

COMPREHENSIVE ANNUAL FINANCIAL REPORT

ANDERSON COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2016



DIVISION OF LOCAL GOVERNMENT AUDIT

COMPREHENSIVE ANNUAL FINANCIAL REPORT
ANDERSON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2016

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
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This financial report is available at www.comptroller.tn.gov

ANDERSON COUNTY, TENNESSEE

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Summary of Audit Findings

Comprehensive Annual Financial Report
Anderson County, Tennessee
For the Year Ended June 30, 2016

Scope

We have audited the basic financial statements of Anderson County as of and for the year ended June 30, 2016.

Results

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

Our audit resulted in one finding and recommendation, which we have reviewed with Anderson County's management. Details of the finding, recommendation, and management's response are included in the Single Audit section of this report.

Findings

The following is a summary of the audit findings:

OFFICES OF MAYOR AND FINANCE DIRECTOR

- ◆ Two proprietary funds had deficits in unrestricted net position.

INTRODUCTORY SECTION



ANDERSON COUNTY GOVERNMENT

NATALIE ERB, CPA, CTP
DIRECTOR OF FINANCE

November 9, 2016

Board of County Commissioners
Citizens of Anderson County

Dear Commissioners and Citizens:

We are pleased to submit to you the Comprehensive Annual Financial Report of Anderson County, Tennessee, for the year ended June 30, 2016. This report was prepared by the county's Finance Department in conjunction with the county's independent auditors: the State of Tennessee Office of the Comptroller of the Treasury, Department of Audit, Division of Local Government Audit.

The financial reporting entity (the government) includes all of the funds of the primary government (i.e., the county) as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. Component units are discretely presented to emphasize they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government. The Anderson County Board of Education and the Anderson County Emergency Communications District are reported as discretely presented component units. For more information regarding the reporting entity please see the notes to the financial statements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentations, including all disclosures, rests with the county. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the county and its component units. All disclosures necessary to enable the reader to gain an understanding of the county's financial activities have been included. Anderson County's financial statements have been audited by the county's independent auditors: the State of Tennessee's Office of the Comptroller of the Treasury, Department of Audit, Division of Local Government Audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of Anderson County for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Anderson County's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with generally accepted accounting

principles. The independent auditor's report is presented as the first component of the financial section of this report.

The county is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to the single audit includes a schedule of expenditures of federal awards and state grants, a schedule of findings and recommendations, an auditor's report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*, and an auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with the Uniform Guidance.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Anderson County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The county is located in the eastern portion of the state. To the north, Campbell and Morgan counties border the county. The county's southern border consists of Knox and Loudon counties. To the immediate west lies Roane County. To the east, adjacent counties are Union, Sevier, and Jefferson. Anderson County occupies a land area of approximately 345 square miles and serves a population of 75,749.

The county has operated under a County Mayor – County Commission form of government since September 1, 1980. Policymaking and legislative authority are vested in the county mayor (the executive branch of the county) and the County Commission (the legislative branch of the county). The County Commission is responsible for, among other things, passing resolutions, adopting the budget, and appointing committees. The county mayor is responsible for, among other things, carrying out the policies and resolutions of the County Commission, overseeing the day-to-day operations of the government, and appointing the heads of many of the county's departments.

Anderson County Government continues to strive to provide essential services that enhance the quality of life for families throughout Anderson County. This requires detailed planning and the implementation of a number of initiatives and programs that include a wide range of services from emergency management planning to expanding needed infrastructure to running water and sewer to new and existing homes throughout Anderson County. Anderson County also is financially accountable for a legally separate school district, which is reported separately within its financial statements. Additional information on this legally separate entity along with the county's other discretely presented component units can be found in Note I.A. in the notes to the financial statements.

The annual budget serves as the foundation for Anderson County's financial planning and control. All agencies of Anderson County are required to submit requests for appropriation to the Finance Department, and these requests are used as the starting point for developing a proposed budget. A proposed budget is presented to the Budget Committee for review prior to May 1. The Budget

Committee is required to hold a public hearing on the proposed budget and to adopt a final budget no later than May 15. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General and Highway Public Works funds, this comparison is presented as part of the required supplementary information for the governmental funds. For other governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual fund subsection of this report. Please see the Table of Contents for specific page numbers.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Anderson County operates.

Local economy. Because of its central location in the eastern United States, the county is adjacent to thousands of industrial and commercial customers in a concentrated eight-state area. It is within 500 miles of approximately one-third of the population of the United States. Among the county's largest employers are CNS-Y12, UT Battelle, and Anderson County Government. Over 50 percent of the county's workforce is employed by the top ten employers.

Anderson County is home to such diverse companies as Clayton Homes, Pharma Packaging Solutions, Techmer PM, Mag USA Inc., Energy Solutions, Powder Cote II, Remotec, Navarro Research and Engineering, and Leidos. Anderson County is also home to two of the top ten global automotive companies, Eagle Bend Manufacturing and Aisin Automotive as well as automotive giant SL Tennessee. The Department of Energy's (DOE) Oak Ridge Reservation, which includes the CNS-Y-12 National Security, is located in Anderson County. These DOE facilities are vital to the nation's scientific research and development, environmental remediation and weapons disarmament, and the development of alternative types of energy and materials.

Economic outlook. Anderson County continues to expand due to its combination of elements vital to fostering growth and development. This combination of favorable elements, which includes good jobs and precision workers, mild climate, and offers the perfect opportunity for business and individual success. The unemployment rate in Anderson County fell to a nine year low of 5.1%, and the per capita personal income increased to a nine year high of \$43,251. The positive trends of low interest rates, increased government spending, and good consumer spending will enable Anderson County to remain an attractive location for future economic development.

The county continues to stress steady growth. Since 1980, development in the county has been influenced by the fluctuation in interest rates as well as national economic trends. Since 1990, a constant amount of new commercial development has occurred throughout the county. The primary concentration of growth has been the eastern portion of the county along Interstate 75.

Recent surveys indicate that although government funded operations are still a strong factor in the local economy, service and manufacturing related employment are also important. One of the area's strengths is its high percentage of precision craft and repair workers and technicians. Over 40 percent of our population is in the prime labor work force age group of 25 to 54.

Financial Policies with Significant Impact on the Financial Statements

Up until the last 15 years, the county has made great efforts to reduce outstanding debt. For fiscal year 2016-2017, the county passed the budget without tax anticipation notes borrowed from external sources. This trend is not likely to continue as the schools face financial pitfalls with mandated cost passed down through the state and federal levels.

For the year ended June 30, 2016, the county positively affected the unassigned fund balance by \$359,399. This is a reflection of cautious spending at every department level and keeping expenditures relatively flat compared to previous years.

Long-term Financial Planning

Anderson County continues to work hard to keep new debt issues to a minimum. During fiscal year 2016, the county modified existing debt agreements that will save over \$85,000 over the life of the bonds, but will not extend the maturity dates of the debt. The county also issued a \$1,200,000 capital outlay note for improvements to the schools.

With growing economic concerns around the nation and globally, Anderson County is taking the position to more staunchly safeguard its unassigned fund balances and to be open to long-term financing options for large capital projects if conditions warrant. To that end, the county's minimum fund balance policy requires a two-thirds approval vote by the County Commission to spend down the fund balance below \$4 million.

Internal Control Structure

Management of the government establishes and maintains an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Anderson County Government for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the twentieth consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

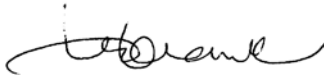
Also, Anderson County received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its annual condensed financial report. To receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

Acknowledgments. The preparation of the Comprehensive Annual Financial Report was accomplished through the dedicated service of the Finance Department employees, with a special thanks to the county's Deputy Finance Director, Robby Holbrook. We express our appreciation to all those who contributed to its preparation. We also express our appreciation to the county commissioners for their interest, support, and leadership in the financial operations of the county.

Sincerely,

A handwritten signature in black ink that reads "Natalie Erb". The signature is written in a cursive style with a large, sweeping loop at the end.

Natalie Erb, CPA, CTP
Director of Finance

A handwritten signature in black ink that reads "Terry Frank". The signature is written in a cursive style with a large, sweeping loop at the end.

Terry Frank
Anderson County Mayor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

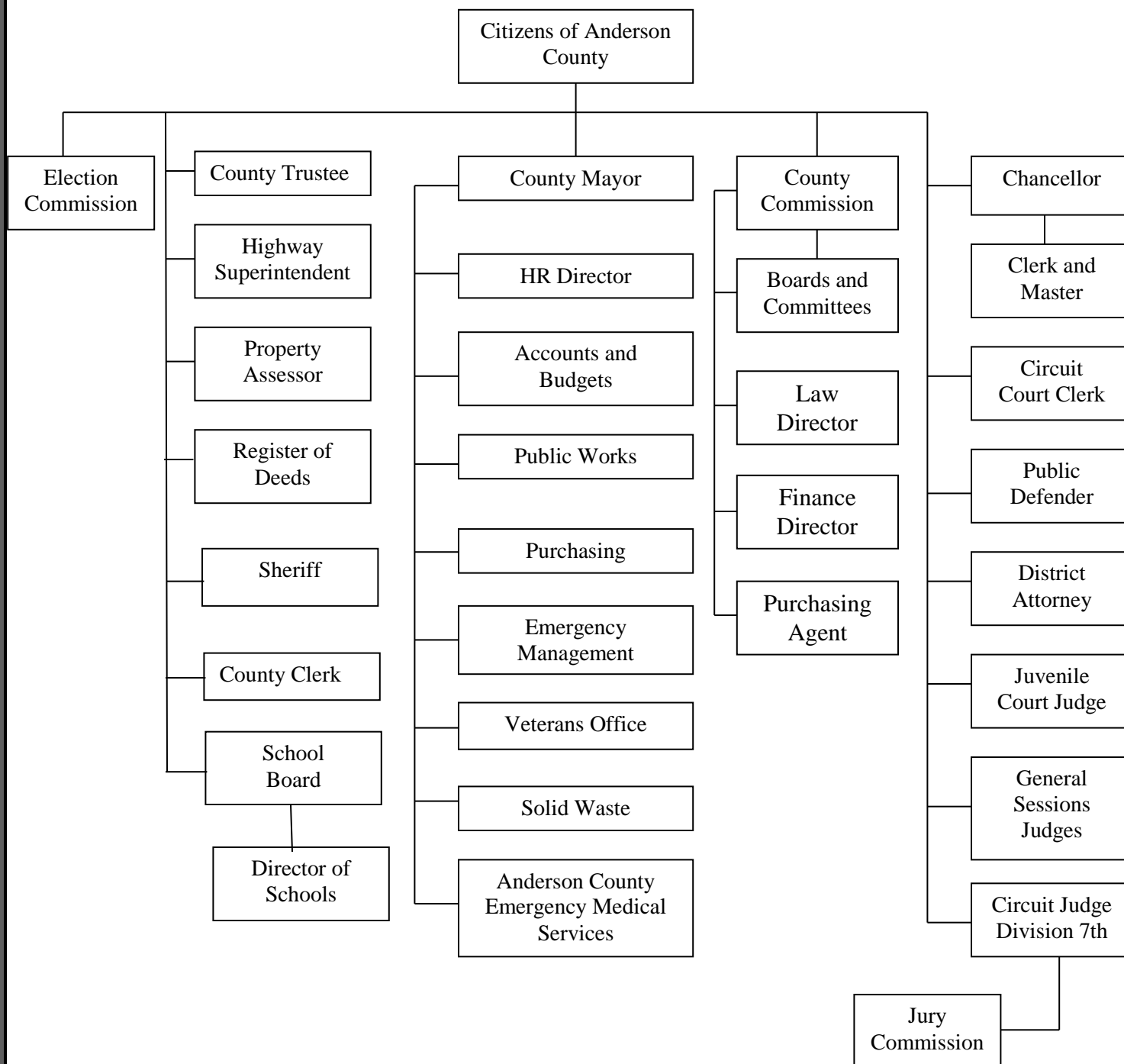
**Anderson County
Tennessee**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

Anderson County, Tennessee Organization Chart



Anderson County is transitioning from the 1957 Fiscal Procedures Act and the 1957 Purchasing Act, which provided accounting, budgeting and purchasing functions under the County Mayor, to the Financial Management Systems Act of 1981, which provides accounting, budgeting and purchasing functions under the Financial Management Committee appointed by the County Commission.

Anderson County Officials

June 30, 2016

Officials

Theresa Frank, County Mayor
Gary Long, Highway Superintendent
Larry Foster, Director of Schools
Rodney Archer, Trustee
Johnny Alley, Assessor of Property
Jeff Cole, County Clerk
William Jones, Circuit, General Sessions, and Juvenile Courts Clerk
Steve Queener, Clerk and Master
Tim Shelton, Register of Deeds
Paul White, Sheriff
Tony Foreman, Purchasing Agent
Connie Aytes, Interim Director of Accounts and Budgets
Natalie Erb, CPA, CTP, Finance Director

Board of County Commissioners

| | |
|-----------------------|------------------|
| Steve Emert, Chairman | Robert McKamey |
| Mark Alderson | Angeleque McNutt |
| Zach Bates | Steve Mead |
| Jerry Creasey | Rick Meredith |
| Chuck Fritts | Theresa Scott |
| Whitey Hitchcock | Tracy Wandell |
| Tim Isbel | Phil Warfield |
| Myron Iwanski | Jerry White |

Financial Management Committee

| | |
|-----------------------------------|---------------|
| Myron Iwanski, Chairman | Tim Isbel |
| Theresa Frank, County Mayor | Steve Mead |
| Gary Long, Highway Superintendent | Phil Warfield |
| Larry Foster, Director of Schools | |

Anderson County Officials (Cont.)

Board of Education

Dr. John Burrell, Chairman
Don Bell
Dail Cantrell
Scott Gillenwaters

Glenda Langenberg
Teresa Portwood
Rickey Rose
Jo Williams

Audit Committee

Myron Iwanski, Chairman
Gail Cook
Steve Emert
Chuck Fritts

Steve Mead
Whitey Hitchcock
Phil Warfield

FINANCIAL SECTION



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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Anderson County Emergency Communications District, which represent three percent, 4.4 percent, and 0.6 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Anderson County Emergency Communications District, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally

accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note V.B., Anderson County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*; GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*; GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68*, and *Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*; and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Our opinion is not modified with respect to these matters.

Emphasis of Matter

We draw attention to Note III.D., which describes an ongoing investigation of a potential system-wide breach of the main courthouse computer server. The results of the investigation are pending as of the date of this report. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 23-38 and the schedule of changes in the county's net pension liability and related ratios, schedule of county contributions, schedule of school's proportionate share of the net pension liability, and schedule of funding progress - other postemployment benefit plans, on pages 134-141 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Anderson 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 Fund, combining and individual fund financial statements of the Anderson County School Department (a discretely presented component unit), miscellaneous schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

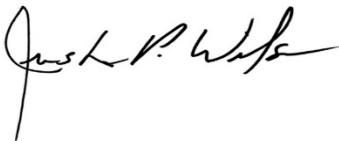
discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2016, on our consideration of Anderson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Anderson County's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with the first name "Justin" and last name "Wilson" clearly distinguishable.

Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 9, 2016

JPW/kp

**Anderson County, Tennessee
Management's Discussion and Analysis
For the Year Ended June 30, 2016**

The management of Anderson County, Tennessee, presents this management's discussion and analysis (MD&A) of the county's financial condition and results of operations for the fiscal year ended June 30, 2016. This information should be read in conjunction with the accompanying financial statements.

This MD&A also presents an overview of the county and the Anderson County Emergency Medical Services, known as the primary government. Also included are the financial results of the Anderson County Board of Education, which is considered a discretely presented component unit (DPCU) and is referred to as the DPCU School Department. The DPCU School Department does not issue separate financial statements.

The Anderson County Emergency Communications District is also a DPCU. Readers should review the Emergency Communications District separately issued financial statements and MD&A.

The government-wide financial statements include not only the primary government but also the DPCU School Department and Emergency Communications District, known as the total reporting entity.

FINANCIAL HIGHLIGHTS FOR 2016

- The assets and deferred outflows of the Anderson County Primary Government were more than its liabilities and deferred inflows at year-end by \$15,896 (net position). In the prior year, assets and deferred outflows were less than the liabilities and deferred inflows by 3,464,243 (net position). The county's process of issuing debt on behalf of the DPCU School Department results in reduced net position. The county issues general obligation debt for the DPCU School Department, which is used for school projects that become DPCU School Department capital assets. The DPCU School Department then makes payments to the county from future budgets. Since the debt is issued in the county's legal name, the debt is reported as a liability of the primary government.

If the county had excluded \$35,687,997 in DPCU School Department bonds, other loans, capital leases, and notes payable, then the county would have a net position of \$35,703,893 significantly higher than the reported \$15,896.

- General revenues of the Primary Government accounted for \$25,568,476 in revenue or 60% of all revenues (42,512,877). Program specific revenues in the form of charges for services, grants, and contributions accounted for \$16,944,401 or 40% of total revenues. General revenues of the DPCU School Department were \$53,048,761.
- Total assets of governmental activities in the Primary Government were \$75,609,684 as net property taxes receivable ended at \$17,643,129, and cash ended at \$216,233 and pooled cash and investments ended at \$19,883,198. Total assets in the DPCU

School Department were \$70,660,508 as net property taxes receivable ended at \$15,447,509, cash ended at \$162,855 and equity in pooled cash and investment ended at \$5,718,948 including the unspent proceeds of \$601,831 of a \$1,200,000 note issued by the primary government and funds contributed to the DPCU School Department during the fiscal year.

- The Primary Government had \$39,032,738 in expenses with \$16,944,401 of these expenses offset by program specific charges for services, grants, and contributions. General revenues, which consisted primarily of property taxes of \$17,603,970 were adequate to provide current funding for these programs. The DPCU School Department had \$63,384,567 in expenses related to governmental activities with \$13,706,801 of these expenses offset by program specific charges for services, grants, and contributions. General revenues of the DPCU School Department, which consisted primarily of grants and contributions, property taxes, and sales taxes of \$30,038,500, \$15,279,492, and \$7,553,913, respectively, were adequate to provide current funding for these programs.
- At 2016 year-end, the county's governmental funds reported combined ending fund balances of \$21,138,745 an increase of \$2,742,559. Of the total fund balances, \$4,511,788 is unassigned and available for ongoing operations.
- At June 30, 2016, the unassigned General Fund balance was \$4,511,788 or 19% of General Fund expenditures (\$24,198,665). During fiscal year 2016, the county continues to take significant steps to help ensure a healthy fund balance at year-end by approving an increase in the minimum fund balance to \$4 million. Any action that requires funding from the unassigned fund balance mandates a two-thirds approval vote from the County Commission.
- At 2016 year-end, the DPCU School Department's governmental funds reported combined ending fund balances of \$5,184,555, an increase of \$1,321,882. Of the total fund balances, \$3,169,724 is unassigned and available for ongoing operations.

OVERVIEW OF THE ANNUAL FINANCIAL STATEMENTS

The county's Comprehensive Annual Financial Report (CAFR) is comprised of the following:

1. Introductory Section
2. Financial Section
 - Independent Auditor's Report
 - Management's Discussion and Analysis
 - Government-wide Financial Statements
 - Fund Financial Statements
 - Index and Notes to the Financial Statements
 - Required Supplementary Information and Related Notes
 - Combining and Individual Fund Financial Statements and Schedules
3. Statistical Section
4. Single Audit Section

Introductory Section. This section includes a roster of county and DPCU School Department officials, organization chart, and letter of transmittal.

Financial Section. This section includes the unmodified opinion of the county's and DPCU School Department's independent external auditors, the Comptroller of the Treasury, Division of Local Government Audit. Also included is the Management's Discussion and Analysis (MD&A), which serves as an introduction to the basic financial statements.

Basic Financial Statements. The basic financial statements consist of the following:

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the county's and DPCU School Department's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on the entire county and the DPCU School Department's assets and deferred outflows and liabilities and deferred inflows with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the county and the DPCU School Department is improving or deteriorating.

The Statement of Activities presents information showing how the county's and the DPCU School Department's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only 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 the county and the DPCU School Department that 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 and the DPCU School Department include the following:

- General Government
- Finance
- Administration of Justice
- Public Safety
- Public Health and Welfare
- Social, Cultural, and Recreational Services
- Agriculture and Natural Resources
- Highways
- Education
- Interest on Long-term Debt

The business-type activities of the county consist of ambulance services provided by the ACEMS Ambulance Service Fund.

The government-wide financial statements can be found on Exhibits A and B of the basic financial statements.

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. Anderson 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 the county can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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 the 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.

The county maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheets and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, and General Debt Service funds, all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining and individual fund financial statements and schedules.

The DPCU School Department maintains five individual governmental funds. The General Purpose School Fund is considered to be a major fund with the remaining four funds combined into a single, aggregated amount with detail provided in the combining and individual fund financial statements and schedules.

To demonstrate compliance with the budgets, budgetary comparison statements have been provided for the General and Highway/Public Works funds as Exhibits C-5 and C-6, respectively. Budgetary comparison schedules for the county's nonmajor budgeted funds, the Debt Service funds, and the DPCU School Department's funds are provided in the combining and individual fund financial statements and schedules.

Governmental fund financial statements can be found as Exhibits C-1 through C-6 in the basic financial statements.

Proprietary Funds. Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The county maintained two different types of proprietary funds – an enterprise fund and two internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The county had one enterprise fund to account for ambulance services. Internal service funds are accounting devices used to accumulate and allocate costs internally among the county’s various functions. The county uses two internal service funds, one to account for employee health insurance activities and the other to account for the county’s cable channel 95 activities. Because internal service funds predominantly benefit governmental rather than business-type functions, their assets and liabilities have been included with governmental activities in the government-wide financial statements.

The county’s enterprise fund, ACEMS Ambulance Service Fund, is a major fund and is reported separately in the government-wide and fund financial statements. The internal service funds are combined within the governmental activities in the government-wide statements and are presented separately in the fund financial statements.

The proprietary fund financial statements can be found as Exhibits D-1 through D-3 in the basic financial statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. The county’s fiduciary funds consist of the Cities Sales Tax, Clinton School Average Daily Attendance Tax and Oak Ridge School Daily Attendance Tax, Judicial District Drug, District Attorney General, and Constitutional Officers – Agency funds, which are combined into agency funds on the fiduciary funds financial statements. Fiduciary funds are not reflected in the government-wide financial statements because the county cannot use these funds to finance its operations.

