
Rural School Refunding	10,205,000	2 to 4	2-1-03	4-1-09	2,900,000	0	1,425,000	1,475,000
Rural School	1,365,000	2 to 4.4	12-1-03	4-1-23	1,315,000	0	50,000	1,265,000
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	11,525,000	0	0	11,525,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-24	8,695,000	0	365,000	8,330,000
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-25	20,270,000	0	500,000	19,770,000
Rural School	20,045,000	4 to 4.75	7-1-06	4-1-26	20,045,000	0	200,000	19,845,000
Rural School	27,560,000	4 to 4.5	2-22-07	4-1-27	27,560,000	0	100,000	27,460,000
Rural School	19,250,000	3.5 to 4.25	2-28-08	5-1-28	0	19,250,000	0	19,250,000
Total Payable through Rural Debt Service Fund					\$ 149,425,000	\$ 19,250,000	\$ 7,840,000	\$ 160,835,000
Total Bonds Payable					\$ 384,780,000	\$ 30,350,000	\$ 21,235,000	\$ 393,895,000

Exhibit K-2

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

Year Ending June 30	Note Principal	Note Interest	Total Note Requirements
2009	\$ 1,660,000	\$ 45,424	\$ 1,705,424
2010	685,000	23,972	708,972
Total	\$ 2,345,000	\$ 69,396	\$ 2,414,396

Year Ending June 30	Other Loan Principal	Other Loan Interest	Other Loan Fees	Total Other Loan Requirements
2009	\$ 722,000	\$ 147,398	\$ 38,172	\$ 907,570
2010	753,000	137,355	35,932	926,287
2011	787,000	126,888	33,598	947,486
2012	823,000	115,959	31,161	970,120
2013	859,000	104,537	28,614	992,151
2014	896,000	92,626	25,956	1,014,582
2015	937,000	80,214	23,189	1,040,403
2016	979,000	67,246	20,297	1,066,543
2017	1,023,000	53,706	17,279	1,093,985
2018	1,069,000	39,570	14,124	1,122,694
2019	400,000	24,809	7,759	432,568
2020	413,000	18,650	6,378	438,028
2021	257,000	12,289	3,930	273,219
2022	266,000	8,331	2,993	277,324
2023	275,000	4,236	2,021	281,257
Total	\$ 10,459,000	\$ 1,033,814	\$ 291,403	\$ 11,784,217

(Continued)

Exhibit K-2

Williamson County, Tennessee
Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Bond Principal	Bond Interest	Total Bond Requirements
2009	\$ 22,075,000	\$ 18,095,352	\$ 40,170,352
2010	22,155,000	17,128,310	39,283,310
2011	23,960,000	16,127,501	40,087,501
2012	25,715,000	15,072,109	40,787,109
2013	27,180,000	13,885,047	41,065,047
2014	27,615,000	12,635,691	40,250,691
2015	28,900,000	11,327,266	40,227,266
2016	26,585,000	10,071,266	36,656,266
2017	27,790,000	8,814,759	36,604,759
2018	27,215,000	7,498,467	34,713,467
2019	26,240,000	6,221,306	32,461,306
2020	23,290,000	4,971,948	28,261,948
2021	19,135,000	3,860,022	22,995,022
2022	14,580,000	2,967,654	17,547,654
2023	12,140,000	2,291,143	14,431,143
2024	12,250,000	1,734,947	13,984,947
2025	11,160,000	1,187,342	12,347,342
2026	8,350,000	692,930	9,042,930
2027	5,040,000	318,250	5,358,250
2028	2,520,000	107,095	2,627,095
Total	<u>\$ 393,895,000</u>	<u>\$ 155,008,405</u>	<u>\$ 548,903,405</u>

Exhibit K-3

Williamson County, Tennessee
Schedule of Investments
June 30, 2008

<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 & Income</u>	April 2001	various	varies	<u>\$ 12,788</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, 2008

<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	Various projects	1,889,310
General	General Capital Projects	Asbestos removal from Fleming Hall	150,000
General	General Capital Projects	Purchase sheriff vehicles	425,175
General	General Debt Service	Transfer litigation tax reserve balance	250,761
General	Judicial District Drug	Salaries	65,405
Solid Waste/Sanitation	General Capital Projects	Purchase front-end loader for landfill	40,000
Solid Waste/Sanitation	General Capital Projects	Tornado clean-up	385,000
General Capital Projects	General	Close projects	12,761
General Capital Projects	Highway/Public Works	Purchase highway equipment	300,000
General Capital Projects	General Debt Service	Close projects	381,534
General Capital Projects	Rural Debt Service	Allocation of school privilege tax	4,000,000
General Capital Projects	Cities Adequate Facilities Tax	Allocation of cities share of privilege tax	1,110,797
General Capital Projects	Special School District	Allocation of ADA share of privilege tax	765,135
Judicial District Drug	General	Salaries	57,393
Total Transfers Primary Government			<u>\$ 10,333,271</u>
<u>DISCRETELY PRESENTED WILLIAMSON COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Various projects	\$ 5,681,645
School Federal Projects	General Purpose School	Indirect costs	96,032
Extended School Program	General Purpose School	Indirect costs	10,249
Total Transfers Discretely Presented Williamson County School Department			<u>\$ 5,787,926</u>

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, 2008

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <u>TCA</u>	\$ 126,568	\$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <u>TCA</u>	104,728	100,000	"
Director of Schools	State Board of Education and Williamson County Board of Education	152,459 (3)	100,000	(2)
Trustee	Section 8-24-102, <u>TCA</u>	95,222	5,000,000	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <u>TCA</u>	95,222	2,430,000	Travelers Casualty & Surety Company of America
County Clerk	Section 8-24-102, <u>TCA</u>	95,222	10,000	Cincinnati Insurance Company
Circuit and General Sessions Courts Clerk	Section 8-24-102, <u>TCA</u>	95,222	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u>	95,222	50,000	"
Juvenile Court Clerk	Section 8-24-102, <u>TCA</u>	95,222	50,000	"
Register	Section 8-24-102, <u>TCA</u>	95,222	25,000	"
Sheriff				
Ricky Headley (7-1-07 through 2-13-08)	Section 8-24-102, <u>TCA</u>	70,298 (1)	25,000	"
Robert Rhoades (2-14-08 through 6-30-08)	Section 8-24-102, <u>TCA</u>	35,051	25,000	"
Director of Accounts and Budgets	County Commission	102,107	15,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			100,000	Self-Insured
Public Employee Dishonesty			100,001 to 5,000,000	Princeton Surplus Insurance Company

(1) Includes a training supplement of \$600.
 (2) Covered under county's employee blanket bond.
 (3) Includes a career ladder supplement of \$900.

Exhibit K-6

Williamson County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 For the Year Ended June 30, 2008

	Special Revenue Funds										Debt Service Funds		Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	General	Debt Service	Rural Debt Service	General	Debt Service	General	Capital Projects	Total	
<u>Local Taxes</u>														
<u>County Property Taxes</u>														
Current Property Tax	\$ 32,102,374	\$ 2,493,199	\$ 0	\$ 0	\$ 735,680	\$ 22,275,105	\$ 8,696,867	\$ 0	\$ 0	\$ 0	\$ 0	\$ 66,303,225		
Trustee's Collections - Prior Year	300,598	23,917	0	0	9,315	214,498	73,040	0	0	0	0	621,368		
Circuit/Clerk & Master Collections - Prior Years	125,045	10,258	0	0	4,918	86,766	30,644	0	0	0	0	257,631		
Interest and Penalty	79,797	6,579	0	0	2,549	55,369	21,072	0	0	0	0	165,366		
Payments in-Lieu-of Taxes - T.V.A.	1,088	133	0	0	111	755	377	0	0	0	0	2,464		
Payments in-Lieu-of Taxes - Other	51,747	6,336	0	0	2,088	35,906	17,953	0	0	0	0	114,030		
<u>County Local Option Taxes</u>														
Local Option Sales Tax	0	997,851	0	0	0	0	0	0	0	0	0	997,851		
Hotel/Motel Tax	2,352,527	0	0	0	0	0	0	0	0	0	0	2,352,527		
Wheel Tax	0	0	0	0	3,550,678	0	0	0	0	0	0	3,550,678		
Litigation Tax - General	9,970	0	0	0	0	0	0	0	0	0	0	9,970		
Litigation Tax - Special Purpose	110,669	0	0	0	0	0	0	0	0	0	0	110,669		
Litigation Tax - Jail, Workhouse, or Courthouse	3,208	0	0	0	0	122,802	0	0	0	0	0	126,010		
Business Tax	0	0	0	0	3,949,116	0	0	0	0	0	0	3,949,116		
Mineral Severance Tax	0	0	0	0	255,381	0	0	0	0	0	0	255,381		
Other County Local Option Taxes	0	0	0	0	0	0	0	0	0	8,676,763	0	8,676,763		
<u>Statutory Local Taxes</u>														
Bank Excise Tax	1,316,669	0	0	0	0	0	0	0	0	0	0	1,316,669		
Wholesale Beer Tax	439,066	0	0	0	0	0	0	0	0	0	0	439,066		
Beer Privilege Tax	2,185	0	0	0	0	0	0	0	0	0	0	2,185		
Interstate Telecommunications Tax	1,588	0	0	0	0	0	0	0	0	0	0	1,588		
Total Local Taxes	\$ 36,896,531	\$ 3,538,273	\$ 0	\$ 0	\$ 8,509,836	\$ 22,791,201	\$ 8,839,953	\$ 8,676,763	\$ 0	\$ 0	\$ 0	\$ 89,252,557		
<u>Licenses and Permits</u>														
<u>Licenses</u>														
Animal Vaccination	\$ 99,702	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 99,702		
Cable TV Franchise	685,571	0	0	0	0	0	0	0	0	0	0	685,571		
<u>Permits</u>														
Beer Permits	1,188	0	0	0	0	0	0	0	0	0	0	1,188		
Building Permits	547,268	0	0	0	0	0	0	0	0	0	0	547,268		
Other Permits	31,950	0	0	0	0	0	0	0	0	0	0	31,950		
Total Licenses and Permits	\$ 1,365,679	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,365,679		

(Continued)

Exhibit K-6

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

	Special Revenue Funds							Debt Service Funds			Capital Projects Fund	
	General	Solid Waste / Sanitation		Drug Control	District Attorney General	Highway / Public Works	Rural Debt Service	General Debt Service	Rural Debt Service	General Capital Projects	Total	
		Waste / Sanitation	Highway / Public Works									
<u>Fines, Forfeitures, and Penalties (Cont.)</u>												
<u>Chancery Court</u>												
Officers Costs	\$ 12,175	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,175
Data Entry Fee - Chancery Court	6,410	0	0	0	0	0	0	0	0	0	0	6,410
<u>Other Courts - In-county</u>												
Drug Court Fees	1,626	0	0	0	0	0	0	0	0	0	0	1,626
District Attorney General Fees	0	0	0	12,684	0	0	0	0	0	0	0	12,684
DUI Treatment Fines	1,499	0	0	9	0	0	0	0	0	0	0	1,508
<u>Courts in Other District Counties</u>												
District Attorney General Fees	0	0	0	10,314	0	0	0	0	0	0	0	10,314
<u>Other Fines, Forfeitures, and Penalties</u>												
Proceeds from Confiscated Property	37	0	84,477	0	0	0	0	0	0	0	0	84,514
Total Fines, Forfeitures, and Penalties	\$ 683,762	\$ 0	\$ 140,946	\$ 103,401	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 928,109
<u>Charges for Current Services</u>												
<u>General Service Charges</u>												
Tipping Fees	\$ 0	\$ 870,260	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 870,260
Other General Service Charges	12,180	0	0	0	0	0	0	0	0	0	0	12,180
Service Charges	109,440	0	0	0	0	0	0	0	0	0	0	109,440
<u>Fees</u>												
Engineer Review Fees	7,500	0	0	0	0	0	0	0	0	0	0	7,500
Recreation Fees	3,859,505	0	0	0	0	0	0	0	0	0	0	3,859,505
Copy Fees	55,203	0	0	0	0	0	0	0	0	0	0	55,203
Library Fees	63,952	0	0	0	0	0	0	0	0	0	0	63,952
Telephone Commissions	117,610	0	0	0	0	0	0	0	0	0	0	117,610
Data Processing Fee - Register	109,556	0	0	0	0	0	0	0	0	0	0	109,556
Probation Fees	569,126	0	0	0	0	0	0	0	0	0	0	569,126
Data Processing Fee - Sheriff	27,726	0	0	0	0	0	0	0	0	0	0	27,726
Sexual Offender Registration Fees - Sheriff	2,545	0	0	0	0	0	0	0	0	0	0	2,545
<u>Education Charges</u>												
Transportation from Individuals	40,731	0	0	0	0	0	0	0	0	0	0	40,731
<u>Other Charges for Services</u>												
Other Charges for Services	193,365	0	0	0	0	0	0	0	0	0	0	193,365
Total Charges for Current Services	\$ 5,168,439	\$ 870,260	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,038,699