The fiduciary funds’ financial statement can be found as Exhibit E-1 in the basic financial statements.

Notes to the Financial Statements. The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Combining and Individual Fund Financial Statements and Schedules. In addition to the basic financial statements and accompanying notes, this report presents combining and individual fund statements and schedules. Also included are the financial statements of the DPCU Anderson County School Department.

Statistical Section. This section includes selected historical financial data and is presented on a ten-year basis if available and is unaudited.

Single Audit Section. This section includes the auditor’s reports on the county’s and the DPCU School Department’s internal controls and compliance including an opinion on major federal award programs. This section also includes a Schedule of Expenditures of Federal Awards and State Grants for the county and the DPCU School Department.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position (deficits) may serve over time as a useful indicator of a government's financial position. The county's governmental activities liabilities and deferred inflows exceeded its assets and deferred outflows by \$892,438 and the DPCU School Department had net position of \$43,686,839. This is due to the county's process of issuing debt on behalf of the DPCU School Department for building construction and improvements. The DPCU School Department owns the capital assets, but the county is obligated to pay the debt.

At year-end 2016, the county's and the DPCU School Department's Statement of Net Position consisted of the following:

ANDERSON COUNTY STATEMENT OF NET POSITION

| | Governmental Activities | |
|--|-------------------------|-----------------------|
| | 2016 | 2015 |
| Assets | | |
| Cash, Inventories, and Investments | \$ 20,142,363 | 17,232,904 |
| Receivables - Net | 19,846,649 | 19,480,670 |
| Internal Balances | 935,884 | 725,994 |
| Prepaid Items and Other | 136,023 | 1,133,508 |
| Net Pension Asset | 1,235,085 | 1,017,993 |
| Capital Assets - Net | 33,313,680 | 34,285,450 |
| Total Assets | <u>\$ 75,609,684</u> | <u>\$ 73,876,519</u> |
| Deferred Outflows of Resources | | |
| Deferred Charge on Refunding | \$ 31,984 | \$ 68,019 |
| Pension Contributions After Measurement Date | 925,748 | 882,741 |
| Total Deferred Outflows | <u>\$ 957,732</u> | <u>\$ 950,760</u> |
| Liabilities | | |
| Current Liabilities | \$ 1,858,155 | \$ 6,026,088 |
| Noncurrent Liabilities | 57,047,600 | 55,377,398 |
| Total Liabilities | <u>\$ 58,905,755</u> | <u>\$ 61,403,486</u> |
| Deferred Inflows of Resources | | |
| Deferred Current Property Taxes | \$ 17,074,875 | \$ 16,209,322 |
| Pension Changes in Experience | 1,056,799 | 254,938 |
| Pension Changes in Investments Earnings | 422,425 | 1,789,556 |
| Total Deferred Outflows | <u>\$ 18,554,099</u> | <u>\$ 18,253,816</u> |
| Net Position | | |
| Net Investment in Capital Assets | \$ 13,682,164 | \$ 12,800,710 |
| Restricted | 10,375,713 | 8,585,551 |
| Unrestricted | (24,950,315) | (26,216,284) |
| Total Net Position | <u>\$ (892,438)</u> | <u>\$ (4,830,023)</u> |

ANDERSON COUNTY
STATEMENT OF NET POSITION

| | Business-type Activities | |
|---|----------------------------|----------------------------|
| | ACEMS | ACEMS |
| | 2016 | 2015 |
| Assets | | |
| Cash and Investments | \$ 566,384 | \$ 438,237 |
| Receivables - Net | 757,771 | 1,158,797 |
| Internal Balances | (935,884) | (725,994) |
| Prepaid Items and Other | 17,823 | 27,646 |
| Net Pension Asset | 265,079 | 223,462 |
| Capital Assets - Net | 829,561 | 1,035,895 |
| Total Assets | <u>\$ 1,500,734</u> | <u>\$ 2,158,043</u> |
| Deferred Outflows of Resources | | |
| Pension Contributions After Measurement Date | \$ 210,985 | \$ 189,437 |
| Total Deferred Outflows of Resources | <u>\$ 210,985</u> | <u>\$ 189,437</u> |
| Total Assets and Deferred Outflows of Resources | <u><u>\$ 1,711,719</u></u> | <u><u>\$ 2,347,480</u></u> |
| Liabilities | | |
| Current Liabilities | \$ 205,911 | \$ 228,336 |
| Noncurrent Liabilities | 279,998 | 304,573 |
| Total Liabilities | <u>\$ 485,909</u> | <u>\$ 532,909</u> |
| Deferred Inflows of Resources | | |
| Pension Changes in Experience | \$ 226,814 | \$ 55,962 |
| Pension Changes in Investment Earnings | 90,662 | 392,829 |
| Total Deferred Inflows of Resources | <u>\$ 317,476</u> | <u>\$ 448,791</u> |
| Net Position | | |
| Net Investment in Capital Assets | \$ 687,200 | \$ 916,480 |
| Other Purposes | 265,079 | 223,462 |
| Unrestricted | (43,945) | 225,838 |
| Total Net Position | <u><u>\$ 908,334</u></u> | <u><u>\$ 1,365,780</u></u> |

ANDERSON COUNTY
STATEMENT OF NET POSITION

| | DPCU School Department | |
|--|------------------------|----------------------|
| | 2016 | 2015 |
| Assets | | |
| Cash, Inventories, and Investments | \$ 5,904,213 | \$ 4,154,472 |
| Receivables - Net | 17,309,541 | 15,757,845 |
| Prepaid Items | 870 | 824,243 |
| Net Pension Assets | 770,607 | 1,233,807 |
| Capital Assets - Net | 46,675,277 | 48,766,754 |
| Total Assets | <u>\$ 70,660,508</u> | <u>\$ 70,737,121</u> |
| Deferred Outflows of Resources | | |
| Pension Changes in Experience | \$ 252,179 | \$ 298,930 |
| Pension Changes in Investment Earnings | 0 | 3,154,957 |
| Pension Contributions After Measurement Date | 3,165,639 | 0 |
| Other Deferrals | 99,889 | 0 |
| Total Deferred Outflows of Resources | <u>\$ 3,517,707</u> | <u>\$ 3,453,887</u> |
| Liabilities | | |
| Current Liabilities | \$ 2,423,754 | \$ 3,235,424 |
| Noncurrent Liabilities | 2,044,486 | 1,729,961 |
| Total Liabilities | <u>\$ 4,468,240</u> | <u>\$ 4,965,385</u> |
| Deferred Inflows of Resources | | |
| Deferred Current Property Taxes | 14,968,002 | 13,301,781 |
| Pension Changes in Experience | 5,545,511 | 278,148 |
| Pension Changes in Investment Earnings | 2,288,453 | 12,097,646 |
| Other Pension Deferrals | 55,170 | 66,204 |
| Total Liabilities | <u>\$ 22,857,136</u> | <u>\$ 25,743,779</u> |
| Net Position | | |
| Net Investment in Capital Assets | \$ 46,675,277 | \$ 48,766,754 |
| Restricted | 2,629,942 | 2,445,824 |
| Unrestricted | (2,452,380) | (7,730,734) |
| Total Net Position | <u>\$ 46,852,839</u> | <u>\$ 43,481,844</u> |

By far, the largest portion of the county's and the DPCU School Department's net position reflects their investment in capital assets (e.g., land and buildings) less any related debt used to acquire those assets that is still outstanding. The 2016 Statement of Net Position for the Business-type Activities is a reflection of the ACEMS. The county and the DPCU School Department use these capital assets to provide services; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate long-term debt.

The unrestricted net position may be used to meet the obligations to employees and creditors and to help fund next year's budget. Decisions regarding the allocations are made by the administrators of the pension plan, not by Anderson County's management.

During 2016, net position changed in the county, DPCU School Department, and ACEMS due to the following:

The county's net position increased by \$3,937,585 during the current fiscal year. Elements key to this increase include:

- Total fund balances of governmental funds increased by \$2,742,559. This increase comes largely from the three major funds (General Fund increased by \$1,268,298, Highway Fund increased \$1,284,703, and General Debt Service Fund increased by \$151,649). Expenditures throughout the county have been held to a minimum of spending.
- The difference between capital outlays purchases, disposals, and depreciation decreased net position \$1,023,277. The decrease comes from limiting capital outlay to current resources and not issuing debt to fund the projects.
- The treatment of long-term debt and related items increased net position \$1,672,930. The increase is the effect of minimizing new debt and retiring debt as it matures.
- The change in the net pension liability/assets and the deferred outflows/inflows had a positive effect on the net position by \$825,369. Pensions are just one of some expenses reported in the statement of activities that do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.
- Net revenue expenses of the internal services funds, included in the government activities resulted in a decrease of \$230,826.

ANDERSON COUNTY
STATEMENT OF ACTIVITIES

| | Governmental Activities | |
|--|-------------------------|-----------------------|
| | 2016 | 2015 |
| Revenues | | |
| Program Revenues: | | |
| Charges for Services | \$ 8,215,104 | \$ 8,173,999 |
| Operating Grants and Contributions | 3,099,104 | 3,450,460 |
| Capital Grants and Contributions | 717,325 | 293,852 |
| General Revenues: | | |
| Local Taxes | 20,502,681 | 19,615,319 |
| State and Federal - Unrestricted | 5,013,622 | 4,870,251 |
| Investment Income | 25,252 | 28,659 |
| Miscellaneous | 26,921 | 44,590 |
| Total Revenues | <u>\$ 37,600,009</u> | <u>\$ 36,477,130</u> |
| Expenses | | |
| General Government | \$ 4,722,322 | \$ 4,525,344 |
| Finance | 2,833,421 | 2,708,370 |
| Administration of Justice | 3,045,914 | 2,856,117 |
| Public Safety | 13,040,212 | 12,363,564 |
| Public Health and Welfare | 2,918,888 | 2,854,886 |
| Social, Cultural, and Recreational Services | 1,145,163 | 1,414,105 |
| Agriculture and Natural Resources | 228,116 | 209,378 |
| Highways | 2,464,000 | 3,189,101 |
| Education | 1,200,000 | 400,000 |
| Interest and Other Debt Service Costs | 1,892,076 | 1,877,096 |
| Total Expenses | <u>\$ 33,490,112</u> | <u>\$ 32,397,961</u> |
| Increase (Decrease) in Net Position Before Transfers | \$ 4,109,897 | \$ 4,079,169 |
| Transfers (to)/from Business Activities | (172,312) | (628,381) |
| Change in Net Position | \$ 3,937,585 | \$ 3,450,788 |
| Net Position, Beginning of Year | (4,830,023) | (7,275,900) |
| Net Position, Restatement (See Note I.D.9 of 2015 Audit) | 0 | (1,004,911) |
| Net Position, End of Year | <u>\$ (892,438)</u> | <u>\$ (4,830,023)</u> |

The DPCU School Department's net position increased by \$3,370,995 during the current fiscal year. Elements key to this increase include:

- Total fund balances of governmental funds increased \$1,321,882. The DPCU School Department has completed all the capital outlay projects where the funding was received in the prior years. The 2016-2017 tax rate includes an allocation of taxes as revenue for the Education Capital Project Fund. Therefore, the Balance Sheet of this fund reflects Property Taxes Receivables, Allowance for Uncollectible Taxes and Deferred Current Property Taxes on June 30, 2016. These accounts offset each other with no effect on the June 30, 2016 fund balance.

- The difference between capital outlays and depreciation decreased net position \$2,091,477. This increase is largely due to depreciation of \$2,593,008 being expensed in the current year.
- The change in the net pension liability/asset and the deferred outflows/inflows had a positive effect on the net position by \$3,839,258. Pensions are just one of some expenses reported in the statement of activities that do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

ANDERSON COUNTY
STATEMENT OF ACTIVITIES

| | DPCU School Department | |
|---|------------------------|----------------------|
| | 2016 | 2015 |
| Revenues | | |
| Program Revenues: | | |
| Charges for Services | \$ 850,109 | \$ 917,857 |
| Operating Grants and Contributions | 11,501,429 | 10,978,800 |
| Capital Grants and Contributions | 1,355,263 | 406,102 |
| General Revenues: | | |
| Local Taxes | 22,839,661 | 21,595,601 |
| State and Federal - Unrestricted | 30,038,500 | 29,785,500 |
| Pension Income | 0 | 116,634 |
| Investment Income | 7,288 | 114 |
| Miscellaneous | 163,312 | 167,225 |
| Total Revenues | <u>\$ 66,755,562</u> | <u>\$ 63,967,833</u> |
| Expenses | | |
| Education | <u>\$ 63,384,567</u> | <u>\$ 62,471,962</u> |
| Total Expenses | <u>\$ 63,384,567</u> | <u>\$ 62,471,962</u> |
| Change in Net Position | \$ 3,370,995 | \$ 1,495,871 |
| Net Position, Beginning of Year | 43,481,844 | 52,988,313 |
| Net Position, Restatement (See Note I.D.9 of 2015 Audit) | 0 | (11,002,340) |
| Net Position, End of Year | <u>\$ 46,852,839</u> | <u>\$ 43,481,844</u> |

ANDERSON COUNTY
STATEMENT OF ACTIVITIES

| | Business-type Activities | |
|--|--------------------------|---------------------|
| | ACEMS | ACEMS |
| | 2016 | 2015 |
| Revenues | | |
| Program Revenues: | | |
| Charges for Services | \$ 4,912,868 | \$ 5,033,696 |
| Total Revenues | <u>\$ 4,912,868</u> | <u>\$ 5,033,696</u> |
| Expenses | | |
| Ambulance Service | \$ 5,542,626 | \$ 5,477,030 |
| Total Expenses | <u>\$ 5,542,626</u> | <u>\$ 5,477,030</u> |
| Operating Income (Loss) | \$ (629,758) | \$ (443,334) |
| Transfers In (Out) | <u>172,312</u> | <u>628,381</u> |
| Change in Net Position | (457,446) | 185,047 |
| Net Position, Beginning of Year | 1,365,780 | 1,401,323 |
| Net Position, Restatement (See Note I.D.9 in 2015 Audit) | <u>0</u> | <u>(220,590)</u> |
| Net Position, End of Year | <u>\$ 908,334</u> | <u>\$ 1,365,780</u> |

The Business-type Activities net position decreased by \$457,446 during the current fiscal year. This is attributed to the transfer from the General Fund decreasing by \$456,069.

Governmental Activities. Governmental type activities provided by the county primarily are general government: 14%, public safety 39%, and highways 7%.

The DPCU School Department provides public education for children in kindergarten through twelfth grade who are residents of Anderson County with the exception of those that attend the school systems operated by the cities of Clinton and Oak Ridge.

Revenue for the primary government activities has classified as program revenues, \$12,031,533 which includes charges for current services and certain grants which relate specifically to identifiable programs. These revenues provided 32% of total revenue of \$37,600,009. Other revenues were classified as general revenue, which includes primarily property taxes, grants and contributions, which do not relate to specific programs, local option sales, business tax and various other taxes \$25,568,476. These revenues provided 68% of total revenue.

The revenues for the DPCU School Department government activities were classified in the same manner as those of the primary government. Program revenue of \$13,706,801 provided 21% of the total revenue. General revenue of \$53,048,761 provided 79% of total revenue of \$66,755,562.

The Business-type Activity of the county is for ambulance services provided through the Ambulance Service Fund. The entire amount of revenue has been classified as program revenue as Charges for Services.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The county's investment in capital assets for its governmental activities as of June 30, 2016, totaled \$33,313,680 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, building and improvements, other capital assets, and infrastructure (roads and bridges). Netting the outstanding debt, which relates to these capital assets, results in a Net Investment in Capital Assets of \$13,682,164 being reflect as a component of Net Position. The DPCU School Department's investment in capital assets for its governmental activities as of June 30, 2016, totaled \$46,675,277 (net of accumulated depreciation). As already noted under the Financial Highlights, the DPCU does not issued its own debt to obtain capital assets; therefore, this same amount is reflected as a component of Net Position of the DPCU School Department.

Note IV.B. (Capital Assets) provides capital assets activity during the 2016 fiscal year. During fiscal year 2016, the county purchased \$801,138 of capital assets, disposed of assets with a book value of \$9,911 and recognized depreciation expense of \$1,762,997. The DPCU School Department purchased \$501,531 and recognized depreciation expense of \$2,593,008.

Long-term Debt. At the end of the 2016 fiscal year, the county had total general obligation bonds, other loans, capital outlay notes, and capital leases outstanding of \$55,846,745. Of this amount, \$35,687,997 is expected to be contributed by the DPCU School Department. Of the total long-term debt, \$194,000 will be paid by the Ambulance Service Fund. Exhibit L-2 reflects the future requirements to retire the long term debt.

In addition to the above debt, county long-term obligations include compensated absences and other long-term liabilities. Additional information on the county's long-term obligations can be found in Note IV.G. of this report. Note I.D.6. discusses compensated absences.

The county's most recent bond rating from Moody's Investor Services was Aa2.

FINANCIAL ANALYSIS OF FUND FINANCIAL STATEMENTS

As previously discussed, the county and the DPCU School Department use fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the county and the DPCU School Department governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

Such information is useful in assessing the county's and DPCU School Department's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2016, the county's total fund balances for the governmental funds reported combined ending fund balances of \$21,138,745, which is an increase of \$2,742,559 when

compared to year-end 2015. The unassigned fund balance of \$4,511,788 is the amount available for future appropriations in the General Fund. The assigned fund balance of \$702,220 is assigned for various purposes in the General Fund. Restricted fund balances of \$11,073,894 are for unexpended restricted revenues. Committed fund balances of \$3,763,772 represent amounts committed by the county commissioners for various purposes. The remaining fund balance component (Nonspendable) of \$1,087,071 is for amounts of assets that cannot be utilized to fund current expenditures. Included in this amount is a long-term receivable from the Enterprise Fund to the General Fund of \$926,753.

The county's main operating fund is the General Fund. At year-end 2016, the total General Fund's balance was \$10,485,984 with unassigned fund balance totaling \$4,511,788. The unassigned fund balance represents 19% of total General Fund expenditures and transfers out during 2016. The balance in the General Fund increased by \$1,268,298 during 2016.

The Highway/Public Works Fund balance was \$3,508,655, which is an increase of \$1,284,703 from 2015. This increase is primarily resulted from a 16% increase in current revenue and a 22% decrease in expenditures. This balance represents 131% of current year expenditures.

The General Debt Service Fund reflected an increase in its fund balance by \$151,649 during the fiscal year 2016. This increase brings the fund balance total to \$3,133,536. This balance represents 198% of the current-year's payments for non-educational debt service.

The DPCU School Department's main operating fund is the General Purpose School Fund. At year-end 2016, the fund balance of this fund was \$3,877,921, with an unassigned balance of \$3,169,724. The unassigned balance represents 6% of current-year expenditures. The balance in this fund increased \$1,160,176 during the fiscal year.

Proprietary Funds. The county's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position and the percentage of total net position of each proprietary fund are as follows:

| | | |
|--|--------------|------|
| Employee Health Insurance Fund (Internal Service Fund) | \$ (148,893) | N/A |
| Channel 95 (Internal Service Fund) | 133,464 | 100% |
| Ambulance Service Fund (Enterprise Fund) | (43,945) | N/A |

The proprietary fund financial statements can be found as Exhibits D-1 through D-3 in the basic financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budgeted expenditures for the General Fund was \$3,316,854.

The following are the primary components of the increase:

- A net increase of \$322,493 in General Government reflects primarily: an increase of

\$103,349 in the County Attorney function to cover additional legal services in a lawsuit that the County Attorney was not independent of the parties; an increase of \$59,848 in County Buildings to cover additional utilities and other construction; an increase of \$49,861 in Other General Administration for additional other contracted services and other charges; and an increase of \$25,467 in Preservation of Records for contracted services.

- A net increase of \$182,361 in Finance reflects primarily: an increase of \$97,794 in the Accounting and Budgeting primarily for capital outlay of \$75,000 and \$14,381 for adjustments for payroll and benefits; an increase of \$31,096 in Purchasing primarily for adjustments for payroll and benefits; an increase of \$19,315 in Reappraisal Program primarily for capital outlay; and an increase of \$23,924 in County Clerk's office due to an adjustment in payroll and benefits, data processing services and postal charges.
- A net increase of \$68,485 in Administration of Justices reflects primarily: an increase of \$38,682 in General Sessions Judge primarily for an adjustment to payroll and benefits; an increase of \$52,848 in Chancery Court for an adjustment for payroll and benefits, data processing equipment and data processing equipment; and decreases of \$22,973 in Juvenile Court and of \$7,043 in District Attorney General primarily for adjustments payroll and benefits.
- A net increase of \$540,940 in Public Safety consisted mainly of: a net increase of \$39,626 in the Sheriff's Department for adjustment for payroll and benefits (decrease of \$9,035), communications (increase of \$28,000), gasoline (decrease of \$75,000), and capital outlay (increase of \$61,347); an increase of \$349,171 in the Civil Defense department primarily to fund the purchase and contribution of one fire truck at a cost of \$229,533 above the original amount budgeted to a Volunteer Fire Department and an increase of \$87,021 in other supplies and material; and an increase of \$162,104 in the County Coroner/Medical Examiner for funding based on a contractual agreement with Knox County, Tennessee Medical Examiner's office to provide services based on an annual basis of \$272,117.
- An increase of \$91,966 in Social, Cultural and Recreation is the result of the county commission's approval to fund the operations of the Senior Citizens Center during the year.
- An increase of \$1,042,038 in the Other Operations is primarily the result of county commission; approval to fund certain projects, including \$500,000 for the benefit of the Tennessee College of Applied Technology, \$300,000 for paving certain roads located within the Industrial Park; and \$238,712 overseen by the Anderson County Economic Development Association.
- An increase of \$431,726 in the Public Safety Projects was for the sidewalk projects in Rocky Top and Andersonville financed by current and future grants proceeds.

- An increase of \$640,291 in the Public Utility Projects was appropriations related to a project being overseen by Anderson County to be financed by current and future grants.

The increases were funded mainly with additional anticipated revenues (federal and state grants), restricted, assigned and unassigned fund balances.

Actual General Fund revenues were \$19,204 less than the final budgeted revenues. The key factors for this was most local revenues (including local taxes, charges for current services, and other local generated revenues) were collected above the budgeted amount by \$745,962 and actual State and Federal Revenue was below the budgeted amount by 839,036.