(Continued)

Exhibit K-6

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

	Special Revenue Funds							Debt Service Funds			Capital Projects Fund
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	Debt Service Funds		Rural Debt Service	General Capital Projects	Total	
						General	Debt Service				
<u>Other Local Revenues</u>											
<u>Recurring Items</u>											
Investment Income	\$ 1,392,272	\$ 131,811	0	0	0	0	\$ 2,249,435	\$ 461,297	\$ 199,764	\$ 4,434,579	
Lease/Rentals	456,716	0	0	0	0	245,109	0	0	0	701,825	
Sale of Materials and Supplies	1,109	58,947	0	0	7,816	0	0	0	0	67,872	
Commissary Sales	2	0	0	0	0	0	0	0	0	2	
Sale of Gasoline	0	0	0	0	70,071	0	0	0	0	70,071	
Sale of Maps	118,167	0	0	0	0	0	0	0	0	118,167	
Miscellaneous Refunds	41,517	0	0	0	17,866	0	0	0	0	59,383	
<u>Nonrecurring Items</u>											
Sale of Equipment	53,020	44,850	5,280	0	0	0	0	0	0	103,150	
Sale of Property	21,493	0	0	0	0	0	0	0	0	21,493	
Damages Recovered from Individuals	14,256	0	0	0	5,196	0	0	0	175,000	194,452	
<u>Other Local Revenues</u>											
Other Local Revenues	117,634	850	0	0	5,040	0	0	0	72,000	195,524	
Total Other Local Revenues	\$ 2,216,186	\$ 236,458	\$ 5,280	\$ 0	\$ 105,989	\$ 2,494,544	\$ 461,297	\$ 446,764	\$ 5,966,518		
<u>Fees Received from County Officials</u>											
<u>Fees-in-Lieu-of Salary</u>											
County Clerk	\$ 1,988,519	0	0	0	0	0	0	0	0	1,988,519	
Circuit Court Clerk	1,459,013	0	0	0	0	0	0	0	0	1,459,013	
Clerk and Master	547,014	0	0	0	0	0	0	0	0	547,014	
Juvenile Court Clerk	55,050	0	0	0	0	0	0	0	0	55,050	
Register	1,939,044	0	0	0	0	0	0	0	0	1,939,044	
Sheriff	178,082	0	0	0	0	0	0	0	0	178,082	
Trustee	4,618,918	0	0	0	0	0	0	0	0	4,618,918	
Total Fees Received from County Officials	\$ 10,785,640	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,785,640	
<u>State of Tennessee</u>											
<u>General Government Grants</u>											
Juvenile Services Program	\$ 13,625	0	0	0	0	0	0	0	0	13,625	
State Reappraisal Grant	41,835	0	0	0	0	0	0	0	0	41,835	
Solid Waste Grants	0	96,735	0	0	0	0	0	0	0	96,735	

(Continued)

Exhibit K-6

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

	Special Revenue Funds										Debt Service Funds		Capital Projects Fund		Total
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	General	Debt Service	Rural Debt Service	General	Capital Projects	General	Debt Service	General	Capital Projects	
<u>State of Tennessee (Cont.)</u>															
<u>Public Safety Grants</u>															
Law Enforcement Training Programs	\$ 52,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 52,800
<u>Public Works Grants</u>															
State Aid Program	0	0	0	0	186,420	0	0	0	0	0	0	0	0	0	186,420
Litter Program	61,673	0	0	0	0	0	0	0	0	0	0	0	0	0	61,673
<u>Other State Revenues</u>															
Income Tax	2,599,154	0	0	0	0	0	0	0	0	0	0	0	0	0	2,599,154
Beer Tax	19,312	0	0	0	0	0	0	0	0	0	0	0	0	0	19,312
Alcoholic Beverage Tax	73,159	0	0	0	70,309	0	0	0	0	0	0	0	0	0	143,468
Mixed Drink Tax	12,880	0	0	0	0	0	0	0	0	0	0	0	0	0	12,880
Contracted Prisoner Boarding	1,002,330	0	0	0	0	0	0	0	0	0	0	0	0	0	1,002,330
Gasoline and Motor Fuel Tax	0	0	0	0	2,728,282	0	0	0	0	0	0	0	0	0	2,728,282
Petroleum Special Tax	0	0	0	0	101,704	0	0	0	0	0	0	0	0	0	101,704
T.B.I. - Equipment Reimbursement	434	0	0	0	0	0	0	0	0	0	0	0	0	0	434
Registrar's Salary Supplement	20,475	0	0	0	0	0	0	0	0	0	0	0	0	0	20,475
Other State Grants	914,737	0	0	0	0	0	0	0	0	0	0	0	0	0	914,737
Other State Revenues	177,984	24,146	4,264	0	0	0	0	0	0	0	0	0	0	0	206,394
Total State of Tennessee	\$ 4,990,398	\$ 120,881	\$ 4,264	\$ 0	\$ 3,086,715	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,202,258
<u>Federal Government</u>															
<u>Federal Through State</u>															
Civil Defense Reimbursement	\$ 898,133	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 898,133
Disaster Relief	0	0	0	0	429,336	0	0	0	0	0	0	0	0	0	429,336
Other Federal through State	327,356	0	0	0	0	0	0	0	0	0	0	0	219,754	0	547,110
<u>Direct Federal Revenue</u>															
Other Direct Federal Revenue	912	0	0	0	0	0	0	0	0	0	0	0	0	0	290,912
Total Federal Government	\$ 1,226,401	\$ 0	\$ 0	\$ 0	\$ 429,336	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 219,754	\$ 0	\$ 2,165,491
<u>Other Governments and Citizens Groups</u>															
<u>Other Governments</u>															
Prisoner Board	\$ 2,979	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,979
Paving and Maintenance	0	0	0	0	155,268	0	0	0	0	0	0	0	0	0	155,268
Contributions	0	0	0	0	0	701,156	84,831	0	0	0	0	0	0	0	785,987
Contracted Services	204,670	0	0	0	0	0	0	0	0	0	0	0	0	0	204,670
<u>Citizens Groups</u>															
Donations	178,602	630	1,450	0	0	0	0	0	0	0	0	0	0	101,333	282,015
Total Other Governments and Citizens Groups	\$ 386,251	\$ 630	\$ 1,450	\$ 0	\$ 155,268	\$ 701,156	\$ 84,831	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 101,333	\$ 1,430,919
Total	\$ 63,719,287	\$ 4,766,502	\$ 151,940	\$ 103,401	\$ 12,287,144	\$ 25,986,901	\$ 9,386,081	\$ 9,734,614	\$ 126,135,870	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 126,135,870

Williamson County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 Discretely Presented Williamson County School Department
 For the Year Ended June 30, 2008

	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	\$ 69,915,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 69,915,730
Trustee's Collections - Prior Year	677,386	0	0	0	0	677,386
Circuit/Clerk & Master Collections - Prior Years	301,705	0	0	0	0	301,705
Interest and Penalty	171,280	0	0	0	0	171,280
Payments in-Lieu-of Taxes - T.V.A.	2,366	0	0	0	0	2,366
Payments in-Lieu-of Taxes - Local Utilities	112,559	0	0	0	0	112,559
<u>County Local Option Taxes</u>						
Local Option Sales Tax	33,539,622	0	0	0	0	33,539,622
<u>Statutory Local Taxes</u>						
Interstate Telecommunications Tax	14,117	0	0	0	0	14,117
Total Local Taxes	\$ 104,734,765	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,734,765
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 8,016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,016
Total Licenses and Permits	\$ 8,016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,016
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	\$ 122,084	\$ 0	\$ 0	\$ 0	\$ 0	\$ 122,084
Tuition - Summer School	59,501	0	0	0	0	59,501
Lunch Payments - Children	0	0	4,583,123	0	0	4,583,123
Lunch Payments - Adults	0	0	332,296	0	0	332,296
Income from Breakfast	0	0	48,294	0	0	48,294
A la carte Sales	0	0	1,607,072	0	0	1,607,072
Contract for Instructional Services with Other LEAs	71,542	0	0	0	0	71,542
Receipts from Individual Schools	109,800	0	0	0	0	109,800
Community Service Fees - Children	22,239	0	0	688,687	0	710,926
Other Charges for Services	366,662	0	0	0	0	366,662
Total Charges for Current Services	\$ 751,828	\$ 0	\$ 6,570,785	\$ 688,687	\$ 0	\$ 8,011,300
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,366,550	\$ 0	\$ 33,320	\$ 2,132	\$ 0	\$ 1,402,002

(Continued)

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

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Lease/Rentals	\$ 440,473	\$ 0	\$ 0	\$ 0	\$ 0	\$ 440,473
Refund of Telecommunication & Internet Fees (E-Rate)	108,038	0	0	0	0	108,038
Miscellaneous Refunds	5,661	0	11,166	1,630	0	18,457
<u>Nonrecurring Items</u>						
Sale of Equipment	43,721	0	0	0	0	43,721
Damages Recovered from Individuals	27,068	0	0	0	0	27,068
Contributions and Gifts	22,600	0	0	0	0	22,600
<u>Other Local Revenues</u>						
Other Local Revenues	84,972	0	0	0	0	84,972
Total Other Local Revenues	\$ 2,099,083	\$ 0	\$ 44,486	\$ 3,762	\$ 0	\$ 2,147,331
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-Behalf Contributions for OPEB	\$ 13,175	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,175
<u>State Education Funds</u>						
Basic Education Program	83,409,000	0	0	0	0	83,409,000
Early Childhood Education	439,077	0	0	0	0	439,077
School Food Service	0	0	90,020	0	0	90,020
Driver Education	20,540	0	0	0	0	20,540
Other State Education Funds	300,312	0	5,000	0	0	305,312
Career Ladder Program	852,279	0	0	0	0	852,279
Career Ladder - Extended Contract	336,586	0	0	0	0	336,586
Other Vocational	7,990	0	0	0	0	7,990
<u>Other State Revenues</u>						
Mixed Drink Tax	494,039	0	0	0	0	494,039
State Revenue Sharing - T.V.A.	1,158,348	0	0	0	0	1,158,348
Other State Grants	88,552	0	0	0	0	88,552
Other State Revenues	260,720	0	0	0	0	260,720
Total State of Tennessee	\$ 87,380,618	\$ 0	\$ 95,020	\$ 0	\$ 0	\$ 87,475,638
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,178,956	\$ 0	\$ 0	\$ 1,178,956
Breakfast	0	0	85,625	0	0	85,625
Adult Education State Grant Program	184,729	0	0	0	0	184,729

(Continued)

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
Federal Government (Cont.)						
<u>Federal Through State (Cont.)</u>						
Vocational Education - Basic Grants to States	\$ 0	\$ 277,365	\$ 0	\$ 0	\$ 0	\$ 277,365
Other Vocational	95,464	0	0	0	0	95,464
Title I Grants to Local Education Agencies	0	610,618	0	0	0	610,618
Innovative Education Program Strategies	0	41,908	0	0	0	41,908
Special Education - Grants to States	216,049	4,415,266	0	0	0	4,631,315
Special Education Preschool Grants	0	79,280	0	0	0	79,280
English Language Acquisition Grants	0	52,372	0	0	0	52,372
Safe and Drug-Free Schools - State Grants	0	37,080	0	0	0	37,080
Eisenhower Professional Development State Grants	0	443,817	0	0	0	443,817
Other Federal through State	0	62,349	0	0	0	62,349
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	332,015	0	0	0	0	332,015
Other Direct Federal Revenue	213,206	0	0	0	0	213,206
Total Federal Government	\$ 1,041,463	\$ 6,020,055	\$ 1,264,581	\$ 0	\$ 0	\$ 8,326,099
<u>Other Governments and Citizens Groups</u>						
Other Governments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,664,193	\$ 26,664,193
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,664,193	\$ 26,664,193
Total Other Governments and Citizens Groups	\$ 196,015,773	\$ 6,020,055	\$ 7,974,872	\$ 692,449	\$ 26,664,193	\$ 237,367,342

Exhibit K-8

Williamson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2008

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	144,594	
Other Per Diem and Fees		5,500	
Audit Services		49,505	
Contracts with Private Agencies		3,400	
Legal Notices, Recording, and Court Costs		597	
Maintenance and Repair Services - Office Equipment		10,849	
Postal Charges		2,000	
Printing, Stationery, and Forms		256	
Travel		1,376	
Other Contracted Services		950	
Refunds		13,328	
Tax Relief Program		339,978	
Other Charges		120	
Data Processing Equipment		2,160	
Furniture and Fixtures		46,742	
Total County Commission			\$ 621,355

Board of Equalization

Board and Committee Members Fees	\$	2,516	
Total Board of Equalization			2,516

Beer Board

Board and Committee Members Fees	\$	1,275	
Total Beer Board			1,275

Other Boards and Committees

Board and Committee Members Fees	\$	1,950	
Total Other Boards and Committees			1,950

County Mayor/Executive

County Official/Administrative Officer	\$	126,568	
Supervisor/Director		68,598	
Salary Supplements		4,000	
Secretary(ies)		97,510	
Longevity Pay		1,450	
Overtime Pay		153	
Advertising		63	
Communication		4,046	
Consultants		21,592	
Dues and Memberships		1,916	

(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.)

Operating Lease Payments	\$	1,584	
Maintenance and Repair Services - Office Equipment		289	
Postal Charges		4,500	
Printing, Stationery, and Forms		1,554	
Travel		1,949	
Office Supplies		1,964	
Periodicals		189	
Other Supplies and Materials		492	
Premiums on Corporate Surety Bonds		90	
Other Charges		1,901	
Office Equipment		4,128	
Total County Mayor/Executive			\$ 344,536

Personnel Office

Assistant(s)	\$	77,230	
Supervisor/Director		86,507	
Longevity Pay		900	
Overtime Pay		13,815	
Communication		897	
Data Processing Services		2,404	
Dues and Memberships		367	
Postal Charges		300	
Printing, Stationery, and Forms		4,165	
Travel		47	
Office Supplies		1,066	
Periodicals		743	
Other Charges		20	
Data Processing Equipment		829	
Total Personnel Office			189,290

County Attorney

Legal Services	\$	534,561	
Total County Attorney			534,561

Election Commission

County Official/Administrative Officer	\$	85,696	
Assistant(s)		122,554	
Temporary Personnel		31,172	
Part-time Personnel		8,827	
Longevity Pay		1,900	

(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.)

Overtime Pay	\$	13,961	
Election Commission		4,740	
Election Workers		53,524	
Advertising		4,599	
Communication		9,254	
Dues and Memberships		2,055	
Freight Expenses		5,040	
Maintenance and Repair Services - Equipment		17,355	
Maintenance and Repair Services - Office Equipment		26,530	
Postal Charges		26,074	
Printing, Stationery, and Forms		22,596	
Travel		883	
Office Supplies		7,773	
Periodicals		260	
Other Charges		788	
Office Equipment		8,834	
Total Election Commission			\$ 454,415

Register of Deeds

County Official/Administrative Officer	\$	95,222	
Deputy(ies)		382,726	
Part-time Personnel		8,560	
Longevity Pay		6,100	
Overtime Pay		37,689	
Communication		4,044	
Dues and Memberships		730	
Operating Lease Payments		12,259	
Maintenance and Repair Services - Office Equipment		35,296	
Postal Charges		10,104	
Printing, Stationery, and Forms		29,407	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		447	
Other Charges		859	
Data Processing Equipment		5,370	
Total Register of Deeds			628,888

Development

Assistant(s)	\$	1,131,701
Supervisor/Director		92,685
Deputy(ies)		358,579

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Secretary(ies)	\$	296,667	
Temporary Personnel		5,063	
Longevity Pay		17,950	
Board and Committee Members Fees		2,780	
Communication		11,374	
Consultants		94,551	
Dues and Memberships		175	
Operating Lease Payments		3,418	
Maintenance and Repair Services - Office Equipment		2,030	
Postal Charges		7,172	
Travel		308	
Office Supplies		14,207	
In Service/Staff Development		682	
Other Charges		1,321	
Motor Vehicles		29,840	
Office Equipment		3,342	
Total Development			\$ 2,073,845

Planning

Advertising	\$	987	
Consultants		3,145	
Dues and Memberships		823	
Evaluation and Testing		1,000	
Travel		33	
Gasoline		623	
Instructional Supplies and Materials		976	
In Service/Staff Development		1,862	
Total Planning			9,449

Building

Communication	\$	1,663	
Dues and Memberships		480	
Maintenance and Repair Services - Vehicles		2,421	
Gasoline		11,151	
Uniforms		760	
In Service/Staff Development		1,759	
Total Building			18,234

Engineering

Board and Committee Members Fees	\$	3,600	
----------------------------------	----	-------	--

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Engineering (Cont.)

Consultants	\$	1,600	
Dues and Memberships		1,120	
Evaluation and Testing		4,518	
Maintenance and Repair Services - Vehicles		1,407	
Permits		2,500	
Gasoline		6,436	
Instructional Supplies and Materials		4,230	
Uniforms		297	
In Service/Staff Development		4,813	
Total Engineering			\$ 30,521

Codes Compliance

Advertising	\$	405	
Communication		1,153	
Consultants		4,500	
Dues and Memberships		26	
Maintenance and Repair Services - Vehicles		939	
Travel		337	
Gasoline		2,299	
Periodicals		257	
Uniforms		499	
In Service/Staff Development		974	
Total Codes Compliance			11,389

Geographical Information Systems

Supervisor/Director	\$	86,757	
Data Processing Personnel		474,105	
Secretary(ies)		27,099	
Part-time Personnel		37,635	
Longevity Pay		4,150	
Communication		85,679	
Consultants		5,645	
Dues and Memberships		1,024	
Licenses		163,320	
Maintenance and Repair Services - Office Equipment		118,508	
Maintenance and Repair Services - Vehicles		528	
Travel		149	
Other Contracted Services		11,928	
Gasoline		3,254	
Instructional Supplies and Materials		296	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Geographical Information Systems (Cont.)

Office Supplies	\$	6,654	
In Service/Staff Development		13,750	
Other Charges		214	
Data Processing Equipment		68,207	
Furniture and Fixtures		718	
Total Geographical Information Systems			\$ 1,109,620

County Buildings

Supervisor/Director	\$	95,056	
Deputy(ies)		56,826	
Foremen		51,703	
Mechanic(s)		563,933	
Clerical Personnel		34,237	
Custodial Personnel		258,402	
Part-time Personnel		181,736	
Longevity Pay		11,050	
Overtime Pay		60,671	
Communication		48,950	
Contracts with Private Agencies		69,971	
Maintenance and Repair Services - Buildings		390,446	
Maintenance and Repair Services - Vehicles		13,806	
Travel		1,020	
Custodial Supplies		55,376	
Electricity		446,496	
Gasoline		61,645	
Natural Gas		42,808	
Office Supplies		1,398	
Uniforms		8,113	
Water and Sewer		32,014	
In Service/Staff Development		6,252	
Other Charges		2,612	
Motor Vehicles		42,230	
Office Equipment		186	
Other Equipment		1,029	
Other Capital Outlay		21,004	
Total County Buildings			2,558,970

Other Facilities

Assistant(s)	\$	28,996	
Supervisor/Director		44,990	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Other Facilities (Cont.)

Part-time Personnel	\$	11,956	
Communication		805	
Maintenance and Repair Services - Office Equipment		952	
Maintenance and Repair Services - Vehicles		1,343	
Travel		391	
Gasoline		951	
Office Supplies		885	
Other Supplies and Materials		2,999	
Communication Equipment		11,317	
Data Processing Equipment		600	
Furniture and Fixtures		191	
Other Equipment		34,000	
Total Other Facilities			\$ 140,376

Preservation of Records

County Official/Administrative Officer	\$	48,610	
Assistant(s)		88,795	
Temporary Personnel		1,225	
Longevity Pay		2,200	
Communication		721	
Operating Lease Payments		3,629	
Licenses		1,090	
Maintenance and Repair Services - Office Equipment		4,620	
Postal Charges		275	
Other Contracted Services		1,200	
Office Supplies		13,153	
Other Supplies and Materials		8,063	
Office Equipment		16,082	
Other Capital Outlay		54,755	
Total Preservation of Records			244,418

Risk Management

County Official/Administrative Officer	\$	75,920	
Assistant(s)		67,174	
Communication		1,457	
Dues and Memberships		110	
Postal Charges		1,000	
Printing, Stationery, and Forms		540	
Travel		357	
Data Processing Supplies		45	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Risk Management (Cont.)

Instructional Supplies and Materials	\$	779	
Office Supplies		1,344	
Data Processing Equipment		622	
Furniture and Fixtures		208	
Total Risk Management			\$ 149,556

Other Risk Management

Paraprofessionals	\$	63,149	
Clerical Personnel		152,058	
Longevity Pay		1,500	
Communication		2,430	
Dues and Memberships		161	
Operating Lease Payments		1,574	
Postal Charges		8,348	
Printing, Stationery, and Forms		3,204	
Travel		263	
Office Supplies		1,500	
In Service/Staff Development		884	
Data Processing Equipment		4,350	
Furniture and Fixtures		271	
Total Other Risk Management			239,692

Finance

Accounting and Budgeting

County Official/Administrative Officer Assistant(s)	\$	102,107	
Accountants/Bookkeepers		66,955	
Purchasing Personnel		276,704	
Longevity Pay		87,033	
Communication		3,200	
Operating Lease Payments		3,024	
Maintenance and Repair Services - Office Equipment		1,461	
Postal Charges		10,106	
Printing, Stationery, and Forms		5,973	
Travel		7,889	
Office Supplies		59	
Premiums on Corporate Surety Bonds		8,193	
In Service/Staff Development		125	
Other Charges		969	
Office Equipment		940	
Total Accounting and Budgeting		3,540	578,278

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office

County Official/Administrative Officer	\$	95,222	
Deputy(ies)		925,381	
Salary Supplements		5,417	
Temporary Personnel		10,218	
Part-time Personnel		34,000	
Longevity Pay		10,100	
Overtime Pay		34,405	
Advertising		72	
Communication		10,520	
Consultants		207,285	
Data Processing Services		39,643	
Dues and Memberships		1,962	
Operating Lease Payments		4,955	
Licenses		15,599	
Maintenance and Repair Services - Office Equipment		3,222	
Maintenance and Repair Services - Vehicles		1,006	
Postal Charges		8,485	
Printing, Stationery, and Forms		3,730	
Travel		1,915	
Gasoline		4,302	
Office Supplies		8,585	
Periodicals		714	
Premiums on Corporate Surety Bonds		50	
In Service/Staff Development		5,704	
Other Charges		10,721	
Data Processing Equipment		3,366	
Motor Vehicles		30,726	
Office Equipment		7,856	
Total Property Assessor's Office			\$ 1,485,161

County Trustee's Office

County Official/Administrative Officer	\$	95,222
Assistant(s)		235,872
Part-time Personnel		14,179
Longevity Pay		1,400
Advertising		782
Communication		3,138
Data Processing Services		2,326
Dues and Memberships		890
Maintenance and Repair Services - Office Equipment		14,996

(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.)

Postal Charges	\$	27,646	
Printing, Stationery, and Forms		12,493	
Travel		1,639	
Premiums on Corporate Surety Bonds		5,181	
In Service/Staff Development		4,795	
Other Charges		165	
Data Processing Equipment		1,358	
Other Capital Outlay		4,462	
Total County Trustee's Office			\$ 426,544

County Clerk's Office

County Official/Administrative Officer	\$	95,222	
Assistant(s)		609,540	
Temporary Personnel		440	
Part-time Personnel		45,910	
Longevity Pay		5,300	
Advertising		1,160	
Communication		3,400	
Dues and Memberships		730	
Operating Lease Payments		4,815	
Maintenance and Repair Services - Office Equipment		13,770	
Postal Charges		38,602	
Printing, Stationery, and Forms		6,968	
Travel		149	
Other Supplies and Materials		3,783	
Premiums on Corporate Surety Bonds		90	
Office Equipment		8,228	
Total County Clerk's Office			838,107

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	95,222
Deputy(ies)		973,373
Part-time Personnel		44,372
Longevity Pay		17,050
Jury and Witness Fees		36,446
Communication		5,981
Contracts with Private Agencies		37,112
Dues and Memberships		715
Operating Lease Payments		28,298

(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.)