Actual General Fund expenditures were \$4,600,970 lower than final budgeted expenditures. This variance was largely due to the above noted increase in the Other Operations and the Capital Projects reflecting two projects based budgets and the projects were not completed during the fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

During the preparation of the fiscal year 2017 budget, the following major assumptions were used:

- County Commission approved the same total tax rate as for the 2015 tax year; however, allocation of this rate between funds changed.
- The county plans to utilize \$557,749 of unassigned fund balance to balance the General Fund budget.

REQUESTS FOR INFORMATION

This MD&A and accompanying financial statements and notes are designed to provide our citizens, parents, students, employees, creditors, and regulatory agencies with an overview of the county's finances. If you have any questions or need additional information, you may contact:

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Anderson County, Tennessee
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Clinton, Tennessee 37716-3625
865-457-6203 (phone) 865-457-6254 (fax)
Email: nerb@andersontn.org

BASIC FINANCIAL STATEMENTS

Exhibit A

Anderson County, Tennessee
Statement of Net Position
June 30, 2016

| | Primary Government | | | Component Units | |
|---|----------------------------|-----------------------------|---------------|--|--|
| | Governmental Activities | Business-type Activities | Total | Anderson County School Department | Emergency Communica- tions District |
| | | | | | |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 216,233 | \$ 0 | \$ 216,233 | \$ 162,855 | \$ 1,390,083 |
| Equity in Pooled Cash and Investments | 19,883,198 | 566,384 | 20,449,582 | 5,718,948 | 0 |
| Inventories | 24,295 | 0 | 24,295 | 22,410 | 0 |
| Investments | 18,637 | 0 | 18,637 | 0 | 0 |
| Accounts Receivable | 487,218 | 1,916,080 | 2,403,298 | 4,111 | 0 |
| Allowance for Uncollectible | 0 | (1,158,309) | (1,158,309) | 0 | 0 |
| Due from Other Governments | 1,294,047 | 0 | 1,294,047 | 1,852,097 | 0 |
| Due from Primary Government | 0 | 0 | 0 | 5,824 | 0 |
| Internal Balances | 935,884 | (935,884) | 0 | 0 | 0 |
| Due from Component Units | 422,255 | 0 | 422,255 | 0 | 0 |
| Property Taxes Receivable | 18,421,194 | 0 | 18,421,194 | 16,115,562 | 0 |
| Allowance for Uncollectible Property Taxes | (778,065) | 0 | (778,065) | (668,053) | 0 |
| Prepaid Items | 136,023 | 17,823 | 153,846 | 870 | 44,724 |
| Net Pension Asset - Agent Plan | 1,235,085 | 265,079 | 1,500,164 | 761,503 | 0 |
| Net Pension Asset - Teacher Retirement Plan | 0 | 0 | 0 | 9,104 | 0 |
| Capital Assets: | | | | | |
| Assets Not Depreciated: | | | | | |
| Land | 1,715,743 | 82,950 | 1,798,693 | 865,214 | 0 |
| Construction in Progress | 14,000 | 52,171 | 66,171 | 0 | 0 |
| Assets Net of Accumulated Depreciation: | | | | | |
| Buildings and Improvements | 22,433,700 | 302,173 | 22,735,873 | 43,597,796 | 0 |
| Other Capital Assets | 3,321,836 | 392,267 | 3,714,103 | 2,212,267 | 750,080 |
| Infrastructure | 5,828,401 | 0 | 5,828,401 | 0 | 0 |
| Total Assets | \$ 75,609,684 | \$ 1,500,734 | \$ 77,110,418 | \$ 70,660,508 | \$ 2,184,887 |

(Continued)

Exhibit A

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

| | Primary Government | | | Component Units | |
|--|----------------------------|-----------------------------|----------------------|--|--|
| | Governmental Activities | Business-type Activities | Total | Anderson County School Department | Emergency Communica- tions District |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | | | | |
| Deferred Charge on Refunding | \$ 31,984 | \$ 0 | \$ 31,984 | \$ 0 | \$ 0 |
| Pension Changes in Experience | 0 | 0 | 0 | 252,179 | 0 |
| Pension Contributions After Measurement Date | 925,748 | 210,985 | 1,136,733 | 3,165,639 | 0 |
| Other Deferrals | 0 | 0 | 0 | 99,889 | 0 |
| Total Deferred Outflows of Resources | <u>\$ 957,732</u> | <u>\$ 210,985</u> | <u>\$ 1,168,717</u> | <u>\$ 3,517,707</u> | <u>\$ 0</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 657,359 | \$ 108,613 | \$ 765,972 | \$ 1,099,034 | \$ 6,712 |
| Accrued Payroll | 219,182 | 44,834 | 264,016 | 0 | 0 |
| Accrued Interest Payable | 294,756 | 0 | 294,756 | 0 | 0 |
| Payroll Deductions Payable | 266,541 | 52,464 | 319,005 | 727,417 | 0 |
| Contracts Payable | 50,488 | 0 | 50,488 | 175,000 | 0 |
| Due to Primary Government | 0 | 0 | 0 | 422,255 | 0 |
| Due to Component Units | 5,824 | 0 | 5,824 | 0 | 0 |
| Due to State of Tennessee | 1,457 | 0 | 1,457 | 17 | 0 |
| Other Current Liabilities | 362,548 | 0 | 362,548 | 31 | 0 |
| Noncurrent Liabilities: | | | | | |
| Due Within One Year | 3,889,051 | 86,869 | 3,975,920 | 283,838 | 0 |
| Due in More Than One Year | 53,158,549 | 193,129 | 53,351,678 | 1,760,648 | 0 |
| Total Liabilities | <u>\$ 58,905,755</u> | <u>\$ 485,909</u> | <u>\$ 59,391,664</u> | <u>\$ 4,468,240</u> | <u>\$ 6,712</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 17,074,875 | \$ 0 | \$ 17,074,875 | \$ 14,968,002 | \$ 0 |
| Pension Changes in Experience | 1,056,799 | 226,814 | 1,283,613 | 5,545,511 | 0 |
| Pension Changes in Investment Earnings | 422,425 | 90,662 | 513,087 | 2,288,453 | 0 |
| Pension Other Deferrals | 0 | 0 | 0 | 55,170 | 0 |
| Total Deferred Inflows of Resources | <u>\$ 18,554,099</u> | <u>\$ 317,476</u> | <u>\$ 18,871,575</u> | <u>\$ 22,857,136</u> | <u>\$ 0</u> |

(Continued)

Exhibit A

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

| | Primary Government | | | Component Units | |
|---|--------------------|-----------------------------|---------------|--|--|
| | Governmental | | Total | Anderson County School Department | Emergency Communica- tions District |
| | Activities | Business-type Activities | | | |
| <u>NET POSITION</u> | | | | | |
| Net Investment in Capital Assets | \$ 13,682,164 | \$ 687,200 | \$ 14,369,364 | \$ 46,675,277 | \$ 750,080 |
| Restricted for: | | | | | |
| General Government | 77,455 | 0 | 77,455 | 0 | 0 |
| Finance | 56,626 | 0 | 56,626 | 0 | 0 |
| Administration of Justice | 663,791 | 0 | 663,791 | 0 | 0 |
| Public Safety | 692,038 | 0 | 692,038 | 0 | 0 |
| Public Health and Welfare | 493,754 | 0 | 493,754 | 0 | 0 |
| Social, Cultural, and Recreational Services | 613,050 | 0 | 613,050 | 0 | 0 |
| Highway/Public Works | 3,678,033 | 0 | 3,678,033 | 0 | 0 |
| Debt Service | 2,839,152 | 0 | 2,839,152 | 0 | 0 |
| Capital Projects | 26,729 | 0 | 26,729 | 601,831 | 0 |
| Education | 0 | 0 | 0 | 2,028,111 | 0 |
| Other Purposes | 1,235,085 | 265,079 | 1,500,164 | 0 | 0 |
| Unrestricted | (24,950,315) | (43,945) | (24,994,260) | (2,452,380) | 1,428,095 |
| Total Net Position | \$ (892,438) | \$ 908,334 | \$ 15,896 | \$ 46,852,839 | \$ 2,178,175 |

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

Exhibit B

Anderson County, Tennessee
Statement of Activities
For the Year Ended June 30, 2016

| Functions/Programs | Net (Expense) Revenue and Changes in Net Position | | | | | | | | |
|---|---|----------------------|------------------------------------|----------------------------------|-------------------------|--------------------------|-----------------|-----------------------------------|-----------------------------------|
| | Program Revenues | | | | Primary Government | | | Component Units | |
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total | Anderson County School Department | Emergency Communications District |
| | | | | | | | | | |
| Primary Government: | | | | | | | | | |
| Governmental Activities: | | | | | | | | | |
| General Government | \$ 4,722,322 | \$ 947,657 | \$ 110,351 | \$ 0 | \$ (3,664,314) | \$ 0 | \$ (3,664,314) | \$ 0 | \$ 0 |
| Finance | 2,833,421 | 2,397,467 | 0 | 0 | (435,954) | 0 | (435,954) | 0 | 0 |
| Administration of Justice | 3,045,914 | 1,833,834 | 103,630 | 0 | (1,108,450) | 0 | (1,108,450) | 0 | 0 |
| Public Safety | 13,040,212 | 1,795,679 | 416,166 | 255,300 | (10,573,067) | 0 | (10,573,067) | 0 | 0 |
| Public Health and Welfare | 2,918,888 | 778,187 | 324,990 | 81,549 | (1,734,162) | 0 | (1,734,162) | 0 | 0 |
| Social, Cultural, and Recreational Services | 1,145,163 | 296,552 | 27,798 | 0 | (820,813) | 0 | (820,813) | 0 | 0 |
| Agriculture and Natural Resources | 228,116 | 0 | 0 | 0 | (228,116) | 0 | (228,116) | 0 | 0 |
| Highways | 2,464,000 | 165,728 | 2,116,169 | 380,476 | 198,373 | 0 | 198,373 | 0 | 0 |
| Education | 1,200,000 | 0 | 0 | 0 | (1,200,000) | 0 | (1,200,000) | 0 | 0 |
| Debt Service: | | | | | | | | | |
| Interest on Long-term Debt | 1,892,076 | 0 | 0 | 0 | (1,892,076) | 0 | (1,892,076) | 0 | 0 |
| Total Governmental Activities | \$ 33,490,112 | \$ 8,215,104 | \$ 3,099,104 | \$ 717,325 | \$ (21,458,579) | \$ 0 | \$ (21,458,579) | \$ 0 | \$ 0 |
| Business-type Activities: | | | | | | | | | |
| Ambulance Service | \$ 5,542,626 | \$ 4,912,868 | \$ 0 | \$ 0 | \$ 0 | \$ (629,758) | \$ (629,758) | \$ 0 | \$ 0 |
| Total Business-type Activities | \$ 5,542,626 | \$ 4,912,868 | \$ 0 | \$ 0 | \$ 0 | \$ (629,758) | \$ (629,758) | \$ 0 | \$ 0 |
| Total Primary Government | \$ 39,032,738 | \$ 13,127,972 | \$ 3,099,104 | \$ 717,325 | \$ (21,458,579) | \$ (629,758) | \$ (22,088,337) | \$ 0 | \$ 0 |
| Component Units: | | | | | | | | | |
| Anderson County School Department | \$ 63,384,567 | \$ 850,109 | \$ 11,501,429 | \$ 1,355,263 | \$ 0 | \$ 0 | \$ 0 | \$ (49,677,766) | \$ 0 |
| Emergency Communications District | 458,871 | 397,799 | 0 | 0 | 0 | 0 | 0 | 0 | (61,072) |
| Total Component Units | \$ 63,843,438 | \$ 1,247,908 | \$ 11,501,429 | \$ 1,355,263 | \$ 0 | \$ 0 | \$ 0 | \$ (49,677,766) | \$ (61,072) |

(Continued)

Exhibit B

Anderson County, Tennessee
Statement of Activities (Cont.)

| | | Net (Expense) Revenue and Changes in Net Position | | | | | | | |
|--|----------|---|---------------|---------------|--------------------|---------------|---------------|-----------------|--------------|
| | | Program Revenues | | | Primary Government | | | Component Units | |
| | | Charges for | Operating | Capital | | | | Anderson | Emergency |
| | | Services | Grants and | Grants and | Governmental | Business-type | Total | County | Communica- |
| Functions/Programs | Expenses | | Contributions | Contributions | Activities | Activities | | School | tions |
| | | | | | | | | Department | District |
| General Revenues: | | | | | | | | | |
| Taxes: | | | | | | | | | |
| Property Taxes Levied for General Purposes | | | | | \$ 14,147,789 | \$ 0 | \$ 14,147,789 | \$ 15,279,492 | \$ 0 |
| Property Taxes Levied for Debt Service | | | | | 3,431,206 | 0 | 3,431,206 | 0 | 0 |
| Property Taxes Levied for Capital Projects | | | | | 24,975 | 0 | 24,975 | 0 | 0 |
| Local Option Sales Taxes | | | | | 974,149 | 0 | 974,149 | 7,553,913 | 0 |
| Hotel/Motel Tax | | | | | 354,431 | 0 | 354,431 | 0 | 0 |
| Litigation Tax | | | | | 322,021 | 0 | 322,021 | 0 | 0 |
| Business Tax | | | | | 932,049 | 0 | 932,049 | 0 | 0 |
| Wholesale Beer Tax | | | | | 153,951 | 0 | 153,951 | 0 | 0 |
| Mineral and Coal Severance Tax | | | | | 93,556 | 0 | 93,556 | 0 | 0 |
| Gas and Oil Severance Tax | | | | | 53,666 | 0 | 53,666 | 0 | 0 |
| Other Local Taxes | | | | | 14,888 | 0 | 14,888 | 6,256 | 0 |
| Grants and Contributions Not Restricted to Specific Programs | | | | | 5,013,622 | 0 | 5,013,622 | 30,038,500 | 0 |
| Unrestricted Investment Income | | | | | 25,252 | 0 | 25,252 | 7,288 | 7,979 |
| Miscellaneous | | | | | 26,921 | 0 | 26,921 | 163,312 | 0 |
| Total General Revenues | | | | | \$ 25,568,476 | \$ 0 | \$ 25,568,476 | \$ 53,048,761 | \$ 7,979 |
| Transfers In (Out) | | | | | \$ (172,312) | \$ 172,312 | \$ 0 | \$ 0 | \$ 0 |
| Change in Net Position | | | | | \$ 3,937,585 | \$ (457,446) | \$ 3,480,139 | \$ 3,370,995 | \$ (53,093) |
| Net Position, July 1, 2015 | | | | | (4,830,023) | 1,365,780 | (3,464,243) | 43,481,844 | 2,231,268 |
| Net Position, June 30, 2016 | | | | | \$ (892,438) | \$ 908,334 | \$ 15,896 | \$ 46,852,839 | \$ 2,178,175 |

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

Exhibit C-1

Anderson County, Tennessee
 Balance Sheet
 Governmental Funds
 June 30, 2016

| | Major Funds | | | Nonmajor Funds | |
|--|----------------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | General Debt Service | Other Govern- mental Funds | Total Governmental Funds |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 52,399 | \$ 0 | \$ 0 | \$ 2,133 | \$ 54,532 |
| Equity in Pooled Cash and Investments | 9,444,593 | 3,319,873 | 3,133,541 | 3,883,177 | 19,781,184 |
| Inventories | 0 | 24,295 | 0 | 0 | 24,295 |
| Accounts Receivable | 197,887 | 3,455 | 502 | 140,390 | 342,234 |
| Due from Other Governments | 725,150 | 534,788 | 14,122 | 19,987 | 1,294,047 |
| Due from Other Funds | 945,031 | 12,683 | 0 | 22,588 | 980,302 |
| Due from Component Units | 387 | 6,673 | 0 | 0 | 7,060 |
| Property Taxes Receivable | 12,503,527 | 515,384 | 1,832,414 | 3,569,869 | 18,421,194 |
| Allowance for Uncollectible Property Taxes | (526,274) | (26,521) | (76,539) | (148,731) | (778,065) |
| Prepaid Items | 33,393 | 0 | 0 | 102,630 | 136,023 |
| Total Assets | <u>\$ 23,376,093</u> | <u>\$ 4,390,630</u> | <u>\$ 4,904,040</u> | <u>\$ 7,592,043</u> | <u>\$ 40,262,806</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 286,218 | \$ 120,598 | \$ 250 | \$ 149,329 | \$ 556,395 |
| Accrued Payroll | 197,293 | 12,912 | 0 | 8,314 | 218,519 |
| Payroll Deductions Payable | 238,998 | 15,783 | 0 | 10,970 | 265,751 |
| Contracts Payable | 38,899 | 11,589 | 0 | 0 | 50,488 |
| Due to Other Funds | 22,200 | 0 | 16,355 | 5,863 | 44,418 |
| Due to Component Units | 0 | 0 | 5,824 | 0 | 5,824 |
| Other Current Liabilities | 22,200 | 0 | 0 | 0 | 22,200 |
| Sales Tax | 1,457 | 0 | 0 | 0 | 1,457 |
| Total Liabilities | <u>\$ 807,265</u> | <u>\$ 160,882</u> | <u>\$ 22,429</u> | <u>\$ 174,476</u> | <u>\$ 1,165,052</u> |

(Continued)

Exhibit C-1

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

| | Major Funds | | | Nonmajor Funds | |
|--|----------------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | General Debt Service | Other Govern- mental Funds | Total Governmental Funds |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 11,592,847 | \$ 465,506 | \$ 1,700,455 | \$ 3,316,067 | \$ 17,074,875 |
| Deferred Delinquent Property Taxes | 330,308 | 20,070 | 47,620 | 90,930 | 488,928 |
| Other Deferred/Unavailable Revenue | 159,689 | 235,517 | 0 | 0 | 395,206 |
| Total Deferred Inflows of Resources | <u>\$ 12,082,844</u> | <u>\$ 721,093</u> | <u>\$ 1,748,075</u> | <u>\$ 3,406,997</u> | <u>\$ 17,959,009</u> |
| <u>FUND BALANCES</u> | | | | | |
| Nonspendable: | | | | | |
| Long-term Receivable | \$ 926,753 | \$ 0 | \$ 0 | \$ 0 | \$ 926,753 |
| Inventory | 0 | 24,295 | 0 | 0 | 24,295 |
| Prepaid Items | 33,393 | 0 | 0 | 102,630 | 136,023 |
| Restricted: | | | | | |
| Restricted for General Government | 77,455 | 0 | 0 | 0 | 77,455 |
| Restricted for Finance | 56,626 | 0 | 0 | 0 | 56,626 |
| Restricted for Administration of Justice | 663,791 | 0 | 0 | 0 | 663,791 |
| Restricted for Public Safety | 318,646 | 0 | 0 | 373,392 | 692,038 |
| Restricted for Public Health and Welfare | 244,427 | 0 | 0 | 221,345 | 465,772 |
| Restricted for Social, Cultural, and Recreational Services | 0 | 0 | 0 | 605,116 | 605,116 |
| Restricted for Highways/Public Works | 0 | 3,484,360 | 0 | 0 | 3,484,360 |
| Restricted for Capital Outlay | 0 | 0 | 0 | 26,011 | 26,011 |
| Restricted for Debt Service | 0 | 0 | 2,900,655 | 1,542,007 | 4,442,662 |
| Restricted for Capital Projects | 14,350 | 0 | 0 | 545,713 | 560,063 |
| Committed: | | | | | |
| Committed for General Government | 177,185 | 0 | 0 | 0 | 177,185 |
| Committed for Finance | 156,926 | 0 | 0 | 0 | 156,926 |
| Committed for Public Safety | 469,066 | 0 | 0 | 841 | 469,907 |

(Continued)

Exhibit C-1

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

| | Major Funds | | | Nonmajor Funds | |
|---|----------------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | General Debt Service | Other Govern- mental Funds | Total Governmental Funds |
| <u>FUND BALANCES (Cont.)</u> | | | | | |
| Committed (Cont.): | | | | | |
| Committed for Public Health and Welfare | \$ 93,406 | \$ 0 | \$ 0 | \$ 0 | \$ 93,406 |
| Committed for Highways/Public Works | 284,608 | 0 | 0 | 0 | 284,608 |
| Committed for Capital Outlay | 254,623 | 0 | 0 | 0 | 254,623 |
| Committed for Debt Service | 0 | 0 | 232,881 | 96,615 | 329,496 |
| Committed for Capital Projects | 1,242,285 | 0 | 0 | 496,900 | 1,739,185 |
| Committed for Other Purposes | 258,436 | 0 | 0 | 0 | 258,436 |
| Assigned: | | | | | |
| Assigned for General Government | 566,642 | 0 | 0 | 0 | 566,642 |
| Assigned for Finance | 69,027 | 0 | 0 | 0 | 69,027 |
| Assigned for Administration of Justice | 3,500 | 0 | 0 | 0 | 3,500 |
| Assigned for Public Safety | 20,000 | 0 | 0 | 0 | 20,000 |
| Assigned for Public Health and Welfare | 43,051 | 0 | 0 | 0 | 43,051 |
| Unassigned | 4,511,788 | 0 | 0 | 0 | 4,511,788 |
| Total Fund Balances | <u>\$ 10,485,984</u> | <u>\$ 3,508,655</u> | <u>\$ 3,133,536</u> | <u>\$ 4,010,570</u> | <u>\$ 21,138,745</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 23,376,093</u> | <u>\$ 4,390,630</u> | <u>\$ 4,904,040</u> | <u>\$ 7,592,043</u> | <u>\$ 40,262,806</u> |

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

Exhibit C-2

Anderson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2016

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

| | | |
|--|--------------------|---------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit C-1) | | \$ 21,138,745 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | |
| Add: land | \$ 1,715,743 | |
| Add: construction in progress | 14,000 | |
| Add: infrastructure net of accumulated depreciation | 5,828,401 | |
| Add: buildings and improvements net of accumulated depreciation | 22,382,193 | |
| Add: other capital assets net of accumulated depreciation | <u>3,321,836</u> | 33,262,173 |
| (2) Internal service funds are used by management to charge the cost of employee health insurance to individual funds and to reflect activities of the county television station. The assets and liabilities are included in governmental activities in the statement of net position: | | |
| Add: capital assets | \$ 51,507 | |
| Add: current assets | 427,336 | |
| Less: liabilities | <u>(442,765)</u> | 36,078 |
| (3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | |
| Less: notes payable | \$ (1,682,802) | |
| Less: other loans payable | (11,350,279) | |
| Less: bonds payable | (41,865,000) | |
| Less: capital lease payable | (754,664) | |
| Add: deferred amount on refunding | 31,984 | |
| Add: debt to be contributed by the School Department | 415,195 | |
| Less: unamortized premium on debt | (654,317) | |
| Less: other postemployment benefits liability | (192,653) | |
| Less: compensated absences payable | (547,885) | |
| Less: accrued interest on bonds, notes, and other loans | <u>(294,756)</u> | (56,895,177) |
| (4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years: | | |
| Add: deferred outflows of resources related to pensions | 925,748 | |
| Less: deferred inflows of resources related to pensions | <u>(1,479,224)</u> | (553,476) |
| (5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds. | | 1,235,085 |
| (6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds. | | <u>884,134</u> |
| Net position of governmental activities (Exhibit A) | | <u>\$ (892,438)</u> |