Legal Notices, Recording, and Court Costs	\$	9,665	
Maintenance and Repair Services - Office Equipment		452	
Postal Charges		17,261	
Printing, Stationery, and Forms		9,920	
Food Supplies		3,088	
Office Supplies		14,159	
Premiums on Corporate Surety Bonds		90	
Other Charges		530	
Office Equipment		<u>37,656</u>	
Total Circuit Court	\$		1,331,390

General Sessions Court

Judge(s)	\$	273,605	
Assistant(s)		143,616	
Probation Officer(s)		108,017	
Secretary(ies)		40,561	
Clerical Personnel		25,127	
Temporary Personnel		1,696	
Longevity Pay		2,400	
Overtime Pay		1,503	
Communication		3,143	
Dues and Memberships		620	
Evaluation and Testing		6,401	
Operating Lease Payments		2,132	
Maintenance and Repair Services - Office Equipment		543	
Postal Charges		1,809	
Printing, Stationery, and Forms		577	
Travel		1,215	
Office Supplies		5,296	
Periodicals		1,987	
In Service/Staff Development		344	
Other Charges		121	
Office Equipment		<u>1,690</u>	
Total General Sessions Court			622,403

Drug Court

Drug Treatment	\$	<u>85,549</u>	
Total Drug Court			85,549

(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	\$	95,222	
Assistant(s)		237,890	
Part-time Personnel		2,268	
Longevity Pay		2,550	
Communication		2,659	
Dues and Memberships		800	
Maintenance and Repair Services - Office Equipment		10,968	
Postal Charges		10,351	
Printing, Stationery, and Forms		5,207	
Office Supplies		3,502	
Periodicals		685	
Other Supplies and Materials		2,047	
Premiums on Corporate Surety Bonds		210	
In Service/Staff Development		400	
Other Charges		292	
Office Equipment		1,130	
Total Chancery Court			\$ 376,181

Juvenile Court

County Official/Administrative Officer	\$	95,222	
Assistant(s)		218,874	
Longevity Pay		3,950	
Overtime Pay		3,434	
Communication		4,076	
Dues and Memberships		635	
Operating Lease Payments		5,020	
Maintenance and Repair Services - Office Equipment		4,623	
Postal Charges		3,100	
Printing, Stationery, and Forms		6,003	
Travel		3,552	
Other Contracted Services		10,860	
Office Supplies		1,666	
Premiums on Corporate Surety Bonds		90	
In Service/Staff Development		190	
Other Charges		489	
Data Processing Equipment		4,318	
Furniture and Fixtures		7,670	
Total Juvenile Court			373,772

(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

County Official/Administrative Officer	\$	53,315	
Assistant(s)		73,802	
Part-time Personnel		9,103	
Other Capital Outlay		16,642	
Total Other Administration of Justice			\$ 152,862

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	104,749	
Deputy(ies)		3,915,295	
Accountants/Bookkeepers		51,224	
Salary Supplements		57,600	
Clerical Personnel		355,441	
Longevity Pay		36,850	
Overtime Pay		263,517	
Communication		39,875	
Contracts with Private Agencies		48,191	
Evaluation and Testing		1,280	
Operating Lease Payments		7,619	
Maintenance and Repair Services - Vehicles		69,270	
Postal Charges		6,402	
Transportation - Other than Students		47,064	
Travel		27	
Data Processing Supplies		14,329	
Gasoline		367,024	
Law Enforcement Supplies		10,049	
Office Supplies		16,674	
Periodicals		1,340	
Tires and Tubes		28,136	
Uniforms		74,393	
Other Supplies and Materials		2,268	
Premiums on Corporate Surety Bonds		150	
In Service/Staff Development		80,828	
Other Charges		23,589	
Data Processing Equipment		36,967	
Law Enforcement Equipment		60,960	
Office Equipment		4,015	
Other Capital Outlay		15,988	
Total Sheriff's Department			5,741,114

(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	\$	59,240	
Advertising		773	
Uniforms		1,728	
Total Traffic Control			\$ 61,741

Jail

Guards	\$	2,642,427	
Longevity Pay		7,500	
Overtime Pay		60,836	
Communication		26,096	
Evaluation and Testing		7,089	
Laundry Service		49,948	
Operating Lease Payments		5,492	
Maintenance and Repair Services - Buildings		80,458	
Maintenance and Repair Services - Equipment		13,691	
Maintenance and Repair Services - Vehicles		6,815	
Medical and Dental Services		625,789	
Postal Charges		827	
Drugs and Medical Supplies		5,229	
Electricity		207,716	
Food Supplies		358,613	
Gasoline		11,513	
Natural Gas		79,874	
Office Supplies		18,390	
Prisoners Clothing		12,359	
Uniforms		28,581	
Water and Sewer		125,433	
Other Supplies and Materials		25,252	
In Service/Staff Development		11,990	
Data Processing Equipment		10,355	
Other Capital Outlay		31,993	
Total Jail			4,454,266

Workhouse

Deputy(ies)	\$	146,130	
Longevity Pay		1,900	
Maintenance and Repair Services - Vehicles		4,479	
Gasoline		14,975	
Instructional Supplies and Materials		14,370	
Office Supplies		1,894	

(Continued)

Exhibit K-8

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

<u>General Fund (Cont.)</u>		
<u>Public Safety (Cont.)</u>		
<u>Workhouse (Cont.)</u>		
Other Road Supplies	\$ 6,652	
Small Tools	2,527	
Uniforms	2,597	
Other Supplies and Materials	5,147	
Total Workhouse		\$ 200,671
 <u>Juvenile Services</u>		
Judge(s)	\$ 91,854	
Assistant(s)	1,057,469	
Teachers	122,075	
Part-time Personnel	69,310	
Longevity Pay	13,050	
Overtime Pay	4,591	
Communication	7,890	
Contracts with Private Agencies	6,300	
Dues and Memberships	1,185	
Operating Lease Payments	8,590	
Legal Services	34,174	
Maintenance and Repair Services - Office Equipment	6,680	
Medical and Dental Services	840	
Postal Charges	3,491	
Printing, Stationery, and Forms	6,021	
Transportation - Other than Students	5,707	
Travel	4,057	
Other Contracted Services	1,289	
Food Supplies	19,526	
Instructional Supplies and Materials	671	
Office Supplies	15,844	
Other Supplies and Materials	31,935	
In Service/Staff Development	7,949	
Other Charges	223	
Data Processing Equipment	4,812	
Furniture and Fixtures	12,082	
Other Capital Outlay	24,328	
Total Juvenile Services		1,561,943
 <u>Fire Prevention and Control</u>		
Contracts with Government Agencies	\$ 2,000	
Contributions	506,805	
Total Fire Prevention and Control		508,805

(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	\$	65,832	
Dispatchers/Radio Operators		589,172	
Secretary(ies)		24,838	
Part-time Personnel		1,142	
Longevity Pay		3,600	
Overtime Pay		57,350	
Communication		15,282	
Dues and Memberships		389	
Evaluation and Testing		850	
Operating Lease Payments		6,332	
Maintenance and Repair Services - Equipment		2,796	
Maintenance and Repair Services - Vehicles		191	
Postal Charges		176	
Travel		5,034	
Other Contracted Services		8,452	
Electricity		3,289	
Gasoline		3,788	
Office Supplies		3,484	
Uniforms		3,364	
In Service/Staff Development		6,000	
Other Charges		414	
Other Capital Outlay		77,871	
Total Civil Defense			\$ 879,646

Rescue Squad

Assistant(s)	\$	42,704
Supervisor/Director		71,968
Secretary(ies)		28,995
Longevity Pay		1,500
Advertising		46
Communication		4,570
Dues and Memberships		455
Operating Lease Payments		2,910
Maintenance Agreements		4,485
Maintenance and Repair Services - Office Equipment		3,285
Maintenance and Repair Services - Vehicles		607
Rentals		600
Gasoline		2,879
Office Supplies		1,676
Uniforms		961

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Rescue Squad (Cont.)

Other Charges	\$ 149	
Total Rescue Squad		\$ 167,790

County Coroner/Medical Examiner

Part-time Personnel	\$ 24,201	
Communication	977	
Medical and Dental Services	30,000	
Travel	834	
Other Contracted Services	42,750	
Drugs and Medical Supplies	37,050	
Office Supplies	254	
Other Equipment	1,095	
Total County Coroner/Medical Examiner		137,161

Public Health and Welfare

Local Health Center

Medical Personnel	\$ 143,211	
Secretary(ies)	28,787	
Clerical Personnel	21,869	
Custodial Personnel	21,965	
Part-time Personnel	11,601	
Longevity Pay	1,250	
Board and Committee Members Fees	4,960	
Communication	8,374	
Contracts with Government Agencies	535,469	
Laundry Service	319	
Maintenance and Repair Services - Buildings	2,185	
Postal Charges	22	
Travel	2,325	
Drugs and Medical Supplies	50,904	
Office Supplies	10,075	
Utilities	24,336	
Liability Insurance	1,436	
Other Charges	2,556	
Total Local Health Center		871,644

Rabies and Animal Control

Assistant(s)	\$ 48,214
Supervisor/Director	63,461
Paraprofessionals	54,323

(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.)

Attendants	\$	272,894	
Custodial Personnel		15,500	
Part-time Personnel		51,398	
Longevity Pay		2,950	
Overtime Pay		32,334	
Advertising		341	
Communication		4,815	
Contracts with Private Agencies		24,327	
Operating Lease Payments		1,650	
Maintenance and Repair Services - Buildings		4,494	
Maintenance and Repair Services - Office Equipment		165	
Maintenance and Repair Services - Vehicles		4,836	
Postal Charges		648	
Printing, Stationery, and Forms		173	
Veterinary Services		6,960	
Other Contracted Services		5,536	
Animal Food and Supplies		22,632	
Custodial Supplies		7,962	
Drugs and Medical Supplies		29,112	
Electricity		18,247	
Equipment Parts - Light		1,059	
Gasoline		20,601	
Instructional Supplies and Materials		484	
Natural Gas		7,288	
Office Supplies		2,422	
Periodicals		80	
Uniforms		3,055	
Water and Sewer		5,114	
Other Supplies and Materials		30,694	
Refunds		195	
In Service/Staff Development		6,354	
Office Equipment		4,867	
Other Capital Outlay		64,305	
Total Rabies and Animal Control			\$ 819,490

Ambulance/Emergency Medical Services

Contracts with Government Agencies	\$	1,845,797	
Total Ambulance/Emergency Medical Services			1,845,797

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services

Contributions	\$ 26,429	
Total Other Local Health Services		\$ 26,429

Regional Mental Health Center

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

Appropriation to State

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

General Welfare Assistance

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

Aid to Dependent Children

Contributions	\$ 6,263	
Total Aid to Dependent Children		6,263

Other Public Health and Welfare

Communication	\$ 7,087	
Dues and Memberships	884	
Operating Lease Payments	6,498	
Maintenance and Repair Services - Vehicles	1,578	
Postal Charges	460	
Printing, Stationery, and Forms	364	
Travel	7,563	
Gasoline	14,119	
Office Supplies	4,332	
Periodicals	586	
Uniforms	4,050	
Other Supplies and Materials	3,661	
Premiums on Corporate Surety Bonds	65	
In Service/Staff Development	6,560	
Data Processing Equipment	18,085	
Furniture and Fixtures	791	
Other Equipment	35,409	
Total Other Public Health and Welfare		112,092

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Adult Activities

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

Senior Citizens Assistance

Contributions	\$ 94,327	
Total Senior Citizens Assistance		94,327

Libraries

County Official/Administrative Officer	\$ 64,730	
Librarians	958,907	
Temporary Personnel	13,291	
Part-time Personnel	180,872	
Longevity Pay	8,800	
Communication	4,502	
Contributions	109,015	
Dues and Memberships	865	
Operating Lease Payments	10,899	
Maintenance and Repair Services - Office Equipment	5,000	
Postal Charges	7,996	
Printing, Stationery, and Forms	500	
Travel	2,249	
Other Contracted Services	25,193	
Data Processing Supplies	119,047	
Library Books/Media	264,204	
Office Supplies	17,673	
Periodicals	8,496	
Utilities	120,162	
Other Supplies and Materials	4,795	
In Service/Staff Development	4,770	
Data Processing Equipment	1,717	
Office Equipment	2,658	
Other Capital Outlay	16,442	
Total Libraries		1,952,783

Parks and Fair Boards

County Official/Administrative Officer	\$ 95,202
Assistant(s)	1,127,256
Supervisor/Director	375,294
Mechanic(s)	32,282
Clerical Personnel	166,494

(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.)

Custodial Personnel	\$	147,554
Maintenance Personnel		350,917
Temporary Personnel		503,002
Part-time Personnel		1,291,426
Longevity Pay		18,950
Overtime Pay		53,957
Advertising		41,161
Communication		64,463
Contracts with Other Public Agencies		213,008
Contracts with Private Agencies		595,989
Dues and Memberships		7,270
Maintenance and Repair Services - Buildings		210,770
Maintenance and Repair Services - Equipment		62,706
Maintenance and Repair Services - Office Equipment		16,948
Maintenance and Repair Services - Vehicles		17,571
Pest Control		4,400
Postal Charges		7,608
Printing, Stationery, and Forms		95,660
Rentals		6,173
Travel		4,440
Disposal Fees		27,885
Permits		2,485
Other Contracted Services		10,020
Custodial Supplies		97,005
Drugs and Medical Supplies		4,864
Electricity		679,361
Fertilizer, Lime, and Seed		38,534
Food Supplies		27,771
Fuel Oil		1,072
Gasoline		84,652
Instructional Supplies and Materials		78,758
Natural Gas		179,863
Office Supplies		20,942
Periodicals		664
Sand		2,285
Uniforms		47,125
Water and Sewer		113,956
Clay		9,222
Chemicals		41,838
Other Supplies and Materials		196,880

(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.)