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

Exhibit C-3

Anderson County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

| | Major Funds | | | Nonmajor Funds | |
|---|---------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | General Debt Service | Other Govern- mental Funds | Total Governmental Funds |
| <u>Revenues</u> | | | | | |
| Local Taxes | \$ 16,851,499 | \$ 1,140,903 | \$ 1,697,257 | \$ 3,590,017 | \$ 23,279,676 |
| Licenses and Permits | 304,082 | 0 | 0 | 0 | 304,082 |
| Fines, Forfeitures, and Penalties | 396,915 | 0 | 0 | 63,119 | 460,034 |
| Charges for Current Services | 606,285 | 0 | 0 | 523,901 | 1,130,186 |
| Other Local Revenues | 551,722 | 165,967 | 5,135 | 48,887 | 771,711 |
| Fees Received From County Officials | 3,979,478 | 0 | 0 | 0 | 3,979,478 |
| State of Tennessee | 2,519,605 | 2,552,032 | 0 | 81,872 | 5,153,509 |
| Federal Government | 558,706 | 86,760 | 28,245 | 35,159 | 708,870 |
| Other Governments and Citizens Groups | 151,359 | 1,836 | 0 | 1,629,598 | 1,782,793 |
| Total Revenues | \$ 25,919,651 | \$ 3,947,498 | \$ 1,730,637 | \$ 5,972,553 | \$ 37,570,339 |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| General Government | \$ 3,481,537 | \$ 0 | \$ 0 | \$ 945 | \$ 3,482,482 |
| Finance | 2,909,277 | 0 | 0 | 573 | 2,909,850 |
| Administration of Justice | 3,085,247 | 0 | 0 | 5,650 | 3,090,897 |
| Public Safety | 12,209,507 | 0 | 0 | 47,872 | 12,257,379 |
| Public Health and Welfare | 1,146,239 | 0 | 0 | 1,567,539 | 2,713,778 |
| Social, Cultural, and Recreational Services | 92,163 | 0 | 0 | 552,397 | 644,560 |
| Agriculture and Natural Resources | 231,371 | 0 | 0 | 0 | 231,371 |
| Other Operations | 848,332 | 0 | 0 | 382,147 | 1,230,479 |
| Highways | 0 | 2,664,137 | 0 | 0 | 2,664,137 |
| Debt Service: | | | | | |
| Principal on Debt | 0 | 0 | 844,892 | 2,131,494 | 2,976,386 |
| Interest on Debt | 0 | 0 | 681,203 | 1,165,959 | 1,847,162 |
| Other Debt Service | 0 | 0 | 52,893 | 39,518 | 92,411 |

(Continued)

Exhibit C-3

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

| | Major Funds | | | Nonmajor Funds | |
|--|---------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | General Debt Service | Other Govern- mental Funds | Total Governmental Funds |
| <u>Expenditures (Cont.)</u> | | | | | |
| Capital Projects | \$ 194,992 | \$ 0 | \$ 0 | \$ 1,257,085 | \$ 1,452,077 |
| Total Expenditures | \$ 24,198,665 | \$ 2,664,137 | \$ 1,578,988 | \$ 7,151,179 | \$ 35,592,969 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,720,986 | \$ 1,283,361 | \$ 151,649 | \$ (1,178,626) | \$ 1,977,370 |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 1,200,000 | \$ 1,200,000 |
| Proceeds from Sale of Capital Assets | 7,928 | 1,342 | 0 | 435 | 9,705 |
| Insurance Recovery | 19,389 | 0 | 0 | 0 | 19,389 |
| Transfers In | 0 | 0 | 0 | 49,100 | 49,100 |
| Transfers Out | (480,005) | 0 | 0 | (33,000) | (513,005) |
| Total Other Financing Sources (Uses) | \$ (452,688) | \$ 1,342 | \$ 0 | \$ 1,216,535 | \$ 765,189 |
| Net Change in Fund Balances | \$ 1,268,298 | \$ 1,284,703 | \$ 151,649 | \$ 37,909 | \$ 2,742,559 |
| Fund Balance, July 1, 2015 | 9,217,686 | 2,223,952 | 2,981,887 | 3,972,661 | 18,396,186 |
| Fund Balance, June 30, 2016 | \$ 10,485,984 | \$ 3,508,655 | \$ 3,133,536 | \$ 4,010,570 | \$ 21,138,745 |

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

Exhibit C-4

Anderson 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, 2016

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

| | | | |
|---|--------------|--------------|--|
| Net change in fund balances - total governmental funds (Exhibit C-3) | | \$ 2,742,559 | |
| (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 | \$ 748,758 | | |
| Less: current-year depreciation expense | (1,762,124) | (1,013,366) | |
| (2) The effect of various miscellaneous transactions involving capital assets (sales, trades-ins, and donations) is to increase (decrease) net position: | | | |
| Less: book value of capital assets disposed | | (9,911) | |
| (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, 2016 | \$ 884,134 | | |
| Less: deferred delinquent property taxes and other deferred June 30, 2015 | (894,993) | (10,859) | |
| (4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items: | | | |
| Add: principal payments on bonds | \$ 1,985,000 | | |
| Add: principal payments on notes | 155,207 | | |
| Add: principal payments on other loans | 662,764 | | |
| Add: principal payments on capital leases | 173,415 | | |
| Add: change in premium on debt issuances | 73,069 | | |
| Less: issuance of notes | (1,200,000) | | |
| Less: contributions from the School Department for notes and capital leases | (140,490) | | |
| Less: change in deferred amount on refunding debt | (36,035) | 1,672,930 | |
| (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 | \$ 10,463 | | |
| Change in other postemployment benefits liability | (21,413) | | |
| Change in net pension asset | 217,092 | | |
| Change in deferred outflows related to pensions | 43,007 | | |
| Change in deferred inflows related to pensions | 565,270 | | |
| Change in compensated absences payable | (27,361) | 787,058 | |
| (6) Internal service funds are used by management to charge the cost of employee health benefits to individual funds and to reflect activities of the county television station. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities. | | (230,826) | |
| Change in net position of governmental activities (Exhibit B) | | \$ 3,937,585 | |

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

Exhibit C-5

Anderson County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2016

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2015 | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 16,851,499 | \$ 0 | \$ 0 | \$ 16,851,499 | \$ 16,495,200 | \$ 16,497,600 | \$ 353,899 |
| Licenses and Permits | 304,082 | 0 | 0 | 304,082 | 247,400 | 247,400 | 56,682 |
| Fines, Forfeitures, and Penalties | 396,915 | 0 | 0 | 396,915 | 369,000 | 369,000 | 27,915 |
| Charges for Current Services | 606,285 | 0 | 0 | 606,285 | 452,700 | 477,156 | 129,129 |
| Other Local Revenues | 551,722 | 0 | 0 | 551,722 | 483,863 | 483,863 | 67,859 |
| Fees Received From County Officials | 3,979,478 | 0 | 0 | 3,979,478 | 3,860,000 | 3,869,000 | 110,478 |
| State of Tennessee | 2,519,605 | 0 | 0 | 2,519,605 | 2,711,789 | 2,536,904 | (17,299) |
| Federal Government | 558,706 | 0 | 0 | 558,706 | 43,409 | 1,380,443 | (821,737) |
| Other Governments and Citizens Groups | 151,359 | 0 | 0 | 151,359 | 75,596 | 77,489 | 73,870 |
| Total Revenues | \$ 25,919,651 | \$ 0 | \$ 0 | \$ 25,919,651 | \$ 24,738,957 | \$ 25,938,855 | \$ (19,204) |
| <u>Expenditures</u> | | | | | | | |
| <u>General Government</u> | | | | | | | |
| County Commission | \$ 289,945 | \$ 0 | \$ 0 | \$ 289,945 | \$ 301,588 | \$ 301,399 | \$ 11,454 |
| Board of Equalization | 6,429 | 0 | 0 | 6,429 | 7,702 | 7,702 | 1,273 |
| Other Boards and Committees | 323,396 | 0 | 0 | 323,396 | 312,753 | 339,910 | 16,514 |
| County Mayor/Executive | 262,848 | 0 | 0 | 262,848 | 262,703 | 271,424 | 8,576 |
| Personnel Office | 183,321 | 0 | 0 | 183,321 | 156,434 | 186,540 | 3,219 |
| County Attorney | 405,273 | 0 | 0 | 405,273 | 316,681 | 420,030 | 14,757 |
| Election Commission | 382,275 | 0 | 0 | 382,275 | 444,238 | 445,626 | 63,351 |
| Register of Deeds | 407,573 | 0 | 0 | 407,573 | 396,715 | 408,102 | 529 |
| Planning | 194,605 | 0 | 0 | 194,605 | 234,279 | 234,763 | 40,158 |
| Building | 26,655 | (4,914) | 0 | 21,741 | 50,000 | 54,914 | 33,173 |
| County Buildings | 731,002 | 0 | 0 | 731,002 | 833,105 | 892,953 | 161,951 |
| Other General Administration | 211,519 | 0 | 0 | 211,519 | 221,425 | 271,286 | 59,767 |
| Preservation of Records | 56,696 | 0 | 0 | 56,696 | 37,723 | 63,190 | 6,494 |
| <u>Finance</u> | | | | | | | |
| Accounting and Budgeting | 639,935 | 0 | 64,381 | 704,316 | 639,493 | 737,287 | 32,971 |
| Purchasing | 226,628 | 0 | 0 | 226,628 | 227,925 | 259,021 | 32,393 |
| Property Assessor's Office | 347,911 | 0 | 0 | 347,911 | 380,568 | 388,763 | 40,852 |

(Continued)

Exhibit C-5

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2015 | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------------|-----------------------------------|-----------------------------------|---|------------------|------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Finance (Cont.)</u> | | | | | | | |
| Reappraisal Program | \$ 242,726 | \$ 0 | \$ 0 | \$ 242,726 | \$ 233,200 | \$ 252,515 | \$ 9,789 |
| County Trustee's Office | 619,034 | 0 | 0 | 619,034 | 634,489 | 636,526 | 17,492 |
| County Clerk's Office | 833,043 | 0 | 0 | 833,043 | 819,633 | 843,557 | 10,514 |
| <u>Administration of Justice</u> | | | | | | | |
| Circuit Court | 1,114,593 | 0 | 0 | 1,114,593 | 1,148,586 | 1,159,541 | 44,948 |
| Criminal Court | 358 | 0 | 0 | 358 | 2,058 | 2,058 | 1,700 |
| General Sessions Judge | 665,124 | 0 | 0 | 665,124 | 652,216 | 690,898 | 25,774 |
| Drug Court | 71,055 | 0 | 0 | 71,055 | 74,224 | 75,141 | 4,086 |
| Chancery Court | 497,471 | (2,325) | 0 | 495,146 | 453,415 | 506,263 | 11,117 |
| Juvenile Court | 551,809 | 0 | 0 | 551,809 | 596,890 | 573,917 | 22,108 |
| District Attorney General | 39,499 | 0 | 0 | 39,499 | 47,297 | 40,254 | 755 |
| Office of Public Defender | 25,077 | 0 | 0 | 25,077 | 32,207 | 32,207 | 7,130 |
| Judicial Commissioners | 1,242 | 0 | 0 | 1,242 | 2,154 | 2,154 | 912 |
| Probate Court | 2,302 | 0 | 0 | 2,302 | 3,935 | 2,935 | 633 |
| Other Administration of Justice | 81,218 | 0 | 0 | 81,218 | 99,015 | 95,114 | 13,896 |
| Courtroom Security | 13,108 | 0 | 0 | 13,108 | 78,100 | 78,100 | 64,992 |
| Victim Assistance Programs | 22,391 | 0 | 0 | 22,391 | 26,750 | 26,750 | 4,359 |
| <u>Public Safety</u> | | | | | | | |
| Sheriff's Department | 4,790,568 | (71,724) | 0 | 4,718,844 | 4,910,511 | 4,950,137 | 231,293 |
| Jail | 5,582,469 | 0 | 0 | 5,582,469 | 5,856,872 | 5,859,995 | 277,526 |
| Correctional Incentive Program Improvements | 64,605 | 0 | 0 | 64,605 | 150,467 | 150,467 | 85,862 |
| Commissary | 7,950 | 0 | 0 | 7,950 | 20,000 | 27,000 | 19,050 |
| Civil Defense | 600,458 | (230,487) | 0 | 369,971 | 434,645 | 783,816 | 413,845 |
| Rescue Squad | 26,000 | 0 | 0 | 26,000 | 26,000 | 26,000 | 0 |
| Other Emergency Management | 655,954 | 0 | 0 | 655,954 | 812,993 | 792,379 | 136,425 |
| County Coroner/Medical Examiner | 212,763 | 0 | 0 | 212,763 | 110,000 | 272,104 | 59,341 |
| Other Public Safety | 268,740 | 0 | 0 | 268,740 | 366,387 | 366,917 | 98,177 |
| <u>Public Health and Welfare</u> | | | | | | | |
| Local Health Center | 255,295 | 0 | 0 | 255,295 | 307,470 | 369,597 | 114,302 |

(Continued)

Exhibit C-5

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2015 | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Public Health and Welfare (Cont.)</u> | | | | | | | |
| Rabies and Animal Control | \$ 135,857 | \$ 0 | \$ 0 | \$ 135,857 | \$ 140,770 | \$ 142,371 | \$ 6,514 |
| Dental Health Program | 319,043 | 0 | 0 | 319,043 | 429,507 | 460,769 | 141,726 |
| Alcohol and Drug Programs | 5,000 | 0 | 0 | 5,000 | 10,000 | 10,000 | 5,000 |
| Other Local Health Services | 308,924 | 0 | 0 | 308,924 | 479,080 | 381,835 | 72,911 |
| Appropriation to State | 122,120 | 0 | 0 | 122,120 | 123,486 | 122,120 | 0 |
| <u>Social, Cultural, and Recreational Services</u> | | | | | | | |
| Senior Citizens Assistance | 89,163 | 0 | 0 | 89,163 | 0 | 91,966 | 2,803 |
| Parks and Fair Boards | 3,000 | 0 | 0 | 3,000 | 3,000 | 3,000 | 0 |
| <u>Agriculture and Natural Resources</u> | | | | | | | |
| Agricultural Extension Service | 142,502 | 0 | 0 | 142,502 | 167,768 | 167,414 | 24,912 |
| Soil Conservation | 53,756 | 0 | 0 | 53,756 | 54,256 | 54,785 | 1,029 |
| Storm Water Management | 35,113 | 0 | 0 | 35,113 | 35,438 | 35,438 | 325 |
| <u>Other Operations</u> | | | | | | | |
| Industrial Development | 186,545 | 0 | 0 | 186,545 | 470,012 | 1,508,724 | 1,322,179 |
| Veterans' Services | 105,630 | 0 | 0 | 105,630 | 103,160 | 106,486 | 856 |
| Other Charges | 442,713 | 0 | 0 | 442,713 | 456,600 | 456,600 | 13,887 |
| Miscellaneous | 113,444 | 0 | 0 | 113,444 | 94,390 | 94,390 | (19,054) |
| <u>Capital Projects</u> | | | | | | | |
| Public Safety Projects | 155,691 | (10,450) | 20,000 | 165,241 | 0 | 431,726 | 266,485 |
| Public Utility Projects | 39,301 | 0 | 43,051 | 82,352 | 0 | 640,291 | 557,939 |
| Total Expenditures | \$ 24,198,665 | \$ (319,900) | \$ 127,432 | \$ 24,006,197 | \$ 25,290,313 | \$ 28,607,167 | \$ 4,600,970 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,720,986 | \$ 319,900 | \$ (127,432) | \$ 1,913,454 | \$ (551,356) | \$ (2,668,312) | \$ 4,581,766 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Proceeds from Sale of Capital Assets | \$ 7,928 | \$ 0 | \$ 0 | \$ 7,928 | \$ 0 | \$ 0 | \$ 7,928 |
| Insurance Recovery | 19,389 | 0 | 0 | 19,389 | 0 | 17,399 | 1,990 |
| Transfers In | 0 | 0 | 0 | 0 | 200,000 | 200,000 | (200,000) |

(Continued)

Exhibit C-5

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2015 | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | | Original | Final | |
| <u>Other Financing Sources (Uses) (Cont.)</u> | | | | | | | |
| Transfers Out | \$ (480,005) | \$ 0 | \$ 0 | \$ (480,005) | \$ (61,100) | \$ (480,005) | \$ 0 |
| Total Other Financing Sources | \$ (452,688) | \$ 0 | \$ 0 | \$ (452,688) | \$ 138,900 | \$ (262,606) | \$ (190,082) |
| Net Change in Fund Balance | \$ 1,268,298 | \$ 319,900 | \$ (127,432) | \$ 1,460,766 | \$ (412,456) | \$ (2,930,918) | \$ 4,391,684 |
| Fund Balance, July 1, 2015 | 9,217,686 | (319,900) | 0 | 8,897,786 | 4,283,011 | 4,283,011 | 4,614,775 |
| Fund Balance, June 30, 2016 | \$ 10,485,984 | \$ 0 | \$ (127,432) | \$ 10,358,552 | \$ 3,870,555 | \$ 1,352,093 | \$ 9,006,459 |

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

Exhibit C-6

Anderson County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2016

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2015 | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 1,140,903 | \$ 0 | \$ 0 | \$ 1,140,903 | \$ 1,146,200 | \$ 1,146,200 | \$ (5,297) |
| Other Local Revenues | 165,967 | 0 | 0 | 165,967 | 500,000 | 500,000 | (334,033) |
| State of Tennessee | 2,552,032 | 0 | 0 | 2,552,032 | 2,294,000 | 2,294,000 | 258,032 |
| Federal Government | 86,760 | 0 | 0 | 86,760 | 0 | 0 | 86,760 |
| Other Governments and Citizens Groups | 1,836 | 0 | 0 | 1,836 | 0 | 0 | 1,836 |
| Total Revenues | \$ 3,947,498 | \$ 0 | \$ 0 | \$ 3,947,498 | \$ 3,940,200 | \$ 3,940,200 | \$ 7,298 |
| <u>Expenditures</u> | | | | | | | |
| <u>Highways</u> | | | | | | | |
| Administration | \$ 232,583 | \$ 0 | \$ 0 | \$ 232,583 | \$ 287,867 | \$ 289,867 | \$ 57,284 |
| Highway and Bridge Maintenance | 1,175,762 | 0 | 0 | 1,175,762 | 1,834,880 | 1,941,880 | 766,118 |
| Operation and Maintenance of Equipment | 569,385 | 0 | 0 | 569,385 | 1,015,183 | 1,120,183 | 550,798 |
| Other Charges | 227,461 | 0 | 0 | 227,461 | 226,000 | 251,000 | 23,539 |
| Capital Outlay | 458,946 | (398,842) | 58,634 | 118,738 | 0 | 1,090,000 | 971,262 |
| Total Expenditures | \$ 2,664,137 | \$ (398,842) | \$ 58,634 | \$ 2,323,929 | \$ 3,363,930 | \$ 4,692,930 | \$ 2,369,001 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,283,361 | \$ 398,842 | \$ (58,634) | \$ 1,623,569 | \$ 576,270 | \$ (752,730) | \$ 2,376,299 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Proceeds from Sale of Capital Assets | \$ 1,342 | \$ 0 | \$ 0 | \$ 1,342 | \$ 0 | \$ 0 | \$ 1,342 |
| Total Other Financing Sources | \$ 1,342 | \$ 0 | \$ 0 | \$ 1,342 | \$ 0 | \$ 0 | \$ 1,342 |
| Net Change in Fund Balance | \$ 1,284,703 | \$ 398,842 | \$ (58,634) | \$ 1,624,911 | \$ 576,270 | \$ (752,730) | \$ 2,377,641 |
| Fund Balance, July 1, 2015 | 2,223,952 | (398,842) | 0 | 1,825,110 | 1,634,690 | 1,634,690 | 190,420 |
| Fund Balance, June 30, 2016 | \$ 3,508,655 | \$ 0 | \$ (58,634) | \$ 3,450,021 | \$ 2,210,960 | \$ 881,960 | \$ 2,568,061 |

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

Exhibit D-1

Anderson County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2016

| | Business-type Activities - Enterprise Fund | Governmental Activities |
|---|--|----------------------------|
| | Ambulance Service Fund | Internal Service Funds |
| <u>ASSETS</u> | | |
| Current Assets: | | |
| Cash | \$ 0 | \$ 161,701 |
| Equity in Pooled Cash and Investments | 566,384 | 102,014 |
| Investments | 0 | 18,637 |
| Accounts Receivable | 1,916,080 | 144,984 |
| Allowance for Uncollectibles | (1,158,309) | 0 |
| Prepaid Items | 17,823 | 0 |
| Total Current Assets | <u>\$ 1,341,978</u> | <u>\$ 427,336</u> |
| Noncurrent Assets: | | |
| Net Pension Asset | \$ 265,079 | \$ 0 |
| Capital Assets: | | |
| Assets Not Depreciated: | | |
| Land | 82,950 | 0 |
| Construction in Progress | 52,171 | 0 |
| Assets Net of Accumulated Depreciation: | | |
| Buildings and Improvements | 302,173 | 51,507 |
| Other Capital Assets | 392,267 | 0 |
| Total Noncurrent Assets | <u>\$ 1,094,640</u> | <u>\$ 51,507</u> |
| Total Assets | <u>\$ 2,436,618</u> | <u>\$ 478,843</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | |
| Deferred Outflows of Resources: | | |
| Pension Contributions After Measurement Date | \$ 210,985 | \$ 0 |
| Total Deferred Outflows of Resources | <u>\$ 210,985</u> | <u>\$ 0</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 2,647,603</u> | <u>\$ 478,843</u> |
| <u>LIABILITIES</u> | | |
| Current Liabilities: | | |
| Accounts Payable | \$ 108,613 | \$ 100,964 |
| Accrued Payroll | 44,834 | 663 |
| Payroll Deductions Payable | 52,464 | 790 |
| Accrued Leave - Current | 55,869 | 0 |
| Due to Other Funds | 935,884 | 0 |
| Capital Outlay Notes Payable | 31,000 | 0 |
| Other Current Liabilities | 0 | 340,348 |
| Total Current Liabilities | <u>\$ 1,228,664</u> | <u>\$ 442,765</u> |