Refunds	\$	37,575	
Surcharge		7,091	
In Service/Staff Development		3,152	
Other Charges		126,717	
Total Parks and Fair Boards			\$ 7,350,218

Other Social, Cultural, and Recreational

Supervisor/Director	\$	61,880
Foremen		38,896
Clerical Personnel		65,578
Cafeteria Personnel		31,301
Maintenance Personnel		225,317
Temporary Personnel		46,793
Longevity Pay		2,300
Overtime Pay		19,321
Advertising		6,491
Communication		12,999
Dues and Memberships		2,199
Operating Lease Payments		3,412
Maintenance and Repair Services - Buildings		17,122
Maintenance and Repair Services - Equipment		9,795
Maintenance and Repair Services - Vehicles		539
Postal Charges		961
Printing, Stationery, and Forms		573
Rentals		36,842
Travel		3,132
Disposal Fees		156,470
Other Contracted Services		6,604
Custodial Supplies		15,436
Drugs and Medical Supplies		129
Electricity		163,907
Fertilizer, Lime, and Seed		2,696
Food Supplies		69,977
Gasoline		11,709
Natural Gas		50,149
Office Supplies		1,411
Periodicals		226
Small Tools		5,958
Tires and Tubes		1,570
Uniforms		7,994

(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.)

Water and Sewer	\$	25,434	
Gravel and Chert		600	
Clay		800	
Other Supplies and Materials		43,018	
Other Charges		572	
Other Construction		23,534	
Other Capital Outlay		67,321	
Total Other Social, Cultural, and Recreational			\$ 1,240,966

Agriculture and Natural Resources

Agriculture Extension Service

Assistant(s)	\$	72,725	
Salary Supplements		167,227	
Secretary(ies)		28,075	
Longevity Pay		950	
Board and Committee Members Fees		975	
Social Security		3,953	
Extension Service Medicare		2,083	
State Retirement		17,700	
Communication		2,602	
Dues and Memberships		800	
Janitorial Services		10,010	
Operating Lease Payments		2,087	
Maintenance and Repair Services - Equipment		2,049	
Maintenance and Repair Services - Vehicles		160	
Postal Charges		500	
Travel		3,162	
Gasoline		1,270	
Office Equipment		3,923	
Other Capital Outlay		5,500	
Total Agriculture Extension Service			325,751

Soil Conservation

Secretary(ies)	\$	36,318	
Longevity Pay		1,150	
Other Charges		5,848	
Total Soil Conservation			43,316

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations

Tourism

Part-time Personnel	\$	5,442	
Other Salaries and Wages		34,493	
Medical Insurance		3,569	
Advertising		8,096	
Communication		4,554	
Contracts with Other Public Agencies		1,645	
Contributions		32,077	
Dues and Memberships		8,937	
Postal Charges		567	
Printing, Stationery, and Forms		4,361	
Travel		16,941	
Other Contracted Services		17,644	
Office Supplies		1,735	
Utilities		164	
Total Tourism			\$ 140,225

Other Economic and Community Development

Supervisor/Director	\$	25,255	
Secretary(ies)		37,586	
Part-time Personnel		37,739	
Longevity Pay		800	
Advertising		29,206	
Communication		998	
Dues and Memberships		3,135	
Operating Lease Payments		26,812	
Maintenance and Repair Services - Office Equipment		3,159	
Postal Charges		738	
Printing, Stationery, and Forms		546	
Travel		6,238	
Other Contracted Services		28,297	
Office Supplies		1,239	
Periodicals		390	
Data Processing Equipment		209	
Office Equipment		3,306	
Total Other Economic and Community Development			205,653

Public Transportation

Other Contracted Services	\$	270,578	
Total Public Transportation			270,578

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

Supervisor/Director	\$	12,418	
Communication		257	
Dues and Memberships		25	
Travel		18	
Office Supplies		132	
Other Supplies and Materials		<u>1,150</u>	
Total Veterans' Services	\$		14,000

Other Charges

Dues and Memberships	\$	38,417	
Building and Contents Insurance		185,652	
Excess Risk Insurance		509,818	
Trustee's Commission		865,781	
Vehicle and Equipment Insurance		196,062	
Workers' Compensation Insurance		<u>521,601</u>	
Total Other Charges			2,317,331

Employee Benefits

Social Security	\$	1,729,747	
State Retirement		2,007,101	
Life Insurance		34,881	
Medical Insurance		5,256,250	
Disability Insurance		29,962	
Unemployment Compensation		36,254	
Local Retirement		92,862	
Employer Medicare		<u>406,072</u>	
Total Employee Benefits			9,593,129

Miscellaneous

Consultants	\$	6,295	
Contracts with Government Agencies		969	
Contracts with Private Agencies		50,328	
Contributions		549,585	
Duplicating Supplies		<u>30,000</u>	
Total Miscellaneous			<u>637,177</u>

Total General Fund \$ 57,425,069

(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund
Public Health and Welfare
Sanitation Management

Supervisor/Director	\$	89,315	
Deputy(ies)		126,734	
Laborers		515,956	
Guards		404,823	
Clerical Personnel		90,106	
Longevity Pay		8,050	
Overtime Pay		125,038	
Advertising		5,532	
Communication		12,736	
Dues and Memberships		2,456	
Evaluation and Testing		820	
Maintenance and Repair Services - Buildings		10,330	
Maintenance and Repair Services - Equipment		118,433	
Maintenance and Repair Services - Office Equipment		1,985	
Maintenance and Repair Services - Vehicles		107,185	
Postal Charges		2,487	
Printing, Stationery, and Forms		142	
Rentals		13,036	
Travel		5,145	
Other Contracted Services		748,714	
Diesel Fuel		320,470	
Electricity		23,508	
Gasoline		21,439	
Lubricants		6,500	
Natural Gas		1,579	
Office Supplies		3,213	
Periodicals		26	
Tires and Tubes		49,795	
Uniforms		12,281	
Water and Sewer		2,015	
Other Supplies and Materials		26,044	
In Service/Staff Development		2,486	
Other Charges		8,853	
Motor Vehicles		22,359	
Office Equipment		2,350	
Site Development		3,104	
Other Capital Outlay		60,000	
Total Sanitation Management			\$ 2,955,045

(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund (Cont.)

Other Operations

Other Charges

Excess Risk Insurance	\$	89,538	
Trustee's Commission		70,932	
Vehicle and Equipment Insurance		19,579	
Workers' Compensation Insurance		47,450	
Total Other Charges			\$ 227,499

Employee Benefits

Social Security	\$	82,149	
State Retirement		74,824	
Life Insurance		1,167	
Medical Insurance		181,250	
Disability Insurance		1,470	
Employer Medicare		19,214	
Total Employee Benefits			360,074

Total Solid Waste/Sanitation Fund \$ 3,542,618

Drug Control Fund

Public Safety

Drug Enforcement

Maintenance and Repair Services - Vehicles	\$	1,726	
Tow-in Services		315	
Travel		188	
Office Supplies		1,400	
Trustee's Commission		565	
In Service/Staff Development		2,806	
Other Capital Outlay		191,590	
Total Drug Enforcement			\$ 198,590

Total Drug Control Fund 198,590

District Attorney General Fund

Administration of Justice

District Attorney General

Salary Supplements	\$	6,225	
Other Salaries and Wages		36,103	
Jury and Witness Fees		7,968	
Communication		12,919	
Dues and Memberships		345	
Postal Charges		474	

(Continued)

Exhibit K-8

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

District Attorney General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General (Cont.)

Rentals	\$	2,038	
Travel		6,900	
Other Contracted Services		1,687	
Law Enforcement Supplies		101	
Office Supplies		5,872	
Other Supplies and Materials		531	
Trustee's Commission		1,034	
In Service/Staff Development		7,670	
Other Charges		1,087	
Data Processing Equipment		185	
Furniture and Fixtures		7,503	
Office Equipment		2,197	
Total District Attorney General			\$ 100,839

Total District Attorney General Fund \$ 100,839

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	104,728
Accountants/Bookkeepers		54,122
Dispatchers/Radio Operators		47,258
Secretary(ies)		39,146
Longevity Pay		40,800
Board and Committee Members Fees		6,900
Advertising		346
Communication		9,231
Engineering Services		295,148
Evaluation and Testing		2,010
Operating Lease Payments		1,409
Legal Services		57,646
Legal Notices, Recording, and Court Costs		27
Maintenance and Repair Services - Office Equipment		383
Postal Charges		3
Electricity		13,806
Natural Gas		7,308
Office Supplies		3,344
Periodicals		62
Water and Sewer		7,698
Other Charges		9,551

(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.)

Office Equipment	\$ 2,303	
Total Administration		\$ 703,229

Highway and Bridge Maintenance

Foremen	\$ 153,504	
Equipment Operators	1,825,591	
Part-time Personnel	67,378	
Overtime Pay	89,448	
Contracts with Private Agencies	120,470	
Rentals	74,607	
Other Contracted Services	189,519	
Asphalt - Hot Mix	2,156,779	
Asphalt - Liquid	50,240	
Crushed Stone	7,877	
Other Road Supplies	74,567	
Pipe	79,827	
Road Signs	27,111	
Salt	14,207	
Uniforms	20,445	
Wood Products	78	
Other Charges	3,445	
Total Highway and Bridge Maintenance		4,955,093

Operation and Maintenance of Equipment

Foremen	\$ 51,418	
Mechanic(s)	137,653	
Nightwatchmen	98,157	
Part-time Personnel	8,964	
Diesel Fuel	472,392	
Equipment Parts - Heavy	511,537	
Garage Supplies	22,808	
Gasoline	166,644	
Lubricants	16,734	
Tires and Tubes	92,731	
Total Operation and Maintenance of Equipment		1,579,038

Quarry Operations

Equipment Operators	\$ 281,010
Overtime Pay	34,946
Explosive and Drilling Services	114,377

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations (Cont.)

Maintenance and Repair Services - Vehicles	\$	194,712	
Electricity		47,354	
Other Supplies and Materials		4,361	
Total Quarry Operations			\$ 676,760

Other Charges

Excess Risk Insurance	\$	182,319	
Trustee's Commission		121,718	
Vehicle and Equipment Insurance		28,177	
Workers' Compensation Insurance		222,199	
Total Other Charges			554,413

Employee Benefits

Social Security	\$	182,125	
State Retirement		231,353	
Life Insurance		3,940	
Medical Insurance		565,500	
Disability Insurance		3,520	
Unemployment Compensation		1,206	
Employer Medicare		42,650	
Total Employee Benefits			1,030,294

Capital Outlay

Bridge Construction	\$	51,495	
Highway Construction		45,992	
Highway Equipment		347,574	
Site Development		4,694	
Total Capital Outlay			449,755

Total Highway/Public Works Fund \$ 9,948,582

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	5,862,020	
Principal on Other Loans		554,279	
Total General Government			\$ 6,416,299

Highways and Streets

Principal on Bonds	\$	141,761	
Total Highways and Streets			141,761

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

Principal on Bonds	\$ 7,391,219	
Principal on Notes	240,000	
Principal on Other Loans	136,721	
Total Education	\$ 7,767,940	

Interest on Debt

General Government

Interest on Bonds	\$ 5,619,908	
Interest on Notes	40,685	
Interest on Other Loans	257,373	
Total General Government	5,917,966	

Highways and Streets

Interest on Bonds	\$ 66,201	
Total Highways and Streets	66,201	

Education

Interest on Bonds	\$ 5,465,063	
Interest on Notes	24,088	
Interest on Other Loans	60,365	
Total Education	5,549,516	

Other Debt Service

General Government

Fiscal Agent Charges	\$ 5,779	
Trustee's Commission	485,673	
Other Charges	38,426	
Total General Government	529,878	

Total General Debt Service Fund \$ 26,389,561

Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 7,840,000	
Principal on Notes	400,000	
Total Education	\$ 8,240,000	

(Continued)

Exhibit K-8

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

Rural Debt Service Fund (Cont.)

Interest on Debt

Education

Interest on Bonds	\$ 7,094,892	
Interest on Notes	40,538	
Total Education		\$ 7,135,430

Other Debt Service

Education

Fiscal Agent Charges	\$ 3,390	
Trustee's Commission	182,104	
Total Education		185,494

Total Rural Debt Service Fund \$ 15,560,924

General Capital Projects Fund

Capital Projects

General Administration Projects

Underwriter's Discount	\$ 15,507	
Other Debt Issuance Charges	10,488	
Building Improvements	389,759	
Data Processing Equipment	23,000	
Heating and Air Conditioning Equipment	44,915	
Land	4,460	
Other Equipment	580,316	
Other Capital Outlay	18,460	
Total General Administration Projects		\$ 1,086,905

Administration of Justice Projects

Building Improvements	\$ 284,237	
Total Administration of Justice Projects		284,237

Public Safety Projects

Trustee's Commission	\$ 269	
Motor Vehicles	457,456	
Other Equipment	1,521,866	
Other Capital Outlay	81,236	
Total Public Safety Projects		2,060,827

Public Health and Welfare Projects

Landfill Closure/Postclosure Care Costs	\$ 1,253,936	
Data Processing Equipment	7,726	
Motor Vehicles	20,318	

(Continued)

Exhibit K-8

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Health and Welfare Projects (Cont.)