(Continued)

Exhibit D-1

Anderson County, Tennessee
Statement of Net Position
Proprietary Funds (Cont.)

| | Business-type Activities - Enterprise Fund | Governmental Activities |
|--|--|----------------------------|
| | Ambulance Service Fund | Internal Service Funds |
| <u>LIABILITIES (Cont.)</u> | | |
| Noncurrent Liabilities (Cont.): | | |
| Capital Outlay Notes Payable - Long-term | \$ 163,000 | \$ 0 |
| Accrued Leave - Long-term | 2,940 | 0 |
| Other Long-term Liabilities | 27,189 | 0 |
| Total Noncurrent Liabilities | <u>\$ 193,129</u> | <u>\$ 0</u> |
| Total Liabilities | <u>\$ 1,421,793</u> | <u>\$ 442,765</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Deferred Inflows of Resources: | | |
| Pension Changes in Experience | \$ 226,814 | \$ 0 |
| Pension Changes in Investment Earnings | 90,662 | 0 |
| Total Deferred Inflows of Resources | <u>\$ 317,476</u> | <u>\$ 0</u> |
| <u>NET POSITION</u> | | |
| Net Investment in Capital Assets | \$ 687,200 | \$ 51,507 |
| Restricted for Other Purposes | 265,079 | 0 |
| Unrestricted | <u>(43,945)</u> | <u>(15,429)</u> |
| Total Net Position | <u>\$ 908,334</u> | <u>\$ 36,078</u> |

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

Exhibit D-2

Anderson County, Tennessee
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Funds
For the Year Ended June 30, 2016

| | Business-type Activities | |
|---|-----------------------------|---------------------|
| | Major | Governmental |
| | Enterprise | Activities |
| | Fund | |
| | Ambulance | Internal |
| | Service | Service |
| | Fund | Funds |
| <u>Operating Revenues</u> | | |
| Charges for Services | \$ 4,912,868 | \$ 3,635,511 |
| Licenses and Permits | 0 | 136,221 |
| Total Operating Revenues | <u>\$ 4,912,868</u> | <u>\$ 3,771,732</u> |
| <u>Operating Expenses</u> | | |
| Salaries | \$ 3,066,109 | \$ 43,746 |
| Fringe Benefits | 709,266 | 18,884 |
| Communications | 40,672 | 564 |
| Data Processing Services | 2,576 | 0 |
| Dues and Memberships | 1,952 | 0 |
| Laundry Service | 31,892 | 0 |
| Maintenance and Repair Services - Buildings | 8,945 | 0 |
| Maintenance and Repair Services - Equipment | 15,133 | 0 |
| Maintenance and Repair Services - Vehicles | 71,088 | 0 |
| Pest Control | 1,260 | 0 |
| Postal Charges | 331 | 0 |
| Rental Expense | 16,500 | 0 |
| Travel | 3,246 | 0 |
| Tuition | 11,898 | 0 |
| Disposal Fees | 1,253 | 0 |
| Other Contracted Services | 453,096 | 12,998 |
| Custodial Supplies | 9,385 | 0 |
| Drugs and Medical Supplies | 198,128 | 0 |
| Duplicating Supplies | 300 | 0 |
| Gasoline | 117,433 | 33 |
| Natural Gas | 4,527 | 0 |
| Office Supplies | 1,953 | 0 |
| Tires and Tubes | 18,722 | 0 |
| Uniforms | 31,369 | 0 |
| Utilities | 25,576 | 0 |

(Continued)

Exhibit D-2

Anderson County, Tennessee
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Funds (Cont.)

| | Business-type Activities | |
|---|------------------------------|------------------------------|
| | Major Enterprise Fund | Governmental Activities |
| | Ambulance Service Fund | Internal Service Funds |
| <u>Operating Expenses (Cont.)</u> | | |
| Vehicle Parts | \$ 41,849 | \$ 0 |
| Supplies and Materials | 9,270 | 2,323 |
| Building and Contents Insurance | 5,000 | 0 |
| Liability Insurance | 22,612 | 0 |
| Trustee's Commission | 53,160 | 377 |
| Vehicle and Equipment Insurance | 23,667 | 0 |
| Workers' Compensation Insurance | 234,446 | 102 |
| Depreciation | 264,405 | 873 |
| Staff Development | 19,179 | 0 |
| Data Processing Equipment | 13,825 | 12,761 |
| Furniture and Fixtures | 2,118 | 0 |
| Other Charges | 0 | 1,277 |
| Communication Equipment | 2,209 | 0 |
| Medical and Dental Services | 0 | 3,293,925 |
| Other Contracted Services | 0 | 302,741 |
| Handling Charges and Administrative Costs | 0 | 58,607 |
| Excess Risk Insurance | 0 | 530,493 |
| Other Equipment | 3,295 | 0 |
| Communication | 0 | 930 |
| Maintenance and Repair Services - Buildings | 0 | 1,815 |
| Data Processing Supplies | 0 | 8,114 |
| Supplies and Materials | 0 | 3,681 |
| Total Operating Expenses | \$ 5,537,645 | \$ 4,294,244 |
| Operating Income (Loss) | \$ (624,777) | \$ (522,512) |
| <u>Nonoperating Revenues (Expenses)</u> | | |
| Investment Income | \$ 0 | \$ 93 |
| Interest on Debt | (4,981) | 0 |
| Total Nonoperating Revenues (Expenses) | \$ (4,981) | \$ 93 |

(Continued)

Exhibit D-2

Anderson County, Tennessee
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Funds (Cont.)

| | Business-type Activities | |
|--------------------------------|------------------------------|------------------------------|
| | Major Enterprise Fund | Governmental Activities |
| | Ambulance Service Fund | Internal Service Funds |
| Income (Loss) Before Transfers | \$ (629,758) | \$ (522,419) |
| Transfers In (Out) | 172,312 | 291,593 |
| Change in Net Position | \$ (457,446) | \$ (230,826) |
| Net Position, July 1, 2015 | 1,365,780 | 266,904 |
| Net Position, June, 30, 2016 | \$ 908,334 | \$ 36,078 |

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

Exhibit D-3

Anderson County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

| | Business-type Activities | |
|--|------------------------------|------------------------------|
| | Major | |
| | Enterprise Fund | Governmental Activities |
| | Ambulance Service Fund | Internal Service Funds |
| <u>Cash Flows from Operating Activities</u> | | |
| Receipts from Customers and Users | \$ 5,328,569 | \$ 35,000 |
| Receipts for Self-insurance Premiums | 0 | 3,835,036 |
| Receipts for Licenses and Permits | 0 | 121,391 |
| Payments to Vendors | (1,086,922) | (28,735) |
| Payments to Employees | (3,134,693) | (44,708) |
| Payments for Fringe Benefits | (921,682) | (20,726) |
| Payments to Fiscal Agents | 0 | (276,107) |
| Payments to Insurers | 0 | (547,152) |
| Stop-loss Recovery | 0 | 75,069 |
| Payments for Administrative Costs | 0 | (73,964) |
| Payments for Claims | 0 | (3,291,947) |
| Net Cash Provided By (Used In) Operating Activities | <u>\$ 185,272</u> | <u>\$ (216,843)</u> |
| <u>Cash Flows from Capital and Related Financing Activities</u> | | |
| Principal Paid on Notes | \$ (29,225) | \$ 0 |
| Interest Paid on Notes | (4,981) | 0 |
| Acquisition and Construction of Capital Assets | <u>(58,071)</u> | <u>(52,380)</u> |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>\$ (92,277)</u> | <u>\$ (52,380)</u> |
| <u>Cash Flows from Noncapital Financing Activities</u> | | |
| Transfers from Other Funds | \$ 45,000 | \$ 480,516 |
| Transfers to Other Funds | <u>(9,848)</u> | <u>0</u> |
| Net Cash Provided By (Used In) Noncapital Financing Activities | <u>\$ 35,152</u> | <u>\$ 480,516</u> |
| <u>Cash Flows from Investing Activities</u> | | |
| Interest on Investments | <u>\$ 0</u> | <u>\$ 54</u> |
| Net Cash Provided By (Used In) Investing Activities | <u>\$ 0</u> | <u>\$ 54</u> |
| Increase (Decrease) in Cash | \$ 128,147 | \$ 211,347 |
| Cash, July 1, 2015 | <u>438,237</u> | <u>52,368</u> |
| Cash, June 30, 2016 | <u><u>\$ 566,384</u></u> | <u><u>\$ 263,715</u></u> |

(Continued)

Exhibit D-3

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

| | Business-type Activities | |
|---|------------------------------|------------------------------|
| | Major | |
| | Enterprise Fund | Governmental Activities |
| | Ambulance Service Fund | Internal Service Funds |
| <u>Reconciliation of Net Operating Income (Loss)</u> to Net Cash Provided By (Used In) Operating Activities | | |
| Operating Income (Loss) | \$ (624,777) | \$ (522,512) |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities: | | |
| Depreciation | 264,405 | 873 |
| Changes in Deferred Outflows for Pensions | (21,548) | 0 |
| Changes in Deferred Inflows for Pensions | (131,315) | 0 |
| Changes in Assets and Liabilities: | | |
| (Increase) Decrease in Net Pension Asset/Liability | (41,617) | 0 |
| (Increase) Decrease in Accounts Receivables | 590,214 | (122,761) |
| Increase (Decrease) in Allowance for Uncollectibles | (189,188) | 0 |
| (Increase) Decrease in Due from Other Funds (non-transfers) | 14,675 | 246,643 |
| (Increase) Decrease in Prepaid Items | 9,823 | 0 |
| Increase (Decrease) in Accounts Payable | 31,555 | 11,053 |
| Increase (Decrease) in Accrued Payroll | (66,769) | 0 |
| Increase (Decrease) in Payroll Deductions | 12,789 | (962) |
| Increase (Decrease) in Due to Other Funds (non-transfers) | 332,375 | 238 |
| Increase (Decrease) in Accrued Leave | (1,815) | 0 |
| Increase (Decrease) in Other Current Liabilities | 0 | 170,585 |
| Increase (Decrease) in Other Long-term Liabilities | 6,465 | 0 |
| Net Cash Provided By (Used In) Operating Activities | <u>\$ 185,272</u> | <u>\$ (216,843)</u> |
| <u>Reconciliation of Cash With the Statement of Net Position</u> | | |
| Cash Per Net Position | \$ 0 | \$ 161,701 |
| Equity in Pooled Cash and Investments Per Net Position | <u>566,384</u> | <u>102,014</u> |
| Cash, June 30, 2016 | <u>\$ 566,384</u> | <u>\$ 263,715</u> |
| <u>Schedule of Noncash Noncapital Financing Activities</u> | | |
| Transfer from other funds recognized by forgiveness of prior-year amount due to the General Fund | \$ 127,312 | \$ 0 |

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

Exhibit E-1

Anderson County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2016

| | <u>Agency Funds</u> |
|---------------------------------------|-----------------------------|
| <u>ASSETS</u> | |
| Cash | \$ 1,435,974 |
| Equity in Pooled Cash and Investments | 77,154 |
| Accounts Receivable | 5,038 |
| Due from Other Governments | 3,013,515 |
| Taxes Receivable | 12,104,624 |
| Allowance for Uncollectible Taxes | <u>(501,784)</u> |
| Total Assets | <u><u>\$ 16,134,521</u></u> |
| <u>LIABILITIES</u> | |
| Accounts Payable | \$ 4,705 |
| Due to Other Taxing Units | 14,637,756 |
| Due to Joint Ventures | 31,283 |
| Due to Litigants, Heirs, and Others | <u>1,460,777</u> |
| Total Liabilities | <u><u>\$ 16,134,521</u></u> |

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

ANDERSON COUNTY, TENNESSEE
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ANDERSON COUNTY, TENNESSEE
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ANDERSON COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Anderson 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 Anderson County:

A. Reporting Entity

Anderson County is a public municipal corporation governed by an elected 16-member board. As required by GAAP, these financial statements present Anderson County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Anderson County School Department operates the public school system in the county, and the voters of Anderson County elect its board. The School Department is fiscally dependent on the county because its budget and property tax levy are subject to the County Commission's approval. The School Department has a financial benefit/burden relationship with the county since all debt issued for school purposes is a liability of the primary government. Also, 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 Anderson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Anderson County, and the Anderson 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 approval of the County Commission.

The Anderson 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 Anderson County Emergency

Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Anderson County Emergency
Communications District
101 South Main Street, Suite 440
Clinton, Tennessee 37716

Related Organizations – The Anderson County Water Authority is a related organization of Anderson County. The county mayor nominates and the Anderson County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments.

The Anderson County Industrial Development Board is a related organization of Anderson County. The Anderson County Commission elects the board members, but the county's accountability does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

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

Anderson County issues all debt for the discretely presented Anderson County School Department. Net debt issues totaling \$1,200,000 were contributed by the county to the School Department during the year ended June 30, 2016.

Separate financial statements are provided for governmental funds, proprietary funds (internal service and enterprise), and fiduciary funds. Internal service funds are 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 and the major enterprise fund are reported as separate columns in the fund financial statements.

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

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

Fund financial statements of Anderson County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Anderson County reports three proprietary funds: an enterprise fund and two internal service funds.

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

Anderson County reports the following major governmental funds:

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

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

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

Anderson County reports the following major enterprise fund:

Ambulance Service Fund – This fund is used to account for the county’s ambulance service operations.

Additionally, Anderson County reports the following fund types:

Capital Projects Fund – This fund is used to account for and report financial resources that are restricted, committed, or assigned to

expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Internal Service Funds – These funds, the Employee Health Insurance Fund and the Channel 95 Fund are used to account for the county's self-insured employee health program and the community television station, which serves the primary government, School Department, and cities in Anderson County. Premiums charged to the various county funds and employee payroll deductions are placed in the Employee Health Insurance Fund for the payment of claims of county employees. Channel 95 is funded by annually determined charges to the participating entities.

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 Anderson County, city school systems' shares of educational revenues, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General. 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 Anderson County School Department reports the following major governmental fund:

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.

Additionally, the Anderson County School Department reports the following fund types:

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

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

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 three proprietary funds, an enterprise fund used to account for ambulance service operations, an internal service fund used to account for the employees' health insurance program, and an internal service fund used to account for the operations of Channel 95, the community television station. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenue of the county's enterprise fund is charges for services from users. Operating expenses for the enterprise fund include salaries, purchase of supplies and materials, and depreciation of capital assets. The principal operating revenues of the county's internal service funds are self-insurance premiums and charges to the users of Channel 95's services. Operating expenses for the health internal service fund include medical claims, excess risk insurance, and administrative charges. For Channel 95, operating expenses include salaries, benefits, and equipment.

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

1. Deposits and Investments

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Anderson County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Income from these investments is credited to various funds based on legal requirements of the budget adopted by the County Commission, with the majority of the investment income being assigned to the General, General Purpose School, and the various debt service funds. In addition, investments are held separately by the self-insurance fund. Anderson County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at amortized cost using a

Stable Net Asset Value. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 2.3 percent of total taxes levied.

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

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

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

Most payables are disaggregated on the face of the financial statements. The balance in the account Other Current Liabilities totaling \$362,548 in the governmental activities Statement of Net Position for the primary government consists of performance bonds of \$22,200 and self-insurance claims of \$340,348.

3. Inventories and Prepaid Items

Inventories of Anderson County and the discretely presented Anderson County School Department are recorded at cost, determined on the first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life exceeding one year. 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> |
|---------------------------|--------------|
| Building and Improvements | 20 - 50 |
| Other Capital Assets | 5 - 20 |
| Infrastructure | 25 - 40 |

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are for a deferred charge on refunding, pension changes in experience, employer, contributions made to the pension plan after the measurement date, and pension other deferrals. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

6. **Compensated Absences**

The policies of the county and School Department permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the county and the School Department do not have policies 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.

7. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the new debt using the straight-line method. Debt payable is reported net of the applicable debt premium or discount. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

8. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2016, Anderson County had \$35,687,997 in outstanding debt for capital purposes for the discretely presented Anderson County School Department. This debt is a liability of Anderson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Anderson County has incurred a liability, significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

Net pension assets on the government-wide Statement of Net Position and on the enterprise fund Statement of Net Position are included in restricted net position in the account Restricted for Other Purposes for the primary government and in the account Restricted for Education for the discretely presented School Department.

For most funds, it is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. One exception is the Highway/Public Works Fund for which unrestricted amounts are reduced first, followed by restricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

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

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws

and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission, the county's highest level of decision-making authority and the Board of Education, the School Department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes, but are neither restricted nor committed (excluding stabilization arrangements). The county follows a policy requiring all assignments of fund balance to be approved by resolution by the County Commission for the primary government and by the Board of Education for the School Department.

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

The primary restrictions and commitments of fund balance for the governmental funds are identified below.

| Fund/ Function/Purpose | Amount |
|--|-----------|
| <u>PRIMARY GOVERNMENT</u> | |
| General Fund: | |
| Restricted for Administration of Justice: | |
| Drug Court | \$ 65,264 |
| Courthouse Security | 421,387 |
| Circuit, Sessions, and Chancery Data Processing | 71,519 |
| Public Defender | 4,227 |
| Archives | 89,677 |
| Sex Offender Registry | 11,717 |
| Restricted for Public Safety: | |
| Various Law Enforcement Purpose | 50,573 |
| Jail Commissary | 230,640 |
| Sheriff Data Processing | 15,100 |
| Public Safety Grant Programs | 22,333 |
| Restricted for Public Health and Welfare: | |
| Alchol and Drug Treatment | 77,685 |
| Health Department Improvements | 132,942 |
| Animal Holding Facilities | 33,800 |
| Committed for General Government: | |
| Courthouse Maintenance | 83,464 |
| Employee Health Insurance | 93,721 |
| Committed for Finance: | |
| Property Asector | 121,242 |
| Other | 35,684 |
| Committed for Public Safety: | |
| Sheriff's Department | 351,441 |
| Fire Department | 117,625 |
| Committed for Highways: | |
| Bridge Construction | 284,608 |
| Committed for Capital Projects, Capital Outlay, and Other Purposes: | |
| Industrial Land Purchases | 1,740,564 |
| ADFAC Home Improvement | 14,780 |
| Highway/Public Works Fund: | |
| Restricted for Highway/Public Works: | |
| General Highway Purposes | 3,484,360 |
| General Debt Service Fund: | |
| Restricted for Debt Service: | |
| Principal and Interest on General County Debt | 2,900,655 |
| Committed for Debt Service: | |
| Principal and Interest on General County Debt | 232,881 |

| Fund/ Function/Purpose | Amount |
|------------------------|--------|
|------------------------|--------|

PRIMARY GOVERNMENT (CONT.)

Nonmajor Governmental Funds:

Restricted for Public Safety:

| | |
|--------------|------------|
| Drug Control | \$ 373,392 |
|--------------|------------|

Restricted for Public Health and Welfare:

| | |
|------------------------|---------|
| Solid Waste/Sanitation | 221,345 |
|------------------------|---------|

Restricted For Social, Cultural, and Recreational Services:

| | |
|------------------|---------|
| Public Libraries | 302,095 |
|------------------|---------|

| | |
|---------|---------|
| Tourism | 303,021 |
|---------|---------|

Restricted for Debt Service:

| | |
|--|--------|
| Principal and Interest on Debt Related to Elementary Schools | 79,822 |
|--|--------|

| | |
|--|-----------|
| Principal and Interest on Debt Related to Middle and and High Schools | 1,462,185 |
|--|-----------|

Restricted for Capital Projects:

| | |
|---|---------|
| General Future Capital Purchases for Various Departments | 465,713 |
|---|---------|

| | |
|------------------------|--------|
| Solid Waste/Sanitation | 80,000 |
|------------------------|--------|

Committed for Capital Projects:

| | |
|------------------------|---------|
| Solid Waste/Sanitation | 496,900 |
|------------------------|---------|

DISCRETELY PRESENTED SCHOOL DEPARTMENT

General Purpose School:

Restricted for Capital Projects:

| | |
|------------------------------|---------|
| General Capital Improvements | 601,831 |
|------------------------------|---------|

Nonmajor Governmental:

Restricted for Education:

| | |
|----------------------|-----------|
| Cafeteria Operations | 1,183,076 |
|----------------------|-----------|

| | |
|--------------------------------|--------|
| Various Federal Grant Programs | 51,148 |
|--------------------------------|--------|

Assigned fund balance in the General Fund consists primarily of amounts assigned for encumbrances (\$127,432) and amounts appropriated for use in the 2016-17 year budget (\$557,749).

9. Minimum Fund Balance Policy

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance, the County Commission adopted a policy establishing a minimum unassigned fund balance level for the General Fund of \$4,000,000.

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Anderson County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Anderson County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Discretely Presented Anderson County School Department

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Anderson County School Department

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

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

Primary Government

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

Discretely Presented Anderson County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

B. Net Position Deficit/Fund Deficit

The Employee Insurance - Health Fund (internal service fund) had a deficit in unrestricted net position of \$148,893 at June 30, 2016. This deficit resulted from an increase in medical claims and estimates. The County Commission has raised medical premiums after June 30, 2016, to liquidate the deficit.

The Ambulance Service Fund (enterprise fund) had a deficit in unrestricted net position of \$43,945 at June 30, 2016. This deficit resulted from several years of declining operating revenues. The County Commission will have to determine after June 30, 2016, how to liquidate the deficit.

C. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the County Commission in the following major appropriation category (the legal level of control) in the following funds:

| <u>Fund/Major Appropriation Category</u> | <u>Amount Overspent</u> |
|---|-----------------------------|
| General Fund: | |
| Other Operations - Miscellaneous | \$ 19,054 |
| Library Fund: | |
| General Government - Principal on Other Loans | 1,764 |
| General Government - Interest on Other Loans | 4,092 |
| Solid Waste/Sanitation: | |
| Public Health and Welfare - Landfill Operation and Maintenance | 11,819 |
| General Capital Projects: | |
| Capital Projects - Public Health and Welfare | 6,080 |

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by unspent appropriations in other major categories.