Solid Waste Equipment	\$ 493,406	
Other Equipment	745,616	
Other Construction	<u>368,578</u>	
Total Public Health and Welfare Projects		\$ 2,889,580

Social, Cultural, and Recreation Projects

Other Contracted Services	\$ 279,061	
Trustee's Commission	4,156	
Building Construction	6,319,177	
Building Improvements	5,800	
Heating and Air Conditioning Equipment	195,245	
Land	644,452	
Site Development	18,252	
Other Equipment	1,136,302	
Other Construction	13,901	
Other Capital Outlay	<u>70,458</u>	
Total Social, Cultural, and Recreation Projects		8,686,804

Public Utility Projects

Other Construction	\$ <u>31,443</u>	
Total Public Utility Projects		31,443

Other General Government Projects

Other Capital Outlay	\$ <u>20,040</u>	
Total Other General Government Projects		20,040

Highway and Street Capital Projects

Consultants	\$ 40,490	
Trustee's Commission	3,150	
Building Construction	165,332	
Highway Construction	202,571	
Site Development	<u>220,892</u>	
Total Highway and Street Capital Projects		632,435

Education Capital Projects

Trustee's Commission	\$ 81,174	
Underwriter's Discount	114,189	
Other Debt Issuance Charges	<u>79,112</u>	
Total Education Capital Projects		274,475

(Continued)

Exhibit K-8

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

<u>General Capital Projects Fund (Cont.)</u>		
<u>Capital Projects - Donated</u>		
<u>Capital Projects Donated to School Department</u>		
Contributions	<u>\$ 26,664,193</u>	
Total Capital Projects Donated to School Department		<u>\$ 26,664,193</u>
Total General Capital Projects Fund		<u>\$ 42,630,939</u>
Total Governmental Funds - Primary Government		<u>\$ 155,797,122</u>

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, 2008

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 67,970,642	
Career Ladder Program	613,438	
Career Ladder Extended Contracts	222,018	
Educational Assistants	1,568,734	
Longevity Pay	26,550	
Certified Substitute Teachers	615,738	
Non-certified Substitute Teachers	1,101,809	
Social Security	4,335,955	
State Retirement	4,356,898	
Life Insurance	73,892	
Medical Insurance	13,746,716	
Dental Insurance	809,000	
Unemployment Compensation	25,071	
Employer Medicare	1,020,017	
Maintenance and Repair Services - Equipment	52,201	
Other Contracted Services	404,584	
Instructional Supplies and Materials	1,552,518	
Textbooks	2,534,384	
Fee Waivers	104,946	
Other Charges	138,325	
Regular Instruction Equipment	141,711	
Total Regular Instruction Program		\$ 101,415,147

Alternative Instruction Program

Teachers	\$ 240,885	
Career Ladder Program	2,000	
Educational Assistants	48,327	
Social Security	17,811	
State Retirement	18,425	
Life Insurance	408	
Medical Insurance	67,263	
Dental Insurance	5,250	
Employer Medicare	4,165	
Other Supplies and Materials	5,812	
Other Equipment	1,457	
Total Alternative Instruction Program		411,803

Special Education Program

Teachers	\$ 9,898,108	
----------	--------------	--

(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 (Cont.)

Career Ladder Program	\$	88,000	
Career Ladder Extended Contracts		31,181	
Homebound Teachers		102,446	
Educational Assistants		2,744,364	
Speech Pathologist		1,381,829	
Longevity Pay		22,900	
Other Salaries and Wages		101,365	
Social Security		858,834	
State Retirement		930,953	
Life Insurance		18,291	
Medical Insurance		3,380,843	
Dental Insurance		236,750	
Employer Medicare		202,042	
Contracts with Private Agencies		334,631	
Maintenance and Repair Services - Equipment		7,883	
Other Contracted Services		91,303	
Instructional Supplies and Materials		127,327	
Textbooks		7,961	
Special Education Equipment		48,634	
Total Special Education Program			\$ 20,615,645

Vocational Education Program

Teachers	\$	2,648,152	
Career Ladder Program		23,436	
Career Ladder Extended Contracts		2,565	
Clerical Personnel		20,611	
Educational Assistants		112,389	
Longevity Pay		2,550	
Other Salaries and Wages		9,943	
Social Security		176,472	
State Retirement		177,875	
Life Insurance		3,332	
Medical Insurance		567,332	
Dental Insurance		44,250	
Employer Medicare		41,488	
Maintenance and Repair Services - Equipment		20,301	
Instructional Supplies and Materials		147,199	
Other Charges		9,718	
Vocational Instruction Equipment		347,449	
Total Vocational Education Program			4,355,062

(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

Certified Substitute Teachers	\$	7,868	
In-Service Training		18,226	
Other Contracted Services		14,082	
Instructional Supplies and Materials		485,346	
Library Books/Media		226,624	
Other Supplies and Materials		132,144	
In Service/Staff Development		215,406	
Other Charges		43,062	
Regular Instruction Equipment		686,324	
Total Student Body Education Program			\$ 1,829,082

Adult Education Program

Teachers	\$	255,769	
Other Salaries and Wages		23,315	
Social Security		16,610	
State Retirement		10,075	
Life Insurance		153	
Medical Insurance		21,921	
Dental Insurance		2,250	
Employer Medicare		4,025	
Instructional Supplies and Materials		41,315	
Other Supplies and Materials		8,295	
Other Charges		9,930	
Other Equipment		8,645	
Total Adult Education Program			402,303

Support Services

Attendance

Longevity Pay	\$	600	
Overtime Pay		3,466	
Other Salaries and Wages		78,155	
Social Security		4,803	
State Retirement		6,105	
Life Insurance		85	
Medical Insurance		14,614	
Dental Insurance		1,500	
Employer Medicare		1,143	
Total Attendance			110,471

(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	\$ 1,583,752	
Longevity Pay	5,950	
Social Security	94,164	
State Retirement	99,761	
Life Insurance	1,964	
Medical Insurance	378,350	
Dental Insurance	24,500	
Employer Medicare	22,022	
Travel	10,982	
Other Contracted Services	542	
Drugs and Medical Supplies	17,755	
Other Supplies and Materials	2,800	
In Service/Staff Development	772	
Health Equipment	1,610	
Total Health Services		\$ 2,244,924

Other Student Support

Career Ladder Program	\$ 29,127	
Guidance Personnel	3,611,715	
Career Ladder Extended Contracts	508	
Secretary(ies)	180,940	
Longevity Pay	1,850	
Other Salaries and Wages	94,902	
Social Security	231,853	
State Retirement	242,574	
Life Insurance	3,753	
Medical Insurance	631,788	
Dental Insurance	45,000	
Employer Medicare	55,487	
Contracts with Government Agencies	268,451	
Travel	440	
Other Contracted Services	284,114	
Other Supplies and Materials	118,961	
In Service/Staff Development	1,938	
Other Charges	5,089	
Other Equipment	1,449	
Total Other Student Support		5,809,939

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	531,230	
Career Ladder Program		37,856	
Career Ladder Extended Contracts		8,656	
Librarians		1,978,718	
Secretary(ies)		227,331	
Clerical Personnel		525,123	
Longevity Pay		9,625	
Other Salaries and Wages		376,261	
In-Service Training		137,254	
Social Security		224,645	
State Retirement		247,068	
Life Insurance		4,348	
Medical Insurance		731,508	
Dental Insurance		51,625	
Employer Medicare		53,812	
Consultants		2,000	
Travel		25,157	
Other Contracted Services		83,967	
Other Supplies and Materials		115,945	
In Service/Staff Development		380,743	
Regular Instruction Equipment		5,599	
Other Equipment		916	
Total Regular Instruction Program			\$ 5,759,387

Special Education Program

Supervisor/Director	\$	91,077
Career Ladder Program		4,000
Psychological Personnel		884,568
Secretary(ies)		76,337
Longevity Pay		1,850
Other Salaries and Wages		299,380
In-Service Training		44,930
Social Security		84,886
State Retirement		86,694
Life Insurance		1,148
Medical Insurance		237,289
Dental Insurance		15,250
Employer Medicare		19,888
Travel		49,503

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Other Contracted Services	\$	121,478	
Other Supplies and Materials		57,062	
In Service/Staff Development		27,458	
Other Equipment		5,000	
Total Special Education Program			\$ 2,107,798

Vocational Education Program

Career Ladder Program	\$	1,000	
Secretary(ies)		38,127	
Longevity Pay		500	
Other Salaries and Wages		77,662	
In-Service Training		9,740	
Social Security		7,621	
State Retirement		8,511	
Life Insurance		94	
Medical Insurance		14,614	
Dental Insurance		1,500	
Employer Medicare		1,782	
Travel		6,801	
Other Contracted Services		34,802	
Other Supplies and Materials		2,330	
In Service/Staff Development		8,754	
Total Vocational Education Program			213,838

Adult Programs

Career Ladder Program	\$	3,000	
Secretary(ies)		23,512	
Longevity Pay		500	
Other Salaries and Wages		82,114	
Social Security		6,755	
State Retirement		7,198	
Life Insurance		94	
Medical Insurance		14,614	
Dental Insurance		1,500	
Employer Medicare		1,580	
Travel		962	
Total Adult Programs			141,829

(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.)

Other Programs

On-Behalf Payments to OPEB	\$ 13,175	
Total Other Programs		\$ 13,175

Board of Education

Other Salaries and Wages	\$ 98,972	
Board and Committee Members Fees	66,600	
Social Security	8,970	
State Retirement	6,447	
Life Insurance	47	
Medical Insurance	7,307	
Dental Insurance	750	
Employer Medicare	2,098	
Audit Services	40,172	
Dues and Memberships	26,493	
Legal Services	12,937	
Travel	509	
Other Contracted Services	2,359	
Other Supplies and Materials	4,501	
Liability Insurance	338,455	
Trustee's Commission	1,895,422	
Workers' Compensation Insurance	915,514	
In Service/Staff Development	5,148	
Criminal Investigation of Applicants - TBI	40,895	
Total Board of Education		3,473,596

Director of Schools

County Official/Administrative Officer	\$ 152,459
Assistant(s)	105,942
Secretary(ies)	143,856
Longevity Pay	3,050
Social Security	20,603
State Retirement	27,600
Life Insurance	306
Medical Insurance	44,842
Dental Insurance	3,500
Employer Medicare	5,715
Communication	851,574
Travel	286
Other Contracted Services	68,229

(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.)

Director of Schools (Cont.)

Office Supplies	\$	36,482	
In Service/Staff Development		2,343	
Total Director of Schools			\$ 1,466,787

Office of the Principal

Principals	\$	3,316,256	
Career Ladder Program		75,115	
Accountants/Bookkeepers		1,055,447	
Career Ladder Extended Contracts		49,868	
Assistant Principals		3,520,704	
Secretary(ies)		1,260,155	
Longevity Pay		33,325	
Social Security		554,127	
State Retirement		607,291	
Life Insurance		7,506	
Medical Insurance		1,303,725	
Dental Insurance		104,000	
Employer Medicare		131,322	
Communication		6,196	
Other Contracted Services		463,130	
Total Office of the Principal			12,488,167

Fiscal Services

Supervisor/Director	\$	95,680	
Accountants/Bookkeepers		400,849	
Purchasing Personnel		96,864	
Longevity Pay		6,250	
Other Salaries and Wages		76,548	
Social Security		39,618	
State Retirement		52,612	
Life Insurance		650	
Medical Insurance		115,098	
Dental Insurance		7,700	
Employer Medicare		9,422	
Travel		721	
Other Contracted Services		2,750	
In Service/Staff Development		6,161	
Administration Equipment		14,608	
Total Fiscal Services			925,531

(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

Supervisor/Director	\$	91,074	
Secretary(ies)		239,837	
Longevity Pay		1,150	
Overtime Pay		1,091	
Other Salaries and Wages		78,504	
Social Security		23,737	
State Retirement		30,209	
Life Insurance		357	
Medical Insurance		82,763	
Dental Insurance		4,750	
Employer Medicare		5,812	
Travel		2,164	
Other Contracted Services		141,204	
Other Supplies and Materials		72,962	
In Service/Staff Development		6,999	
Total Human Services/Personnel			\$ 782,613

Operation of Plant

Supervisor/Director	\$	92,744	
Secretary(ies)		27,009	
Custodial Personnel		138,767	
Longevity Pay		4,700	
Other Salaries and Wages		60,073	
Social Security		19,622	
State Retirement		25,277	
Life Insurance		306	
Medical Insurance		43,842	
Dental Insurance		4,500	
Employer Medicare		4,589	
Janitorial Services		4,408,840	
Travel		858	
Disposal Fees		88,232	
Other Contracted Services		277,635	
Electricity		4,838,032	
Natural Gas		579,336	
Water and Sewer		759,576	
Other Supplies and Materials		21,163	
Building and Contents Insurance		186,297	
Plant Operation Equipment		102	
Total Operation of Plant			11,581,500

(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

Supervisor/Director	\$	71,875	
Secretary(ies)		66,628	
Maintenance Personnel		1,922,283	
Longevity Pay		14,700	
Overtime Pay		18,346	
Other Salaries and Wages		44,303	
Social Security		127,445	
State Retirement		167,456	
Life Insurance		2,988	
Medical Insurance		482,955	
Dental Insurance		40,750	
Employer Medicare		27,643	
Maintenance and Repair Services - Buildings		408,750	
Maintenance and Repair Services - Equipment		168,934	
Maintenance and Repair Services - Vehicles		35,073	
Other Contracted Services		551,281	
General Construction Materials		623,037	
Other Supplies and Materials		11,998	
In Service/Staff Development		13,353	
Other Charges		50,035	
Plant Operation Equipment		124,972	
Total Maintenance of Plant			\$ 4,974,805

Transportation

Supervisor/Director	\$	72,391
Mechanic(s)		398,366
Bus Drivers		3,889,589
Clerical Personnel		28,836
Longevity Pay		84,400
Overtime Pay		11,034
Other Salaries and Wages		628,419
Social Security		300,155
State Retirement		392,480
Life Insurance		10,888
Medical Insurance		1,762,136
Dental Insurance		136,000
Employer Medicare		70,795
Maintenance and Repair Services - Buildings		610
Maintenance and Repair Services - Vehicles		37,058

(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.)