D. Data Breach

In August 2016, the county law director informed all county employees of a potential system-wide breach of the main courthouse computer server. The extent, type, and amount of data compromised has not yet been fully determined. An investigation into this matter is ongoing, and the results of that investigation are still pending as of the date of this report.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool and in repurchase agreements. Repurchase

agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

Investment Balances. As of June 30, 2016, Anderson County had the following investments carried at amortized cost. Pooled investments are held in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Anderson County and the discretely presented Anderson County School Department since both pool their deposits and investments through the county trustee. Nonpooled investments represent amounts held in the Employee Health Insurance Fund (an internal service fund).

POOLED INVESTMENTS

| Investment | Weighted Average Maturity (days) | Maturities | Amortized Cost |
|-----------------------------------|---|------------|-------------------|
| State Treasurer's Investment Pool | 4 to 117 | N/A | \$ 588,599 |

NONPOOLED INVESTMENTS

| Investment | Weighted Average Maturity (days) | Maturities | Amortized Cost |
|-----------------------------------|---|------------|-------------------|
| State Treasurer's Investment Pool | 4 to 117 | N/A | \$ 18,637 |

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. Anderson 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. Anderson County has no investment policy that would further limit its investment choices. As of June 30, 2016, Anderson County's investments in the State Treasurer's Investment Pool were unrated.

B. Capital Assets

Capital assets activity for the year ended June 30, 2016, was as follows:

Primary Government**Governmental Activities**

| | Balance 7-1-15 | Increases | Decreases | Balance 6-30-16 |
|--|-------------------|--------------|--------------|--------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 1,715,743 | \$ 0 | \$ 0 | \$ 1,715,743 |
| Construction in Progress | 414,893 | 461,704 | (862,597) | 14,000 |
| Total Capital Assets Not Depreciated | \$ 2,130,636 | \$ 461,704 | \$ (862,597) | \$ 1,729,743 |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 32,161,357 | \$ 158,305 | \$ 0 | \$ 32,319,662 |
| Infrastructure | 45,718,531 | 984,615 | (75,441) | 46,627,705 |
| Other Capital Assets | 11,251,185 | 59,111 | (98,760) | 11,211,536 |
| Total Capital Assets Depreciated | \$ 89,131,073 | \$ 1,202,031 | \$ (174,201) | \$ 90,158,903 |
| Less Accumulated Depreciation For: | | | | |
| Buildings and Improvements | \$ 9,145,550 | \$ 740,412 | \$ 0 | \$ 9,885,962 |
| Infrastructure | 40,543,659 | 331,086 | (75,441) | 40,799,304 |
| Other Capital Assets | 7,287,050 | 691,499 | (88,849) | 7,889,700 |
| Total Accumulated Depreciation | \$ 56,976,259 | \$ 1,762,997 | \$ (164,290) | \$ 58,574,966 |
| Total Capital Assets Depreciated, Net | \$ 32,154,814 | \$ (560,966) | \$ (9,911) | \$ 31,583,937 |
| Governmental Activities Capital Assets, Net | \$ 34,285,450 | \$ (99,262) | \$ (872,508) | \$ 33,313,680 |

Business-type Activities:

| | Balance 7-1-15 | Increases | Decreases | Balance 6-30-16 |
|---|---------------------|---------------------|--------------------|---------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 82,950 | \$ 0 | \$ 0 | \$ 82,950 |
| Construction in Progress | 0 | 52,171 | 0 | 52,171 |
| Total Capital Assets Not Depreciated | <u>\$ 82,950</u> | <u>\$ 52,171</u> | <u>\$ 0</u> | <u>\$ 135,121</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvement | \$ 569,924 | \$ 0 | \$ 0 | \$ 569,924 |
| Other Capital Assets | 2,313,119 | 5,900 | (98,557) | 2,220,462 |
| Total Capital Assets Depreciated | <u>\$ 2,883,043</u> | <u>\$ 5,900</u> | <u>\$ (98,557)</u> | <u>\$ 2,790,386</u> |
| Less Accumulated Depreciation For: | | | | |
| Buildings and Improvement | \$ 247,475 | \$ 20,276 | \$ 0 | \$ 267,751 |
| Other Capital Assets | 1,682,623 | 244,129 | (98,557) | 1,828,195 |
| Total Accumulated Depreciation | <u>\$ 1,930,098</u> | <u>\$ 264,405</u> | <u>\$ (98,557)</u> | <u>\$ 2,095,946</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 952,945</u> | <u>\$ (258,505)</u> | <u>\$ 0</u> | <u>\$ 694,440</u> |
| Business-type Activities Capital Assets, Net | <u>\$ 1,035,895</u> | <u>\$ (206,334)</u> | <u>\$ 0</u> | <u>\$ 829,561</u> |

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

Governmental Activities:

| | |
|---|----------------------------|
| General Government | \$ 390,353 |
| Finance | 5,985 |
| Administration of Justice | 31,800 |
| Public Safety | 814,476 |
| Public Health and Welfare | 89,424 |
| Social, Cultural, and Recreational | 33,733 |
| Agriculture and Natural Resources | 810 |
| Highway/Public Works | <u>396,416</u> |
| Total Depreciation Expense - Governmental Activities | <u><u>\$ 1,762,997</u></u> |

Business-type Activities:

| | |
|-------------------|--------------------------|
| Ambulance Service | <u><u>\$ 264,405</u></u> |
|-------------------|--------------------------|

Discretely Presented Anderson County School Department

Governmental Activities:

| | Balance 7-1-15 | Increases | Decreases | Balance 6-30-16 |
|--|----------------------|-----------------------|--------------------|----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 865,214 | \$ 0 | \$ 0 | \$ 865,214 |
| Construction in Progress | 5,655 | 54,325 | (59,980) | 0 |
| Total Capital Assets Not Depreciated | <u>\$ 870,869</u> | <u>\$ 54,325</u> | <u>\$ (59,980)</u> | <u>\$ 865,214</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 85,189,883 | \$ 83,706 | \$ 0 | \$ 85,273,589 |
| Other Capital Assets | 6,754,121 | 423,480 | (5,775) | 7,171,826 |
| Total Capital Assets Depreciated | <u>\$ 91,944,004</u> | <u>\$ 507,186</u> | <u>\$ (5,775)</u> | <u>\$ 92,445,415</u> |
| Less Accumulated Depreciation For: | | | | |
| Buildings and Improvements | \$ 39,426,156 | \$ 2,249,637 | \$ 0 | \$ 41,675,793 |
| Other Capital Assets | 4,621,963 | 343,371 | (5,775) | 4,959,559 |
| Total Accumulated Depreciation | <u>\$ 44,048,119</u> | <u>\$ 2,593,008</u> | <u>\$ (5,775)</u> | <u>\$ 46,635,352</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 47,895,885</u> | <u>\$ (2,085,822)</u> | <u>\$ 0</u> | <u>\$ 45,810,063</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 48,766,754</u> | <u>\$ (2,031,497)</u> | <u>\$ (59,980)</u> | <u>\$ 46,675,277</u> |

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

Governmental Activities:

| | |
|--|---------------------|
| Instruction | \$ 2,257,886 |
| Support Services | 189,435 |
| Operation of Non-instructional Services | <u>145,687</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 2,593,008</u> |

C. Construction Commitments

At June 30, 2016, the General Purpose School Fund had an uncompleted construction contract of \$398,575 for roof repairs on two schools. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2016, was as follows:

Primary Government**Due to/from Other Funds:**

| Receivable Fund | Payable Fund | Amount |
|-----------------------|--------------------------------|-----------|
| Primary Government: | | |
| General | General Debt Service | \$ 13,051 |
| " | Ambulance Service (enterprise) | 926,753 |
| " | Nonmajor governmental | 5,227 |
| Highway/Public Works | General | 2,916 |
| " | Ambulance Service (enterprise) | 9,131 |
| " | Nonmajor governmental | 636 |
| Nonmajor governmental | General | 19,284 |
| " | General Debt Service | 3,304 |

Amounts due to the General Fund from the Ambulance Service (enterprise) Fund are the result of: (1) inadequate cash balances in the Ambulance Service Fund to reimburse the General Fund for expenses paid on behalf of the Ambulance Service, and (2) amounts loaned to the Ambulance Service Fund when it was established during the year ended June 30, 2010. During the year, County Commission forgave \$127,312 of Ambulance Service payables due to the General Fund. Due to the uncertainty of when these amounts will be paid, the General Fund has classified \$926,753 of its fund balance as nonspendable to offset the amount of the receivables due from the Ambulance Service Fund at June 30, 2016.

The remaining 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. These remaining balances are expected to be liquidated within one year.

Discretely Presented Anderson County School Department

Due to/from Other Funds

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|------------------------|---------------|
| General Purpose School | Nonmajor governmental | \$ 165,307 |
| Nonmajor governmental | General Purpose School | 1,586 |

Due to/from Primary Government and Component Unit

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|------------------------|---------------|
| Primary Government: | Component Unit: | |
| General | School Department: | |
| Highway/Public Works | Nonmajor governmental | \$ 387 |
| Highway/Public Works | General Purpose School | 4,562 |
| | Nonmajor governmental | 2,111 |
| Component Unit: | | |
| School Department: | Primary Government: | |
| General Purpose School | General Debt Service | 5,824 |

The amount reflected as due to primary government from the discretely presented School Department on the government-wide Statement of Net Position also includes \$415,195 for debt issued by the primary government, which is being retired by the School Department. Of that amount, \$336,162 is not expected to be received within one year.

Interfund Transfers

Interfund transfers for the year ended June 30, 2016, consisted of the following amounts:

Primary Government

| Transfers Out | Transfers In | | |
|-----------------------------|------------------------------|-----------------------------|----------------------------------|
| | Ambulance Service Fund | Internal Service Fund | Nonmajor Governmental Fund |
| General Fund | \$ 172,312 | \$ 291,593 | \$ 16,100 |
| Nonmajor governmental funds | 0 | 0 | 33,000 |
| Total | \$ 172,312 | \$ 291,593 | \$ 49,100 |

Discretely Presented Anderson County School Department

| Transfers Out | Transfers In | |
|-----------------------------|-----------------------------------|-----------------------------------|
| | General Purpose School Fund | Nonmajor Governmental Funds |
| General Purpose School Fund | \$ 0 | \$ 10,922 |
| Nonmajor Governmental Funds | 178,382 | 65,183 |
| Total | \$ 178,382 | \$ 76,105 |

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 accordance with budgetary authorizations.

E. Income from Operating Lease Commitments

Anderson County leases space in the Robert Jolley Administration Building and the Daniel Arthur Rehabilitation Center to various tenants under operating lease agreements. The carrying value of the leased properties was \$1,069,576 at June 30, 2016. The original cost was \$3,079,265 and accumulated depreciation was \$2,009,689. Total lease revenues for the year ended June 30, 2016, were \$149,612. The future minimum lease payments under existing leases are as follows:

| Year Ending June 30 | Amount |
|------------------------|-------------------|
| 2017 | \$ 144,792 |
| 2018 | 48,600 |
| 2019 | 48,600 |
| 2020 | 48,600 |
| 2021 | <u>48,600</u> |
| Total | <u>\$ 339,192</u> |

F. Capital Lease

On July 23, 2014, Anderson County entered into a seven-year lease-purchase agreement for a phone system for several county buildings. The terms of the agreement require total lease payments of \$501,365 plus interest of 6.25 percent. The lease payments are made from the General Debt Service Fund.

During the 2003-04 year, Anderson County entered into an agreement for the School Department for the lease of a building for its daycare and head start programs. Generally accepted accounting principles require the lease to be capitalized because, at the time of inception of the lease, the present value of minimum lease payments exceeded 90 percent of the fair value of the asset. The School Department made advance payments totaling \$749,060 to decrease the entity's future lease obligations, and the revised lease agreement provides for all required payments to be made during a 16-year period ending in 2021. The School Department has an option to extend the lease for two five-year terms. The lease carries an implicit interest rate of 11.4 percent, and the title does not transfer at the end of the lease.

The assets acquired through the capital leases outstanding at June 30, 2016, consisted of the following:

| | Primary Government - Governmental Activities | School Department - Governmental Activities |
|--------------------------------|---|--|
| Building and Improvements | \$ 501,365 | \$ 1,606,295 |
| Less: Accumulated Depreciation | <u>(100,272)</u> | <u>(1,003,936)</u> |
| Total | <u>\$ 401,093</u> | <u>\$ 602,359</u> |

Future minimum payments and the net present value of these minimum lease payments as of June 30, 2016, were as follows:

| Year Ending June 30 | Governmental Activities |
|------------------------------------|----------------------------|
| 2017 | 232,156 |
| 2018 | 233,253 |
| 2019 | 234,350 |
| 2020 | 143,918 |
| 2021 | 30,448 |
| Total Minimum Lease Payments | \$ 874,125 |
| Less: Amount Representing Interest | (119,461) |
| Present Value of Minimum Payments | <u>\$ 754,664</u> |

G. Long-term Obligations

Primary Government

General Obligation Bonds, Notes, and Other Loans

Anderson County issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented School Department. In addition, general obligation bonds and other loans have been issued to refund other general obligation debt. 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 24 years for bonds, up to ten years for notes, and 38 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, other loans, and capital leases will be retired from the debt service funds and the Public Library Fund.

General obligation bonds, capital outlay notes, other loans, and capital leases outstanding as of June 30, 2016, for governmental activities are as follows:

| Type | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-16 |
|------------------------------------|-----------------|----------------|--------------------------|-----------------|
| General Obligation Bonds | 1 to 5.25 | % 5-1-35 | \$ 17,200,000 | \$ 16,350,000 |
| General Obligation Refunding Bonds | 2.5 to 3 | 5-1-19 | 1,750,000 | 910,000 |
| Rural School Bonds | 2 to 4 | 5-1-31 | 10,000,000 | 9,540,000 |
| Rural School Refunding Bonds | 1 to 3.5 | 5-1-26 | 18,890,000 | 15,065,000 |
| Capital Outlay Notes | 0 to 1.9 | 8-1-22 | 2,042,433 | 1,682,802 |
| Other Loans | See table below | 7-25-51 | 14,510,215 | 11,350,279 |
| Capital Lease | 6.25 to 11.4 | 5-25-21 | 1,458,601 | 754,664 |

The following table further details loan agreements outstanding at June 30, 2016:

| Description | Original Amount of Loan Agreement | Outstanding Principal 6-30-16 | Interest Type | Interest Rates as of 6-30-16 | Other Fees |
|--|-----------------------------------|-------------------------------|---------------|------------------------------|------------|
| <u>Montgomery County Public Building Authority</u> | | | | | |
| Industrial Development | \$ 1,700,000 | \$ 609,000 | Variable | .43 % | .63 % |
| Jail Renovation | 3,000,000 | 1,636,000 | Variable | .41 | .59 |
| <u>City of Clarksville Public Building Authority</u> | | | | | |
| Rural Debt Series 2014 | 4,505,215 | 4,200,000 | Fixed | 2.75 | NA |
| Education Debt Series 2014 | 5,180,000 | 4,785,000 | Fixed | 2.75 | NA |
| <u>USDA Loan Program</u> | 125,000 | 120,279 | Fixed | 3.38 | NA |
| Total | <u>\$ 14,510,215</u> | <u>\$ 11,350,279</u> | | | |

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2016, including interest payments and other loan fees, are presented in the following tables. The interest rates on the variable rate public building authority loan agreements are tax-exempt rates determined by the remarketing agent daily or weekly depending on the particular program. In addition, the county pays various other fees (trustee, debt remarketing, etc.) in connection with these variable rate loans. Interest payments and other fees included in the table for the variable rate issues are computed based on the rates in effect at June 30, 2016.

On October 19, 2015, Anderson County approved a bond modification agreement related to the City of Clarksville PBA debt issues. The rate of interest on this debt dropped from 2.95 percent to 2.75 percent.

| Year Ending June 30 | Notes | | |
|---------------------------|--------------|-----------|--------------|
| | Principal | Interest | Total |
| 2017 | \$ 452,240 | \$ 18,088 | \$ 470,328 |
| 2018 | 496,240 | 12,887 | 509,127 |
| 2019 | 504,240 | 5,002 | 509,242 |
| 2020 | 84,240 | 0 | 84,240 |
| 2021 | 84,240 | 0 | 84,240 |
| 2022-2023 | 61,602 | 0 | 61,602 |
| Total | \$ 1,682,802 | \$ 35,977 | \$ 1,718,779 |

| Year Ending June 30 | Other Loans | | | |
|---------------------------|---------------|--------------|------------|---------------|
| | Principal | Interest | Other Fees | Total |
| 2017 | \$ 686,823 | \$ 260,447 | \$ 13,489 | \$ 960,759 |
| 2018 | 707,887 | 247,841 | 11,852 | 967,580 |
| 2019 | 717,952 | 234,914 | 10,148 | 963,014 |
| 2020 | 731,019 | 221,942 | 8,383 | 961,344 |
| 2021 | 742,088 | 208,913 | 6,538 | 957,539 |
| 2022-2026 | 3,120,560 | 853,628 | 11,742 | 3,985,930 |
| 2027-2031 | 4,558,687 | 395,882 | 0 | 4,954,569 |
| 2032-2036 | 16,197 | 13,083 | 0 | 29,280 |
| 2037-2041 | 19,171 | 10,109 | 0 | 29,280 |
| 2042-2046 | 22,687 | 6,593 | 0 | 29,280 |
| 2047-2051 | 26,851 | 2,429 | 0 | 29,280 |
| 2052 | 357 | 1 | 0 | 358 |
| Total | \$ 11,350,279 | \$ 2,455,782 | \$ 62,152 | \$ 13,868,213 |

| Year Ending June 30 | Bonds | | |
|---------------------------|---------------|---------------|---------------|
| | Principal | Interest | Total |
| 2017 | \$ 2,045,000 | \$ 1,466,156 | \$ 3,511,156 |
| 2018 | 2,085,000 | 1,415,356 | 3,500,356 |
| 2019 | 2,200,000 | 1,362,244 | 3,562,244 |
| 2020 | 2,260,000 | 1,294,749 | 3,554,749 |
| 2021 | 2,315,000 | 1,225,194 | 3,540,194 |
| 2022-2026 | 13,695,000 | 4,944,455 | 18,639,455 |
| 2027-2031 | 12,165,000 | 2,510,688 | 14,675,688 |
| 2032-2035 | 5,100,000 | 520,000 | 5,620,000 |
| Total | \$ 41,865,000 | \$ 14,738,842 | \$ 56,603,842 |

There is \$4,874,788 available in the debt service funds to service long-term debt. Debt per capita, including bonds, notes, other loans, and capital leases, totaled \$267, based on the 2010 federal census for residents living inside the Oak Ridge School District, \$708 for residents living inside the Clinton School District, and \$1,138 for residents living outside of these school districts.

The School Department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the School Department and as Due from Component Units in the financial statements of the primary government.

| Description of Indebtedness | Outstanding 6-30-16 |
|---|------------------------|
| <u>Capital Leases</u> | |
| <u>Contributions from the Other Education Special</u> | |
| <u>Revenue Fund to the Rural Debt Service Fund</u> | |
| Headstart Facility | 415,195 |
| Total | \$ 415,195 |

In addition to the above-noted contributions, based on budgetary appropriations, the School Department remitted \$1,378,065 to the primary government's Rural Debt Service Fund to be applied to the retirement of other debt issued for the benefit of the School Department.

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2016, was as follows:

| Governmental Activities: | Bonds | | Notes | Capital Leases | |
|-----------------------------|-------|-------------|-------|----------------|------------|
| Balance, July 1, 2015 | \$ | 43,850,000 | \$ | 638,009 | \$ 928,079 |
| Additions | | 0 | | 1,200,000 | 0 |
| Reductions | | (1,985,000) | | (155,207) | (173,415) |
| Balance, June 30, 2016 | \$ | 41,865,000 | \$ | 1,682,802 | \$ 754,664 |
| Balance Due Within One Year | \$ | 2,045,000 | \$ | 452,240 | \$ 184,496 |

| | Other Loans | | Compensated Absences | Other Postemployment Benefits | |
|-----------------------------|-------------|------------|----------------------|-------------------------------|------------|
| Balance, July 1, 2015 | \$ | 12,013,043 | \$ | 520,524 | \$ 171,240 |
| Additions | | 0 | | 700,707 | 42,549 |
| Reductions | | (662,764) | | (673,346) | (21,136) |
| Balance, June 30, 2016 | \$ | 11,350,279 | \$ | 547,885 | \$ 192,653 |
| Balance Due Within One Year | \$ | 686,823 | \$ | 520,492 | \$ 0 |

Analysis of Noncurrent Liabilities Presented on Exhibit A:

| | |
|--|----------------------|
| Total Noncurrent Liabilities, June 30, 2016 | \$ 56,393,283 |
| Less: Balance Due Within One Year | (3,889,051) |
| Add: Unamortized Premium on Debt | <u>654,317</u> |
| Noncurrent Liabilities - Due in More Than One Year - Exhibit A | <u>\$ 53,158,549</u> |

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Anderson County Ambulance Service Fund (enterprise fund)

Capital outlay notes are issued to provide funds for the acquisition of equipment. Capital outlay notes are direct obligations and pledge the full faith and credit of the government. Debt obligations outstanding were issued for up to seven years for notes. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt.

Capital outlay notes outstanding as of June 30, 2016, are as follows:

| Type | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-16 |
|----------------------------------|------------------|-------------------|--------------------------------|--------------------|
| Capital Outlay Notes - Ambulance | 2.25 | % 6-1-22 | 223,225 | 194,000 |

The annual requirements to amortize all notes outstanding as of June 30, 2016, including interest payments, are presented in the following tables:

| Year Ending June 30 | Notes | | |
|------------------------|-------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2017 | \$ 31,000 | \$ 4,365 | \$ 35,365 |
| 2018 | 31,000 | 3,668 | 34,668 |
| 2019 | 32,000 | 2,970 | 34,970 |
| 2020 | 33,000 | 2,250 | 35,250 |
| 2021 | 33,000 | 1,508 | 34,508 |
| 2022 | 34,000 | 765 | 34,765 |
| Total | <u>\$ 194,000</u> | <u>\$ 15,526</u> | <u>\$ 209,526</u> |

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2016, was as follows:

Business-type Activities:

| | Notes | Compensated Absences | Other Postemployment Benefits |
|-----------------------------|-------------------|-------------------------|-------------------------------------|
| Balance, July 1, 2015 | \$ 223,225 | \$ 60,624 | \$ 20,724 |
| Additions | 0 | 113,349 | 6,465 |
| Reductions | (29,225) | (115,164) | 0 |
| Balance, June 30, 2016 | <u>\$ 194,000</u> | <u>\$ 58,809</u> | <u>\$ 27,189</u> |
| Balance Due Within One Year | <u>\$ 31,000</u> | <u>\$ 55,869</u> | <u>\$ 0</u> |

Analysis of Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|-------------------|
| Total Noncurrent Liabilities, June 30, 2016 | \$ 279,998 |
| Less: Balance Due Within One Year | <u>(86,869)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Exhibit A | <u>\$ 193,129</u> |

Discretely Presented Anderson County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Anderson County School Department, for the year ended June 30, 2016, was as follows:

| | Compensated Absences | Net Pension Liability (Asset) Teacher Legacy Plan | Other Postemployment Benefits |
|------------------------|-------------------------|--|-------------------------------------|
| Balance, July 1, 2015 | \$ 312,556 | \$ (123,131) | \$ 1,417,405 |
| Additions | 463,871 | 10,638,167 | 389,787 |
| Reductions | (477,651) | (10,200,810) | (375,708) |
| Balance, June 30, 2016 | <u>\$ 298,776</u> | <u>\$ 314,226</u> | <u>\$ 1,431,484</u> |

Analysis of Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|---------------------|
| Total Noncurrent Liabilities, June 30, 2016 | \$ 2,044,486 |
| Less: Balance Due Within One Year | <u>(283,838)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Exhibit A | <u>\$ 1,760,648</u> |

Compensated absences, net pension liabilities, and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

H. On-Behalf Payments – Discretely Presented Anderson County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Anderson County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2016, were \$146,824 and \$59,513, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

I. Short-term Debt

Anderson County issued tax and revenue anticipation notes in advance of property tax and other revenue collections in the following funds. These notes were necessary because funds were not available to meet obligations coming

due before revenues were available. Short-term debt activity for the year ended June 30, 2016, was as follows:

| Fund | Balance 7-1-15 | Issued | Paid | Balance 6-30-16 |
|---|-------------------|-----------|-------------|--------------------|
| <u>Discretely Presented School Department</u> | | | | |
| General Purpose School Fund (Borrowed from General Fund) | 0 | 650,000 | (650,000) | 0 |
| General Purpose School Fund (Borrowed from General Debt Service Fund) | 0 | 1,000,000 | (1,000,000) | 0 |

V. OTHER INFORMATION

A. Risk Management

The county has chosen to establish the Employee Health Insurance Fund for risks associated with the employees' health insurance plan. The Employee Health Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county has obtained a stop/loss commercial policy to cover claims beyond certain liabilities. The stop/loss policy contains a maximum reimbursement limit of \$1,000,000 per claim year. Annually, the county retains the risk of loss to the first \$80,000 per covered person for most employees. For one specific individual, the county's risk of loss is \$125,000 annually. An estimated liability for outstanding medical claims of \$340,348 has been recorded in the financial statements of the Employee Health Insurance Fund.

All full-time employees of the primary government are eligible to participate. For retirees with 30-plus years of service who retired on or after July 1, 2012, the county pays \$300 per month premium assistance until age 65 when the employee becomes eligible for Medicare. This premium assistance increased to \$350 per month for those who retire on or after September 1, 2016. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates for the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. However, the fund had a deficit in unrestricted net position of \$148,893 at June 30, 2016. 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 Employee Health Insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. 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:

Employee Insurance - Health Fund

| | Beginning of Fiscal Year Liability | Current-year Claims and Estimates | Payments- Net of Stop Loss Recovery | Balance Fiscal Year-end |
|---------|--|---|---|-------------------------------|
| 2014-15 | \$ 226,210 | \$ 3,027,551 | \$ 3,086,273 | \$ 167,488 |
| 2015-16 | 167,488 | 3,293,925 | 3,121,065 | 340,348 |

The discretely presented Anderson County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local education agencies are eligible to participate. The LEGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

Anderson County and the discretely presented Anderson County School Department are exposed to various risks related to general liability, property, casualty, and workers' compensation losses. The county and the School Department decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, property, casualty, and workers' compensation coverage. The county and the School Department joined the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the School Department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of TN-RMT provides for it to be self-sustaining through member premiums.

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*; Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*; Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and Statement No. 79, *Certain External Investment Pools and Pool Participants* became effective for the year ended June 30, 2016.

GASB Statement No. 72, establishes general principles for measuring fair value and standards of accounting and financial reporting for assets and liabilities measured at fair value. This standard supersedes previous statements as they relate to measuring fair value of certain assets and liabilities.

GASB Statement No. 73, established accounting and reporting requirements for pensions that are not administered through a trust account and also addresses changes made to Statements No. 67 and No. 68. The changes to Statements No. 67 and No. 68 require new RSI disclosures concerning plan investments and address specific payables to defined benefit plans.

GASB Statement No. 76, addresses changes made to the hierarchy of generally accepted accounting principles. This standard supersedes Statement No. 55 and reduces the hierarchy from four to two categories.

GASB Statement No. 79, addresses issues related to certain external investment pools and pool participants because of changes in Security and Exchange rules relative to money market funds. This standard establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost rather than fair value for financial reporting purposes standards.

C. Subsequent Events

On August 31, 2016, Steve Queener left the Office of Clerk & Master and was succeeded by Harold Cousins.

On July 1, 2016, Larry Foster left the Office of Director of Schools and was succeeded by Tim Parrott.

Subsequent to June 30, 2016, Anderson County and the discretely presented Anderson County School Department approved the following interfund loans in the form of revenue anticipation notes:

| From Fund | To Fund | Amount |
|------------------------|-------------------------|------------|
| Education Debt Service | General Purpose School | \$ 500,000 |
| " | Rural Debt Service | 57,750 |
| General Fund | Self Insurance Fund | 200,000 |
| General Purpose School | School Federal Projects | 106,000 |

On September 19, 2016, Anderson County authorized the issuance of an interfund loan from the General Fund, in the form of capital outlay notes not to exceed \$1,075,000, to the Highway/Public Works Fund for capital outlay purchases until Federal Grant reimbursements are received.

Also, on September 19, 2016, Anderson County authorized the issuance of an interfund loan from the General Fund, in the form of capital outlay notes not

to exceed \$270,000, to the Ambulance Service Fund for the purchase of ambulances until Federal Grant reimbursements are received.

During August 2016, the county law director notified all county employees of a potential system-wide breach of the courthouse computer server. This is further discussed in Note III. D.

D. Contingent Liabilities

There are several pending lawsuits in which the county is involved. Based on letters from attorneys, management believes that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the financial statements of the county.

E. Changes in Administration

During the year, Anderson County Commission adopted provisions of the Financial Management System Act of 1981. This act created a Financial Management Committee which is charged with the implementation of a central system of accounting, budgeting, and purchasing covering all funds of the county. On May 18, 2016, the Financial Management Committee hired Natalie Erb as finance director. On June 13, 2016, the Financial Management Committee hired Tony Foreman as purchasing agent.

Prior to the adoption of the Financial Management System Act of 1981, Anderson County operated under provisions of the Fiscal Control Acts of 1957 and the County Purchasing Law of 1957. These acts provided for a director of accounts and budgets and a purchasing agent, both appointed by the county mayor. Christopher Phillips served as director of accounts and budgets during the year until he left office on January 22, 2016. Connie Aytes served as interim director of accounts and budgets through the end of the fiscal year. Pam Cotham served as purchasing agent during the year until she left office on February 22, 2016. Hazel Gibson served as interim purchasing agent from March 7, 2016, until June 12, 2016. With the implementation of the Financial Management System Act of 1981, the positions of director of accounts and budgets and purchasing agent established by the 1957 Acts were abolished.

F. Joint Ventures

The Seventh Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Seventh Judicial District, Anderson County, and various cities within Anderson County. 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, the sheriff, and police chiefs of participating law enforcement agencies. Anderson County did not contribute to the operation of the DTF for the year ended June 30, 2016.

The Anderson County Economic Development Association (ACEDA) is a joint venture formed by an interlocal agreement between Anderson County and the cities and towns within Anderson County. The East Tennessee Economic Development association and the Clinton Utilities Board are also members of the association. Membership on the Board of Directors is allocated based on the entities' relative level of funding for the prior fiscal year budget pro-rated among a total of 25 members, with no participating organization having more than one-third of the 25 members. In addition, the county mayor and the mayor or city manager of each municipality in Anderson County are members of the Board of Directors. Each participating organization appoints its own members on the Board of Directors. Anderson County has control over budgeting and financing the joint venture only to the extent of its representation by its board members. Anderson County contributed \$124,500 to the operations of ACEDA during the fiscal year ended June 30, 2016.

Anderson County does not have an equity interest in either of the above-noted joint ventures. Complete financial statements for the DTF and ACEDA can be obtained at their administrative offices at the following addresses:

Seventh Judicial District Drug Task Force
101 S. Main Street, Suite 300
Clinton, TN 37716

Anderson County Economic Development Association
245 North Main Street, Suite 200
Clinton, TN 37716

G. Jointly Governed Organization

The Northeast Tennessee Railroad Authority is jointly operated by Anderson County in conjunction with Campbell and Scott counties. The authority's board consists of the county mayor of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity. Anderson County did not contribute to the operations of the Northeast Tennessee Railroad authority during the year ended June 30, 2016.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Anderson County and non-certified employees of the discretely presented Anderson County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 66.33 percent and the non-certified employees of the discretely presented School Department comprised 33.67 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the

CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2016, the following employees were covered by the benefit terms:

| | |
|--|--------------|
| Inactive Employees or Beneficiaries Currently | |
| Receiving Benefits | 382 |
| Inactive Employees Entitled to But Not Yet Receiving | |
| Benefits | 804 |
| Active Employees | 723 |
| Total | <u>1,909</u> |

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of their salary. Anderson County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, the Actuarial Determined Contribution (ADC) for Anderson County was \$1,611,660 based on a rate of 7.40 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Anderson County's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Anderson County's net pension liability (asset) was measured as of June 30, 2016, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 3% |
| Salary Increases | Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25% |
| Investment Rate of Return | 7.5%, Net of Pension Plan Investment Expenses, Including Inflation |
| Cost of Living Adjustment | 2.5% |

Mortality rates were based on actual experience from the June 30, 2012, actuarial experience study, adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2016, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Percentage Long-term Expected Real Rate of Return | Percentage Target Allocations |
|---|---|-------------------------------------|
| U.S. Equity Developed Market | 6.46 % | 33 % |
| International Equity Emerging Market | 6.26 | 17 |
| International Equity Private Equity and Strategic Lending | 6.40 | 5 |
| U.S. Fixed Income | 4.61 | 8 |
| Real Estate | 0.98 | 29 |
| Short-term Securities | 4.73 | 7 |
| | 0.00 | 1 |
| Total | | 100 % |

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Anderson County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

| | Increase (Decrease) | | |
|---|--------------------------------------|--|--|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a)-(b) |
| Balance, July 1, 2014 | \$ 63,631,793 | \$ 65,983,924 | \$ (2,352,131) |
| Changes for the year: | | | |
| Service Cost | \$ 1,881,362 | \$ 0 | \$ 1,881,362 |
| Interest | 4,800,731 | 0 | 4,800,731 |
| Differences Between Expected and Actual Experience | (1,866,757) | 0 | (1,866,757) |
| Contributions-Employer | 0 | 1,611,660 | (1,611,660) |
| Contributions-Employees | 0 | 1,121,723 | (1,121,723) |
| Net Investment Income | 0 | 2,027,661 | (2,027,661) |
| Benefit Payments, Including Refunds of Employee Contributions | (3,006,821) | (3,006,821) | 0 |
| Administrative Expense | 0 | (36,172) | 36,172 |
| Other Changes | 0 | 0 | 0 |
| Net Changes | \$ 1,808,515 | \$ 1,718,051 | \$ 90,464 |
| Balance, June 30, 2015 | \$ 65,440,308 | \$ 67,701,975 | \$ (2,261,667) |

Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

| | | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|--------------------|--------|-------------------------------|--------------------------------------|--|
| Primary Government | 66.33% | \$ 43,406,556 | \$ 44,906,720 | \$ (1,500,164) |
| School Department | 33.67% | 22,033,752 | 22,795,255 | (761,503) |
| Total | | \$ 65,440,308 | \$ 67,701,975 | \$ (2,261,667) |

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Anderson County calculated using the discount rate of 7.5 percent, as well as what the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

| | 1% Decrease | Current Discount Rate | 1% Increase |
|-----------------|----------------|-----------------------------|----------------|
| Anderson County | 6.5% | 7.5% | 8.5% |

Net Pension Liability \$ 6,159,561 \$ (2,261,667) \$ (9,237,950)

Negative Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Negative Pension Expense. For the year ended June 30, 2016, Anderson County recognized negative pension expense of \$313,068.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2016, Anderson County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 0 | \$ 1,935,192 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 2,327,618 | 3,101,155 |
| Contributions Subsequent to the Measurement Date of June 30, 2015 (1) | 1,718,395 | N/A |
| Total | <u>\$ 4,046,013</u> | <u>\$ 5,036,347</u> |

- (1.) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2015,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--------------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 2,196,848 | \$ 2,750,324 |
| Business-type Activities | 483,794 | 590,285 |
| School Department | 1,365,371 | 1,695,738 |
| Total | <u>\$ 4,046,013</u> | <u>\$ 5,036,347</u> |

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30 | Amount |
|------------------------|--------------|
| 2017 | \$ (972,426) |
| 2018 | (972,426) |
| 2019 | (972,426) |
| 2020 | 208,554 |
| 2021 | 0 |
| Thereafter | 0 |

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Discretely Presented Anderson County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Anderson County and non-certified employees of the discretely presented Anderson County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 66.33 percent and the non-certified employees of the discretely presented School

Department comprise 33.67 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Anderson County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one

percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2016, to the Teacher Retirement Plan were \$69,370, which is four percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets). At June 30, 2016, the Anderson County School Department reported an asset of \$9,104 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2016, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Anderson County School Department's proportion of the net pension asset was based on the Anderson County School Department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2016, the Anderson County School Department's proportion was .226313 percent.

Pension Expense. For the year ended June 30, 2016, the Anderson County School Department recognized pension expense of \$11,932.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2016, the Anderson County School Department

reported deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 0 | \$ 2,963 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 736 | 0 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2015 | 69,370 | N/A |
| Total | <u>\$ 70,106</u> | <u>\$ 2,963</u> |

The Anderson County School Department's employer contributions of \$69,370, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension liability (asset) in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30 | Amount |
|------------------------|---------|
| 2017 | \$ (63) |
| 2018 | (63) |
| 2019 | (63) |
| 2020 | (63) |
| 2021 | (247) |
| Thereafter | (1,729) |

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 3% |
| Salary Increases | Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25% |
| Investment Rate of Return | 7.5%, Net of Pension Plan Investment Expenses, Including Inflation |
| Cost of Living Adjustment | 2.5% |

Mortality rates are customized based on the June 30, 2012, actuarial experience study and some included adjustment for expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2016, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Percentage Long-term Expected Real Rate of Return | Percentage Target Allocations |
|---|---|-------------------------------------|
| U.S. Equity Developed Market | 6.46 % | 33 % |
| International Equity Emerging Market | 6.26 | 17 |
| International Equity Private Equity and Strategic Lending | 6.40 | 5 |
| U.S. Fixed Income | 4.61 | 8 |
| Real Estate | 0.98 | 29 |
| Short-term Securities | 4.73 | 7 |
| | 0.00 | 1 |
| Total | | 100 % |

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Anderson County School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5 percent, as well as what the Anderson County School Department's proportionate share of the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

| | | | |
|---|------------------------|-------------------------------------|------------------------|
| School Department's Proportionate Share of the Net Pension Liability (Asset) | 1% Decrease 6.5% | Current Discount Rate 7.5% | 1% Increase 8.5% |
|---|------------------------|-------------------------------------|------------------------|

| | | | | | | |
|-----------------------|----|-------|----|---------|----|----------|
| Net Pension Liability | \$ | 1,614 | \$ | (9,104) | \$ | (16,966) |
|-----------------------|----|-------|----|---------|----|----------|

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Anderson County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living

adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Anderson County School Department for the year ended June 30, 2016, to the Teacher Legacy Pension Plan were \$2,514,607, which is 9.04 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liability (Assets). At June 30, 2016, the Anderson County School Department reported a liability of \$314,226 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Anderson County School Department's proportion of the net pension liability (asset) was based on the Anderson County School Department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2016, the Anderson County School Department's proportion was .767088 percent. The proportion measured at June 30, 2014, was .757747 percent.

Negative Pension Expense. For the year ended June 30, 2016, the Anderson County School Department recognized negative pension expense of \$256,342.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2016, the Anderson County School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 252,179 | \$ 4,890,969 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 5,673,932 | 7,702,671 |
| Changes in Proportion of Net Pension Liability (Asset) | 99,889 | 55,170 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2015 | 2,514,607 | N/A |
| Total | <u>\$ 8,540,607</u> | <u>\$ 12,648,810</u> |

The Anderson County School Department's employer contributions of \$2,514,607 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30 | Amount |
|------------------------|----------------|
| 2017 | \$ (2,067,888) |
| 2018 | (2,067,888) |
| 2019 | (2,067,888) |
| 2020 | 499,669 |
| 2021 | (918,814) |
| Thereafter | 0 |

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 3% |
| Salary Increases | Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25% |
| Investment Rate of Return | 7.5%, Net of Pension Plan Investment Expenses, Including Inflation |
| Cost of Living Adjustment | 2.5% |

Mortality rates are customized based on the June 30, 2012, actuarial experience study and some included adjustments for expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2016, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Percentage Long-term Expected Real Rate of Return | Percentage Target Allocations |
|---|---|-------------------------------------|
| U.S. Equity Developed Market | 6.46 % | 33 % |
| International Equity Emerging Market | 6.26 | 17 |
| International Equity Private Equity and Strategic Lending | 6.40 | 5 |
| U.S. Fixed Income | 4.61 | 8 |
| Real Estate | 0.98 | 29 |
| Short-term Securities | 4.73 | 7 |
| | 0.00 | 1 |
| Total | | 100 % |

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Anderson County School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5 percent, as well as what the Anderson County School Department's proportionate share of the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

| School Department's Proportionate Share of the Net Pension Liability (Asset) | 1% Decrease 6.5% | Current Discount Rate 7.5% | 1% Increase 8.5% |
|---|------------------------|-------------------------------------|------------------------|
|---|------------------------|-------------------------------------|------------------------|

| | | | |
|-----------------------|---------------|------------|-----------------|
| Net Pension Liability | \$ 21,422,848 | \$ 314,226 | \$ (17,161,224) |
|-----------------------|---------------|------------|-----------------|

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

2. **Deferred Compensation**

Teachers hired after July 1, 2014, by the discretely presented Anderson County School Department are required to participate in a hybrid pension plan administered by the Tennessee Consolidated Retirement System. This hybrid pension plan requires that these teachers contribute five percent of their salaries into a deferred compensation plan managed by the hybrid plan pursuant to IRC Section 401(k). As part of their employment package, the Anderson County School Department has assumed all costs of funding this program on-behalf of the plan participants. The Section 401(k) plan assets remain the property of the participating teachers and are not presented in the accompanying financial statements. IRC Section 401 (k), establishes participation, contribution, and withdrawal provisions for the plans. During the year, the Anderson County School Department contributed \$86,712 to the 401(k) portion of the hybrid pension plan on-behalf of the plan participants.

I. **Other Postemployment Benefits (OPEB)**

Primary Government

Plan Description

Anderson County participates in a self-insured/commercial postemployment benefits plan administered by Humana for medical benefits for retirees and their beneficiaries. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the County Commission.

Funding Policy

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

employees or retired employees' premiums. Retirees with 30-plus years of service with Anderson County are eligible to continue coverage, until they are Medicare eligible, as long as the retiree continues to pay the premiums. For employees who retired after July 1, 2012, Anderson County pays \$300 per month premium assistance until attainment of age 65 when the employee becomes eligible for Medicare. This premium assistance increased to \$350 per month for eligible retirees who retired on or after September 1, 2016.

Annual OPEB Cost and Net OPEB Obligation

| | Governmental Activities | Business- type Activities | Total Primary Government |
|------------------------------|----------------------------|---------------------------------|--------------------------------|
| ARC | \$ 45,410 | \$ 6,811 | \$ 52,221 |
| Interest on the NOPEBO | 6,850 | 829 | 7,679 |
| Adjustment to the ARC | (9,711) | (1,175) | (10,886) |
| Annual OPEB cost | \$ 42,549 | \$ 6,465 | \$ 49,014 |
| Amount of contribution | (21,136) | 0 | (21,136) |
| Increase/decrease in NOPEBO | \$ 21,413 | \$ 6,465 | \$ 27,878 |
| Net OPEB obligation, 7-1-15 | 171,240 | 20,724 | 191,964 |
| Net OPEB obligation, 6-30-16 | \$ 192,653 | \$ 27,189 | \$ 219,842 |

| Fiscal Year Ended | Plan | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation at Fiscal Year-end |
|-------------------------|--------------------|------------------------|---|---|
| 6-30-14 | Primary Government | \$ 48,575 | 39.6 % | \$ 165,994 |
| 6-30-15 | " | 49,970 | 48.0 | 191,964 |
| 6-30-16 | " | 49,014 | 43.1 | 219,842 |

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2015, was as follows:

| | Governmental Activities | Business- type Activities | Total Primary Government |
|---|----------------------------|---------------------------------|--------------------------------|
| Actuarial valuation date | 7-1-15 | 7-1-15 | 7-1-15 |
| Actuarial accrued liability (AAL) | \$ 352,710 | \$ 35,012 | \$ 387,722 |
| Actuarial value of plan assets | \$ 0 | \$ 0 | \$ 0 |
| Unfunded actuarial accrued liability (UAAL) | \$ 352,710 | \$ 35,012 | \$ 387,722 |
| Actuarial value of assets as a % of the AAL | 0% | 0% | 0% |
| Covered payroll (active plan members) | \$ 14,154,961 | \$ 2,958,378 | \$ 17,113,339 |
| UAAL as a % of covered payroll | 2.5% | 1.2% | 2.3% |

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

Actuarial Methods and Assumptions

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

In the July 1, 2015, actuarial valuations, the projected unit credit actuarial cost method was used. The actuarial assumptions included a four percent investment rate of return and an annual healthcare cost trend rate of five percent. The investment rate of return includes a three percent inflation assumption. The unfunded actuarial accrued liability is being amortized on an open basis over a 30-year period using the level dollar method.