Other Contracted Services	\$ 30,167	
Gasoline	1,453,436	
Lubricants	32,982	
Tires and Tubes	167,752	
Vehicle Parts	239,012	
Other Supplies and Materials	20,687	
Vehicle and Equipment Insurance	148,723	
In Service/Staff Development	14,937	
Other Charges	23,264	
Transportation Equipment	<u>1,570,342</u>	
Total Transportation		\$ 11,524,459

Central and Other

Supervisor/Director	\$ 166,381	
Data Processing Personnel	1,375,778	
Longevity Pay	9,400	
Social Security	93,046	
State Retirement	120,802	
Life Insurance	1,488	
Medical Insurance	268,824	
Dental Insurance	19,000	
Employer Medicare	21,741	
Travel	19,876	
Other Contracted Services	364,338	
Other Supplies and Materials	71,472	
In Service/Staff Development	19,667	
Data Processing Equipment	<u>108,066</u>	
Total Central and Other		2,659,879

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$ 72,533	
Clerical Personnel	38,127	
Longevity Pay	1,200	
Other Salaries and Wages	212,231	
Social Security	19,886	
State Retirement	25,426	
Life Insurance	276	
Medical Insurance	43,842	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Dental Insurance	\$	4,500	
Employer Medicare		4,656	
Travel		4,454	
Other Contracted Services		130,240	
Other Supplies and Materials		11,425	
In Service/Staff Development		2,570	
Other Equipment		4,096	
Total Community Services			\$ 575,462

Early Childhood Education

Teachers	\$	461,270	
Career Ladder Program		2,000	
Educational Assistants		135,497	
Longevity Pay		300	
Social Security		35,675	
State Retirement		39,762	
Life Insurance		901	
Medical Insurance		162,754	
Dental Insurance		14,500	
Employer Medicare		8,343	
Travel		634	
Other Contracted Services		265	
Instructional Supplies and Materials		15,542	
Other Supplies and Materials		21,429	
In Service/Staff Development		5,738	
Regular Instruction Equipment		11,961	
Total Early Childhood Education			916,571

Total General Purpose School Fund \$ 196,799,773

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	361,669
Educational Assistants		13,071
Other Salaries and Wages		6,755
Certified Substitute Teachers		4,050
Non-certified Substitute Teachers		8,008
Social Security		24,300

(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.)

State Retirement	\$	23,948	
Life Insurance		381	
Medical Insurance		54,316	
Dental Insurance		5,575	
Employer Medicare		5,682	
Other Contracted Services		2,775	
Instructional Supplies and Materials		24,050	
Total Regular Instruction Program	\$		534,580

Special Education Program

Teachers	\$	128,295	
Educational Assistants		1,856,510	
Other Salaries and Wages		187,247	
Certified Substitute Teachers		1,040	
Non-certified Substitute Teachers		4,470	
Social Security		126,477	
State Retirement		151,878	
Life Insurance		5,266	
Medical Insurance		929,828	
Dental Insurance		95,210	
Employer Medicare		29,988	
Other Contracted Services		46,095	
Instructional Supplies and Materials		1,411	
Other Supplies and Materials		13,262	
Total Special Education Program			3,576,977

Vocational Education Program

Teachers	\$	42,720	
Social Security		2,649	
State Retirement		2,666	
Life Insurance		47	
Medical Insurance		6,698	
Dental Insurance		688	
Employer Medicare		619	
Other Contracted Services		9,847	
Instructional Supplies and Materials		48,140	
Vocational Instruction Equipment		115,728	
Total Vocational Education Program			229,802

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services

Health Services

Medical Personnel	\$	381,555	
Social Security		22,921	
State Retirement		24,181	
Life Insurance		450	
Medical Insurance		64,546	
Dental Insurance		6,625	
Employer Medicare		5,361	
Travel		2,091	
In Service/Staff Development		669	
Total Health Services			\$ 508,399

Other Student Support

Social Workers	\$	75,030	
Social Security		4,070	
State Retirement		4,682	
Life Insurance		102	
Medical Insurance		14,614	
Dental Insurance		1,500	
Employer Medicare		952	
Travel		1,991	
Other Contracted Services		65,719	
Other Supplies and Materials		2,262	
In Service/Staff Development		6,270	
Total Other Student Support			177,192

Regular Instruction Program

Secretary(ies)	\$	13,991	
Other Salaries and Wages		57,566	
In-Service Training		21,962	
Social Security		5,710	
State Retirement		6,064	
Life Insurance		41	
Medical Insurance		5,846	
Dental Insurance		600	
Employer Medicare		1,336	
Travel		3,631	
Other Contracted Services		6,574	
Instructional Supplies and Materials		129	
Other Supplies and Materials		11,407	

(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.)

In Service/Staff Development	\$	371,988	
Other Charges		10,411	
Other Equipment		24,687	
Total Regular Instruction Program			\$ 541,943

Special Education Program

Psychological Personnel	\$	109,824	
Secretary(ies)		36,815	
Other Salaries and Wages		60,431	
In-Service Training		736	
Social Security		12,636	
State Retirement		13,563	
Life Insurance		204	
Medical Insurance		29,228	
Dental Insurance		3,000	
Employer Medicare		2,955	
Travel		6,750	
Other Contracted Services		53,972	
Other Supplies and Materials		1,031	
In Service/Staff Development		2,986	
Total Special Education Program			334,131

Vocational Education Program

In-Service Training	\$	2,170	
Social Security		160	
State Retirement		162	
Employer Medicare		37	
Travel		37,993	
In Service/Staff Development		28,138	
Other Charges		2,362	
Total Vocational Education Program			71,022

Total School Federal Projects Fund \$ 5,974,046

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	72,391	
Clerical Personnel		64,436	

(Continued)

Exhibit K-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Cafeteria Personnel	\$ 2,511,766	
Longevity Pay	40,150	
Overtime Pay	5,230	
Other Salaries and Wages	190,972	
Social Security	170,825	
State Retirement	174,744	
Life Insurance	6,452	
Medical Insurance	1,005,041	
Dental Insurance	55,633	
Unemployment Compensation	3,669	
Employer Medicare	39,976	
Communication	24,555	
Maintenance and Repair Services - Equipment	4,544	
Transportation - Other than Students	87,862	
Travel	7,321	
Other Contracted Services	98,274	
Equipment and Machinery Parts	31,005	
Food Supplies	3,162,095	
Other Supplies and Materials	257,517	
In Service/Staff Development	11,724	
Food Service Equipment	117,168	
Total Food Service		\$ 8,143,350
Total Central Cafeteria Fund		\$ 8,143,350

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$ 35,071
Accountants/Bookkeepers	28,564
Attendants	320,571
Longevity Pay	550
Other Salaries and Wages	83,194
Social Security	27,550
State Retirement	12,967
Life Insurance	285
Medical Insurance	48,253
Dental Insurance	2,572
Employer Medicare	6,443

(Continued)

Exhibit K-9

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

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Communication	\$	701	
Maintenance and Repair Services - Equipment		140	
Travel		3,321	
Other Contracted Services		30,387	
Food Supplies		24,050	
Other Supplies and Materials		19,694	
Refunds		170	
In Service/Staff Development		2,484	
Other Equipment		7,111	
Total Community Services			\$ 654,078
Total Extended School Program Fund			\$ 654,078

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$	504,452	
Engineering Services		4,515	
Legal Services		13,672	
Other Contracted Services		74,233	
Building Construction		2,427,604	
Building Improvements		4,326,047	
Data Processing Equipment		3,731,791	
Furniture and Fixtures		803,683	
Land		6,152,020	
Site Development		158,576	
Transportation Equipment		27,510	
Other Equipment		53	
Other Capital Outlay		803,140	
Total Education Capital Projects			\$ 19,027,296
Total Education Capital Projects Fund			19,027,296

Total Governmental Funds - Williamson County School Department \$ 230,598,543

Exhibit K-10

Williamson County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2008

	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	\$ 36,072,642
Other Employee Benefits Charges/Contributions	3,793,686
Total Charges for Current Services	<hr/> <u>\$ 39,866,328</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Retirees' Insurance Payments	\$ 605,475
Cobra Insurance Payments	199,212
Total Other Local Revenues	<hr/> <u>\$ 804,687</u>
Total Revenues	<hr/> <u>\$ 40,671,015</u>
<u>Expenses</u>	
<u>Other Operations</u>	
<u>Employee Benefits</u>	
Handling Charges and Administrative Costs	\$ 1,960,569
Life Insurance	161,028
Dental Insurance	2,592,658
Medical Claims	37,436,693
Total Other General Government	<hr/> <u>\$ 42,150,948</u>
Total Expenses	<hr/> <u>\$ 42,150,948</u>

Williamson County, Tennessee
 Schedule of Detailed Receipts, Disbursements,
 and Changes in Cash Balances - City Agency Funds
 For the Year Ended June 30, 2008

	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	\$ 8,780,604	\$ 8,780,604
Trustee's Collections - Prior Year	0	0	0	102,192	102,192
Circuit/Clerk & Master Collections -					
Prior Years	0	0	0	34,236	34,236
Interest and Penalty	0	0	0	22,163	22,163
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	298	298
Payments in-Lieu-of Taxes - Other	0	0	0	14,168	14,168
Local Option Sales Tax	36,727,719	0	0	4,219,264	40,946,983
Interstate Telecommunications Tax	0	0	0	1,810	1,810
<u>City/School District Property Taxes</u>					
Current Property Taxes	0	105,307	0	14,849,374	14,954,681
Trustee's Collections - Prior Year	0	1,844	0	203,881	205,725
Interest and Penalty	0	376	0	39,186	39,562
Pick-up Taxes	0	0	0	72,271	72,271
Marriage Licenses	0	0	0	1,009	1,009
Other Local Revenues	0	0	0	289	289
Mixed Drink Tax	0	0	0	62,664	62,664
Transfers In	0	0	1,110,797	765,135	1,875,932
Total Cash Receipts	\$ 36,727,719	\$ 107,527	\$ 1,110,797	\$ 29,168,544	\$ 67,114,587
<u>Cash Disbursements</u>					
Remittance of Revenues Collected	\$ 36,360,442	\$ 103,721	\$ 1,110,797	\$ 28,607,673	\$ 66,182,633
Trustee's Commission	367,277	3,351	0	524,799	895,427
Total Cash Disbursements	\$ 36,727,719	\$ 107,072	\$ 1,110,797	\$ 29,132,472	\$ 67,078,060
Excess of Cash Receipts Over					
(Under) Cash Disbursements	\$ 0	\$ 455	\$ 0	\$ 36,072	\$ 36,527
Cash Balance, July 1, 2007	0	323	0	418,933	419,256
Cash Balance, June 30, 2008	\$ 0	\$ 778	\$ 0	\$ 455,005	\$ 455,783

This page is left blank intentionally.

SINGLE AUDIT SECTION

This page is left blank intentionally.



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0269
PHONE (615) 401-7841

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

October 15, 2008

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, 2008, which collectively comprise Williamson County's basic financial statements and have issued our report thereon dated October 15, 2008. Our report was modified to include a reference 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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting: 08.01, 08.03, 08.07, and 08.08.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Williamson County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Williamson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and are described in the accompanying Schedule of Findings and Questioned Costs as items 08.02, 08.04, 08.05, and 08.06.

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 them.

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 that reads "John G. Morgan". The signature is written in a cursive style with a long horizontal stroke at the end.

John G. Morgan
Comptroller of the Treasury

JGM/yu

This page is left blank intentionally.



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0269
PHONE (615) 401-7841

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

October 15, 2008

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, 2008. 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, 2008.

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, 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 control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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, 2008, and have issued our report thereon dated October 15, 2008. 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 them.

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 the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Yours very truly,

A handwritten signature in black ink that reads "John G. Morgan" with a long horizontal flourish extending to the right.

John G. Morgan
Comptroller of the Treasury

JGM/yu

This page is left blank intentionally.

Williamson County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2008

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	\$ 726,702 (10)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	85,625
National School Lunch Program	10.555	N/A	1,178,956 (10)
Total U.S. Department of Agriculture			<u>\$ 1,991,283</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
HOME Investment Partnerships Program	14.239	HM-06-50	\$ 20,040
Total U.S. Department of Housing and Urban Development			<u>\$ 20,040</u>
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Accountability Block Grants	16.523	Z-08-022823-00	\$ 2,250
Total U.S. Department of Justice			<u>\$ 2,250</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(3)	\$ 321,750
State and Community Highway Safety	20.600	Z-07-035671-00	8,550
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	Z-07-036035-00	380
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	Z-07-036097-00	19,654
Alcohol Open Container Requirements	20.607	(4)	48,313
Total U.S. Department of Transportation			<u>\$ 398,647</u>
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	N/A	\$ 11,425
Total Institute of Museum and Library Services			<u>\$ 11,425</u>
U.S. Department of Education:			
Direct Program:			
Funds for the Improvement of Education	84.215	N/A	\$ 213,206
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(5)	184,729
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	595,130
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	4,734,461
Special Education - Preschool Grants	84.173	N/A	79,045
Career and Technical Education - Basic Grants to States	84.048	N/A	303,415
Safe and Drug Free Schools and Communities - State Grants	84.186	(2)	75,562
State Grants for Innovative Programs	84.298	N/A	41,976
Education Technology State Grants	84.318	(2)	4,136
English Language Acquisition Grants	84.365	N/A	74,854
Improving Teacher Quality State Grants	84.367	N/A	377,548
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	95,464
Total U.S. Department of Education			<u>\$ 6,779,526</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.004	(6)	\$ 650,135
Disaster Security - Public Assistance (Presidentially Declared Disasters)	97.036	Z-08-212863-00	429,336
Emergency Management Performance Grants	97.042	Z-07-020630-00	30,259
Total U.S. Department of Homeland Security			<u>\$ 1,109,730</u>
Total Expenditures of Federal Awards			<u>\$ 10,312,901</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	\$ 96,735
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	41,835
Litter Program - State Department of Transportation	N/A	(7)	61,673
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	Z-08-022823-00	4,500
Dental Services - State Department of Health	N/A	(2)	18,770
Gates Foundation Grant - State Library and Archives	N/A	(2)	4,009
Archives Development Grant - State Library and Archives	N/A	(2)	2,500
Tobacco Use Prevention and Cessation - State Department of Health	N/A	GG-08-23241	15,789
Community Enhancement Grant - Tennessee Secretary of State	N/A	(2)	77,705
High Schools That Work Competitive Grant - State Department of Education	N/A	(2)	7,990
Adult Education - State Department of Education	N/A	(8)	89,417
Early Childhood Education Lottery - State Department of Education	N/A	(2)	188,100
Early Childhood Education Expansion - State Department of Education	N/A	(2)	250,977
Economic Development Three Star Grant Program - State Department of Economic and Community Development	N/A	GG-08-23719	1,577
Development and Coordination of Rural Health Services - State Department of Health	N/A	(9)	739,525
Coordinated School Health Program - State Department of Education	N/A	(2)	93,552
Safe Schools Act - State Department of Education	N/A	(2)	75,800
Family Resource Center - State Department of Education	N/A	(2)	<u>30,943</u>
Total State Grants			<u>\$ 1,801,397</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) CPD05004: \$176,714; CPD040078: \$88,369; CPD70163: \$13,930; (2): \$42,737.
- (4) Z-08-024006-00: \$34,398; Z-08-023670-00: \$13,915.
- (5) Z-08-020843-00: \$139,978; Z-08-021222-00: \$29,751; Z-08-22916-00: \$15,000.
- (6) GG-07-22826-00: \$23,000; (2): \$627,135.
- (7) Z-07-033862-00: \$2,881; Z-08-021059-00: \$58,792.
- (8) Z-08-020843-00: \$46,659; Z-08-021271-00: \$27,841; Z-08-021222-00: \$9,917; Z-08-22916-00: \$5,000.
- (9) Z-07-031592: \$3,311; Z-08-020396: \$736,214.
- (10) Total for CFDA No. 10.555 is \$1,905,658.

Williamson County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2008

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, 2007, which have not been corrected.

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
07.05	235	Duties were not segregated adequately in the Offices of County Clerk, Juvenile Court Clerk, and Register

This page is left blank intentionally.

WILLIAMSON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2008

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Williamson County is unqualified.
2. The audit of the financial statements of Williamson County disclosed significant deficiencies in internal control. None of these deficiencies were 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. Highway Planning and Construction (CFDA No. 20.205), Title I Grants to Local Educational Agencies (CFDA No. 84.010), the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), and Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA No. 97.036) were determined to be major programs.
8. A \$309,387 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 written responses of the director of accounts and budgets, director of schools, and current sheriff are paraphrased in this report. Other officials offered oral responses to certain findings and recommendations; however, these oral responses have not been included in this report.

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 08.01 **LANDFILL FUNDS TOTALING \$7,351.70 WERE STOLEN (Internal Control – Significant Deficiency Under Government Auditing Standards)**

On Monday morning, September 22, 2008, county employees discovered that a burglary had occurred at the county's landfill office. The office safe was opened, and cash totaling \$3,052.12 and checks totaling \$4,299.58 were stolen. Also, keys to the safe, cash register, vehicle fuel tanks, and shop building were missing. The Williamson County Sheriff's Department is investigating the theft.

Accounting standards provide that internal controls be designed to safeguard assets. We noted the following weaknesses in internal controls that increased the risks of theft and loss.

- A. A key and the combination are both required to open the office safe. The key and the combination were maintained in an unlocked office in the same room as the safe.
- B. The safe was maintained in an area where it was visible to the public.
- C. Collections from Wednesday through Friday (\$6,362.11) plus Saturday (\$714.59) were in the safe at the time of the theft. Section 5-8-207, Tennessee Code Annotated, requires county officials to deposit public funds within three days after receipt of the funds.
- D. Keys to the vehicle fuel tanks were located in a plastic key box on the wall in the front room of the office. Also, keys to the cash register and shop building were not secured.

RECOMMENDATION

Officials should request that customers who paid by check stop payment on their stolen checks and issue replacement checks to the landfill. Also, officials should institute proceedings with their insurance company to recover the remaining missing funds and improve internal control procedures over the operation of the landfill office. Keys to the vehicle fuel tanks, cash register, shop building, and safe should be properly safeguarded as well as the combination. The safe should be located in a restricted area of the office and accessible only to office personnel. Bank deposits should be made at least every Tuesday

and Friday to comply with the three-day deposit law and to minimize the amount of cash in the safe over the weekend.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

- A. Additional keys to the safe have been ordered. Upon arrival, employees requiring access to the safe will each be assigned a key. The combination is not written anywhere.
- B. The safe is no longer in plain view.
- C. Whenever possible, deposits are taken to the bank on Friday and/or taken more frequently in the event of large amounts of cash. We will continue to comply with the three-day deposit law.
- D. A key to the gas tank is kept secured. Employees are required to sign for the key with dispatcher initialing when the key is returned. The key box is locked and out of site. Only two people (the director and manager) have access to the key box. Employees are required to sign for any keys. All building locks have been changed.

FINDING 08.02 **COMPETITIVE BIDS WERE NOT SOLICITED FOR THE PURCHASE OF FUEL**
(Noncompliance Under Government Auditing Standards)

Competitive bids were not solicited for the purchase of fuel. Purchasing procedures for these offices are governed by the provisions of the County Purchasing Law of 1957, Sections 5-14-101 through 5-14-116, Tennessee Code Annotated (TCA), that require competitive bids be solicited through newspaper advertisement on all purchases exceeding \$10,000. Section 5-14-108(n)(4), TCA, states “fuel and fuel products may be purchased in the open market without public newspaper notice, but shall whenever possible be based on at least three competitive bids.” The failure to solicit competitive bids for fuel was management’s decision and could result in the county paying more than the most competitive price.

RECOMMENDATION

Competitive bids should be solicited whenever possible for fuel purchases.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Property management has attempted to get quotes in the past, but only one vendor would quote them due to the small size of tanks and the fact that other vendors did not have a small truck that would allow them to actually get to the tanks. The agricultural park did not request quotes.

FINDING 08.03 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 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. This deficiency was corrected after this was brought to the official's attention.

FINDING 08.04 THE PARKS AND RECREATION DEPARTMENT RECEIPTING SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS
(Noncompliance Under Government Auditing Standards)

The Parks and Recreation Department receipting software application did not assign a consecutive number to receipts. Section 9-2-103, Tennessee Code Annotated, provides for receipts to be prenumbered consecutively. In-lieu-of prenumbered receipts, computer-generated receipts may be printed on plain paper if the receipt number generated by the software cannot be manipulated. Sound business practices dictate that proper application controls be implemented. Since the vendor did not design the system with this control, inappropriate system activity could occur.

RECOMMENDATION

Management should contact their software vendor concerning the addition of software controls to the application that would assign and display consecutive numbers to receipts. These controls would help to ensure the reliability of reports that are generated by the system.

FINDING 08.05 THE BUILDING CODES DEPARTMENT HAD OPERATING DEFICIENCIES
(Noncompliance Under Government Auditing Standards)

Our examination of the Building Codes Department revealed the following operating deficiencies:

- A. Official prenumbered receipts were not issued for some collections. Section 9-2-103, Tennessee Code Annotated (TCA), requires official prenumbered receipts to be issued when collections are received.

- B. Building Codes officials did not always deposit funds within three days of collection as required by Section 5-8-207, TCA. This statute requires county officials to deposit public funds within three days after receipt of the funds.

These operating deficiencies are the result of management's decisions and are deficiencies in internal controls that increase the risk of unauthorized transactions and theft.

RECOMMENDATION

To strengthen internal controls over cash collections and deposits, individual receipts should be issued for all collections when the payments are received, and funds should be deposited within three days of collection.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

- A. Staff will begin immediately to issue pre-numbered official county receipts for all permits and privilege tax payments.
- B. The three-day deposit law has been reviewed with staff and will be complied with in the future.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 08.06 **PURCHASES WERE MADE FOR FUEL AND AUDIOVISUAL EQUIPMENT USING BIDS THAT HAD EXPIRED**
(Noncompliance Under Government Auditing Standards)

The School Department bid and entered a contract for fuel purchases effective for the period February 1, 2002, through February 1, 2006. Additionally, the School Department bid and entered a contract for the purchase of audiovisual equipment for the period October 2002 through October 2005. In-lieu-of soliciting new bids for these products when the contract periods expired, the School Department continued to purchase these products from the vendors under the terms and conditions of the expired bids. Section 49-2-203, Tennessee Code Annotated, requires all purchases exceeding \$10,000 to be based on competitive bids solicited through public advertisement. School Department personnel advised that this deficiency occurred because only one person handles all bids for the School Department, and the failure to rebid these products resulted from oversight due to the volume of bids processed and management not realizing that these bids had expired. The failure to solicit competitive bids for fuel and audio visual equipment could result in the School Department paying more than the most competitive price.

RECOMMENDATION

Management should solicit competitive bids on products as prior bid contract periods expire.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

The School Department has needed additional personnel within the purchasing area to ensure that contracts such as those noted above are evaluated and rebid in a timely manner. We requested additional personnel for the last two years with this last year being successful in obtaining an additional purchasing agent. Once this position is filled, we feel confident that we will be able to ensure compliance with state statutes in the area of taking bids. As noted above, the vendors extended their terms and conditions of the original bid which we feel are still competitive within that market in that they were based on percentage of current market prices.

OFFICE OF SHERIFF

FINDING 08.07 **THE DEPARTMENT'S ENDORSEMENT OF A CALENDAR SALE IS QUESTIONABLE**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The sheriff entered into an informal agreement with Law Enforcement Publications to endorse a calendar promotion. This agreement was not approved by the County Commission. Law Enforcement Publications sold advertisements, produced a calendar, and agreed to pay the Sheriff's Department \$10,000 for its endorsement; however, the department has not received any payments. The practice of allowing the department's name to be used to earn revenues primarily for a private company is questionable. Management decided to enter into this contract after auditors had advised the sheriff against the promotion.

RECOMMENDATION

The sheriff should not enter into agreements or contracts without the approval of the County Commission. Also, the sheriff should consider the consequences of allowing the department's name to be used by a private company.

MANAGEMENT'S RESPONSE – CURRENT SHERIFF LONG

It should be noted that the agreement referred to in the above finding was between Law Enforcement Publications and the former sheriff. The previous administration was advised prior to entering into this agreement by the chief deputy and the accounting manager that participating in this program was not advisable.

OTHER FINDING AND RECOMMENDATION

FINDING 08.08 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF COUNTY CLERK, JUVENILE COURT CLERK, AND REGISTER**

(Internal Control – Significant Deficiency Under Government Auditing Standards)

Duties were not segregated adequately among the official and employees in the Offices of County Clerk, Juvenile Court Clerk, and Register. 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 to provide reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of managements' decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions.

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, 2008**

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