Discretely Presented Anderson County School Department

Plan Description

The Anderson County School Department participates in the state-administered Local Education Group Insurance Plan for healthcare benefits. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-302, *Tennessee Code Annotated*. Prior to reaching the age of 65, all members have the option of choosing between the standard or partnership preferred provider organization plan for healthcare benefits. 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 plans are reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at <http://tn.gov/finance/article/fa-acffin-cafr>.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop a contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The Anderson County School Department does not pay any premiums for retiree health insurance. However, since pre-65 retirees are allowed to remain on the plan, an implicit rate subsidy exists and is accounted for as other postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

| | Local Education Group Plan |
|------------------------------|-------------------------------------|
| ARC | \$ 390,000 |
| Interest on the NOPEBO | 53,153 |
| Adjustment to the ARC | (53,366) |
| Annual OPEB cost | \$ 389,787 |
| Amount of contribution | (375,708) |
| Increase/decrease in NOPEBO | \$ 14,079 |
| Net OPEB obligation, 7-1-15 | 1,417,405 |
| Net OPEB obligation, 6-30-16 | \$ 1,431,484 |

| Fiscal Year Ended | Plan | Annual OPEB Cost | of Annual OPEB Cost Contributed | Obligation at Fiscal Year-end |
|-------------------------|-----------------------|------------------------|---------------------------------------|-------------------------------------|
| 6-30-14 | Local Education Group | \$ 316,531 | 117.2 % | \$ 1,431,821 |
| 6-30-15 | " | 327,531 | 104.4 | 1,417,405 |
| 6-30-16 | " | 389,787 | 96 | 1,431,484 |

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2015, was as follows:

| | Local Education Group Plan |
|---|-------------------------------------|
| Actuarial valuation date | 7-1-15 |
| Actuarial accrued liability (AAL) | \$ 3,411,000 |
| Actuarial value of plan assets | \$ 0 |
| Unfunded actuarial accrued liability (UAAL) | \$ 3,411,000 |
| Actuarial value of assets as a % of the AAL | 0% |
| Covered payroll (active plan members) | \$ 38,880,452 |
| UAAL as a % of covered payroll | 8.77% |

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

Actuarial Methods and Assumptions

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

In the July 1, 2015, actuarial valuation for the Local Education Plan, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.75 percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate of 6.5 percent initially. The trend rate will decrease to six percent in fiscal year 2016, and then be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2050. The rate includes a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007. Payroll is assumed to grow at a rate of three percent.

J. Termination Benefits

The Anderson County School Department has three voluntary retirement incentive plans available to employees. The first plan is available to all employees in active pay status that give their retirement notice prior to March 1st. Under the terms of the plan, employees with 30 years or more of service, including 20 years with the School Department, or 25 years or more of service and age 65 or older, are eligible. The plan will pay \$10,000, or \$50 per day of accumulated sick leave, whichever is higher. If retirement notice is given after March 1st, the plan pays an incentive per day of accumulated sick leave. Expenditure of \$269,324 were incurred for individuals who accepted the incentive and retired during the year ended June 30, 2016.

A second retirement incentive bonus payment plan was approved in accordance with contract provisions. This plan is available to all certified teachers who retire from the School Department with at least ten years of service in Anderson County and are between the ages of 55 and 60. Under the terms of the plan, employees with 30 or more years of service shall receive \$100

for each school year of service with the School Department. Employees with 25 to 29 years of service shall receive \$50 for each school year of service in the School Department. Expenditures of \$97,300 were incurred for individuals who accepted the incentive and retired during the year ended June 30, 2016.

During this fiscal year, the discretely presented Anderson County School Department also approved a \$2,500 retirement incentive bonus for classified employees. In order to qualify for the bonus, employees must have 25 years or more of service with the School Department, and be in active pay status. Expenditures of \$10,000 were incurred for individuals who accepted the incentive and retired during the year ended June 30, 2016.

K. Office of Central Accounting and Budgeting

During the year, Anderson County operated under provisions of the Fiscal Control Acts of 1957, which provide for a central system of accounting and budgeting covering all funds of the county. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of a director of accounts and budgets appointed by the mayor.

In February 2016, Anderson County Commission adopted the County Financial Management System (FMS) Act of 1981. This act also provides for a central system of accounting and budgeting and suspends operation of the Fiscal Control Acts of 1957. The FMS creates a Financial Management Committee and the position of finance director who is appointed by the committee. The County Commission appointed members to Financial Management Committee during the year and this committee hired a finance director on May 18, 2016.

During the transition to the Financial Management System Act of 1981, the director of accounts and budgets continued to perform duties of that office under the provisions of the Fiscal Control Acts of 1957 until June 30, 2016.

L. Purchasing Laws

As discussed in Note K., Anderson County adopted the Financial Management System (FMS) Act of 1981. Previously, county purchases were governed by the County Purchasing Law of 1957 and purchases were conducted by a purchasing agent appointed by the county mayor. The FMS Act of 1981 also establishes a central system of purchasing for all county offices and suspends operation of the County Purchasing Law of 1957. The FMS Act of 1981 creates a Financial Management Committee, which appoints a purchasing agent who makes purchases for all offices of the county. The Financial Management Committee hired a purchasing agent June 13, 2016.

Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated*.

Under operations of the County Purchasing Law of 1957, competitive bids were required on all purchases exceeding \$20,000.

VI. OTHER NOTES – DISCRETELY PRESENTED ANDERSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Description of Organization

The Emergency Communications District of Anderson County, Tennessee, (the district) was created by a county-wide referendum on November 6, 1990. The Anderson County Board of Commissioners appointed the district's initial Board of Directors pursuant to *Tennessee Code Annotated*, Section 7-86-101. The district is responsible for the installation and maintenance of the emergency communications network of Anderson County, Tennessee, (Enhanced 911 Service).

The district is considered a component unit of Anderson County, Tennessee, because the Anderson County Board of Commissioners appoints a majority of the district's Board of Directors and must approve any debt issued by the district.

B. Summary of Significant Accounting Policies

1. Basis of Accounting

The district's financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the statements of net position. The statement of revenues, expenses, and changes in net position present increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned while expenses are recognized in the period in which the liability is incurred.

Operating revenue is revenue that is generated from the primary operations of the district. All other revenue is reported as nonoperating revenue. Operating expenses are those expenses that are essential to the primary operations of the district. All other expenses are reported as nonoperating expenses.

GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following three net position groups:

Investment in capital assets: This category includes capital assets, net of accumulated depreciation. Investment in capital assets at June 30, 2016, has been calculated as follows:

| | |
|---------------------------------------|-------------------|
| Capital Assets | \$ 1,243,380 |
| Less: Accumulated Depreciation | <u>(493,300)</u> |
| Capital Assets Being Depreciated, Net | <u>\$ 750,080</u> |

Restricted: This category includes net position whose use is subject to externally imposed stipulations that can be fulfilled by actions of the district pursuant to those stipulations or that expire by the passage of time. The district had no restricted net position as of June 30, 2016.

Unrestricted: This category includes net position that is not subject to externally imposed stipulations and does not meet the definition of restricted or net investment in capital assets. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

2. Accounts Receivable

Accounts receivable, which are deemed uncollectible based upon a periodic review of the accounts, are charged to revenue. At June 30, 2016, no allowance for uncollectible accounts was considered necessary.

3. Capital Assets

Capital assets, which include property and equipment, are recorded at cost. Capital assets are defined by the district as assets with an initial, individual cost of \$500 or more. Depreciation is computed using the straight-line method over the estimated useful lives, which range from five to 25 years.

4. Operating Budget

The district is required by state law to adopt an annual operating budget. The Board of Directors approves the original budget and any amendments, and maintains the legal level of control at the line-item level. The budget is prepared on the accrual basis of accounting. All appropriations lapse at the end of the year.

5. Compensated Absences

The district's full-time employees are granted vacation leave in varying amounts. In the event of termination, the employee is paid for any unused vacation leave.

6. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the district's policy is to apply restricted net position first.

C. Cash

Cash represents money on deposit in various banks. The district considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

State of Tennessee law authorizes the district to invest in obligations of the United States or its agencies, non-convertible debt securities of certain federal agencies, other obligations guaranteed as to principal and interest by the United States or any of its agencies, secured certificates of deposit and other evidences of deposit in state and federal banks and savings and loan associations, and the State of Tennessee Local Government Investment Pool (LGIP). The LGIP contains investments in certificates of deposit, U.S. Treasury securities and repurchase agreements, backed by the U.S. Treasury securities. The Treasurer of the State of Tennessee administers the investment pool.

All deposits with financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution that participates in the State of Tennessee Bank Collateral Pool. For deposits with financial institutions that do not participate in the State of Tennessee 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.

All of the district's cash and cash equivalent balances at June 30, 2016, were either insured through the Federal Deposit Insurance Corporation or through the State of Tennessee Bank Collateral Pool.

D. Lease

The district occupies its facilities provided by Anderson County on a month-by-month basis without charge.

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 carries commercial insurance for all risks of loss, including general liability and workers' compensation coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

F. Capital Assets

Capital assets activity for the year ended June 30, 2016, was as follows:

| | Balance | | | Balance |
|-----------------------------|--------------|--------------|-------------|--------------|
| | 7-1-15 | Additions | Retirements | 6-30-16 |
| Capital Assets Depreciated: | | | | |
| Communications Equipment | \$ 944,682 | \$ 0 | \$ (6,904) | \$ 937,778 |
| Furniture and Fixtures | 62,337 | 7,569 | 0 | 69,906 |
| Vehicle | 19,425 | 0 | 0 | 19,425 |
| Leasehold Improvements | 72,920 | 0 | 0 | 72,920 |
| Other Capital Assets | 143,350 | 0 | 0 | 143,350 |
| | \$ 1,242,714 | \$ 7,569 | \$ (6,904) | \$ 1,243,379 |
| Accumulated Depreciation | (379,815) | (119,991) | 6,507 | (493,299) |
| Capital Assets | | | | |
| Depreciated, Net | \$ 862,899 | \$ (112,422) | \$ (397) | \$ 750,080 |

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Anderson County, Tennessee
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

| | 2014 | 2015 |
|---|----------------|----------------|
| Total Pension Liability (Asset) | | |
| Service Cost | \$ 1,965,886 | \$ 1,881,362 |
| Interest | 4,591,169 | 4,800,731 |
| Changes in Benefit Terms | 0 | 0 |
| Differences Between Actual and Expected Experience | (736,310) | (1,866,757) |
| Changes in Assumptions | 0 | 0 |
| Benefit Payments, Including Refunds of Employee Contributions | (2,877,320) | (3,006,821) |
| Net Change in Total Pension Liability (Asset) | \$ 2,943,425 | \$ 1,808,515 |
| Total Pension Liability (Asset), Beginning | 60,688,368 | 63,631,793 |
| Total Pension Liability (Asset), Ending (a) | \$ 63,631,793 | \$ 65,440,308 |
| Plan Fiduciary Net Position | | |
| Contributions - Employer | \$ 1,806,650 | \$ 1,611,660 |
| Contributions - Employee | 1,112,396 | 1,121,723 |
| Net Investment Income | 9,411,066 | 2,027,661 |
| Benefit Payments, Including Refunds of Employee Contributions | (2,877,320) | (3,006,821) |
| Administrative Expense | (28,682) | (36,172) |
| Net Change in Plan Fiduciary Net Position | \$ 9,424,110 | \$ 1,718,051 |
| Plan Fiduciary Net Position, Beginning | 56,559,814 | 65,983,924 |
| Plan Fiduciary Net Position, Ending (b) | \$ 65,983,924 | \$ 67,701,975 |
| Net Pension Liability (Asset), Ending (a - b) | \$ (2,352,131) | \$ (2,261,667) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 103.70% | 103.46% |
| Covered Employee Payroll | \$ 22,113,264 | \$ 23,222,323 |
| Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll | (10.64%) | 9.74% |

Note: ten years of data will be presented when available.

Note: data presented includes primary government and non-certified employees of the discretely presented School Department.

Exhibit F-2

Anderson County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

| | 2014 | 2015 | 2016 |
|---|---------------|---------------|---------------|
| Actuarially Determined Contribution | \$ 1,806,650 | \$ 1,611,660 | \$ 1,718,395 |
| Less Contributions in Relation to the Actuarially Determined Contribution | (1,806,650) | (1,611,660) | (1,718,395) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 |
| Covered Employee Payroll | \$ 22,113,264 | \$ 21,779,109 | \$ 23,221,549 |
| Contributions as a Percentage of Covered Employee Payroll | 8.17% | 7.4% | 7.4% |

Note: ten years of data will be presented when available.

Note: data presented includes primary government and
non-certified employees of the discretely presented School Department.

Exhibit F-3

Anderson County, Tennessee
Schedule of Contributions Based on Participation in the Teacher
Pension Plan of TCRS
Discretely Presented Anderson County School Department
For the Fiscal Year Ended June 30

| | 2015 | 2016 |
|---|-------------------|--------------------|
| Contractually Required Contribution | \$ 11,756 | \$ 43,356 |
| Less Contributions in Relation to the Contractually Required Contribution | (18,809) | (69,370) |
| Contribution Deficiency (Excess) | <u>\$ (7,053)</u> | <u>\$ (26,014)</u> |
| Covered Employee Payroll | \$ 470,216 | \$ 1,734,238 |
| Contributions as a Percentage of Covered Employee Payroll | 4.00% | 4.00% |

Note: ten years of data will be presented when available.

Exhibit F-4

Anderson County, Tennessee
Schedule of Contributions Based on Participation in the Teacher
Legacy Pension Plan of TCRS
Discretely Presented Anderson County School Department
For the Fiscal Year Ended June 30

| | 2014 | 2015 | 2016 |
|---|---------------|---------------|---------------|
| Contractually Required Contribution | \$ 2,641,046 | \$ 2,595,924 | \$ 2,514,607 |
| Less Contributions in Relation to the Contractually Required Contribution | (2,641,046) | (2,595,924) | (2,514,607) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 |
| Covered Employee Payroll | \$ 29,741,510 | \$ 28,715,973 | \$ 27,816,445 |
| Contributions as a Percentage of Covered Employee Payroll | 8.88% | 9.04% | 9.04% |

Note: ten years of data will be presented when available.

Exhibit F-5

Anderson County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Pension Plan of TCRS
Discretely Presented Anderson County School Department
For the Fiscal Year Ended June 30 *

| | <u>2016</u> |
|--|-------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 0.226313% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (9,104) |
| Covered Employee Payroll | \$ 470,216 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll | (1.94)% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 127.46% |

* The amounts presented were determined as of June 30 of the prior fiscal year.

Note: ten years of data will be presented when available.

Exhibit F-6

Anderson County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Anderson County School Department
For the Fiscal Year Ended June 30 *

| | 2015 | 2016 |
|--|---------------|---------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 0.757747% | 0.767088% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (123,130) | \$ 314,226 |
| Covered Employee Payroll | \$ 29,741,510 | \$ 28,715,973 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll | (0.41%) | 1.09% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 100.08% | 99.81% |

* The amounts presented were determined as of June 30 of the prior fiscal year.

Note: ten years of data will be presented when available.

Exhibit F-7

Anderson County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plans
Primary Government and Discretely Presented Anderson County School Department
June 30, 2016

(Dollar amounts in thousands)

| Plans | Actuarial Valuation Date | Actuarial Value of Plan Assets (a) | Actuarial Accrued Liability (AAL) Projected Unit Credit (b) | Unfunded AAL (UAAL) (b)-(a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|---|--------------------------------|--|--|--------------------------------------|--------------------------|---------------------------|---|
| <u>PRIMARY GOVERNMENT</u> | | | | | | | |
| Self-Insured | 7-1-11 | \$ 0 | \$ 245 | \$ 245 | 0 % | \$ 15,728 | 1.56 % |
| " | 7-1-13 | 0 | 398 | 398 | 0 | 15,981 | 2.49 |
| " | 7-1-15 | 0 | 388 | 388 | 0 | 17,113 | 2.27 |
| <u>DISCRETELY PRESENTED ANDERSON COUNTY SCHOOL DEPARTMENT</u> | | | | | | | |
| Local Education | 7-1-11 | 0 | 5,598 | 5,598 | 0 | 37,557 | 14.90 |
| " | 7-1-13 | 0 | 2,883 | 2,883 | 0 | 37,746 | 7.64 |
| " | 7-1-15 | 0 | 3,411 | 3,411 | 0 | 38,880 | 8.77 |

ANDERSON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2016

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2016 were calculated based on the July 1, 2013, actuarial valuation.

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Frozen Initial Liability |
| Amortization Method | Level Dollar, Closed (Not to Exceed 20 Years) |
| Remaining Amortization Period | Three Years |
| Asset Valuation | 10-Year Smoothed Within a 20% Corridor to Market Value |
| Inflation | 3% |
| Salary Increases | Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25% |
| Investment Rate of Return | 7.5%, Net of Investment Expense, Including Inflation |
| Retirement Age | Pattern of Retirement Determined by Experience Study |
| Mortality | Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement |
| Cost of Living Adjustment | 2.5% |

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Public Library Fund – The Public Library Fund is used to account for transactions of the Anderson County Public Library, which is jointly funded by Anderson County, the City of Clinton, City of Oak Ridge, and Rocky Top.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

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

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions of the Anderson County Tourism Board.

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

Debt Service Funds

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

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the retirement of long-term debt issued for the construction and renovations of the county’s elementary schools.

Education Debt Service Fund – The Education Debt Service Fund is used to account for the retirement of long-term debt issued for the construction and renovations of the county’s middle and high schools.

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county.

Exhibit G-1

Anderson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

| | Special Revenue Funds | | | | | |
|--|-----------------------|--------------------------------|-----------------|-----------------------------|--|--------------|
| | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | Constitu - tional Officers - Fees | Total |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 643 | \$ 0 | \$ 0 | \$ 0 | \$ 1,490 | \$ 2,133 |
| Equity in Pooled Cash and Investments | 315,990 | 780,432 | 358,571 | 303,208 | 0 | 1,758,201 |
| Accounts Receivable | 652 | 104,875 | 211 | 31,278 | 3,009 | 140,025 |
| Due from Other Governments | 0 | 19,987 | 0 | 0 | 0 | 19,987 |
| Due from Other Funds | 346 | 0 | 17,957 | 0 | 0 | 18,303 |
| Property Taxes Receivable | 486,116 | 1,134,270 | 0 | 0 | 0 | 1,620,386 |
| Allowance for Uncollectible Property Taxes | (20,304) | (47,378) | 0 | 0 | 0 | (67,682) |
| Prepaid Items | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | \$ 783,443 | \$ 1,992,186 | \$ 376,739 | \$ 334,486 | \$ 4,499 | \$ 3,491,353 |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 6,369 | \$ 106,175 | \$ 2,506 | \$ 27,755 | \$ 0 | \$ 142,805 |
| Accrued Payroll | 4,626 | 2,016 | 0 | 1,672 | 0 | 8,314 |
| Payroll Deductions Payable | 6,610 | 2,443 | 0 | 1,917 | 0 | 10,970 |
| Due to Other Funds | 0 | 1,243 | 0 | 121 | 4,499 | 5,863 |
| Total Liabilities | \$ 17,605 | \$ 111,877 | \$ 2,506 | \$ 31,465 | \$ 4,499 | \$ 167,952 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Deferred Current Property Taxes | \$ 451,109 | \$ 1,052,586 | \$ 0 | \$ 0 | \$ 0 | \$ 1,503,695 |
| Deferred Delinquent Property Taxes | 12,634 | 29,478 | 0 | 0 | 0 | 42,112 |
| Total Deferred Inflows of Resources | \$ 463,743 | \$ 1,082,064 | \$ 0 | \$ 0 | \$ 0 | \$ 1,545,807 |

(Continued)

Exhibit G-1

Anderson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Special Revenue Funds | | | | | Total |
|---|-----------------------|--------------------------------|-----------------|-----------------------------|--|--------------|
| | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | Constitu - tional Officers - Fees | |
| <u>FUND BALANCES</u> | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid Items | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Restricted: | | | | | | |
| Restricted for Public Safety | 0 | 0 | 373,392 | 0 | 0 | 373,392 |
| Restricted for Public Health and Welfare | 0 | 221,345 | 0 | 0 | 0 | 221,345 |
| Restricted for Social, Cultural, and Recreational Services | 302,095 | 0 | 0 | 303,021 | 0 | 605,116 |
| Restricted for Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted for Debt Service | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted for Capital Projects | 0 | 80,000 | 0 | 0 | 0 | 80,000 |
| Committed: | | | | | | |
| Committed for Public Safety | 0 | 0 | 841 | 0 | 0 | 841 |
| Committed for Debt Service | 0 | 0 | 0 | 0 | 0 | 0 |
| Committed for Capital Projects | 0 | 496,900 | 0 | 0 | 0 | 496,900 |
| Total Fund Balances | \$ 302,095 | \$ 798,245 | \$ 374,233 | \$ 303,021 | \$ 0 | \$ 1,777,594 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 783,443 | \$ 1,992,186 | \$ 376,739 | \$ 334,486 | \$ 4,499 | \$ 3,491,353 |

(Continued)

Exhibit G-1

Anderson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Debt Service Funds | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|--------------------------|------------------------------|---------------------|--------------------------------|--|
| | Rural Debt Service | Education Debt Service | Total | General Capital Projects | |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 2,133 |
| Equity in Pooled Cash and Investments | 78,843 | 1,549,802 | 1,628,645 | 496,331 | 3,883,177 |
| Accounts Receivable | 6 | 359 | 365 | 0 | 140,390 |
| Due from Other Governments | 0 | 0 | 0 | 0 | 19,987 |
| Due from Other Funds | 74 | 2,411 | 2,485 | 1,800 | 22,588 |
| Property Taxes Receivable | 205,774 | 1,711,219 | 1,916,993 | 32,490 | 3,569,869 |
| Allowance for Uncollectible Property Taxes | (8,589) | (71,199) | (79,788) | (1,261) | (148,731) |
| Prepaid Items | 7,020 | 95,610 | 102,630 | 0 | 102,630 |
| Total Assets | <u>\$ 283,128</u> | <u>\$ 3,288,202</u> | <u>\$ 3,571,330</u> | <u>\$ 529,360</u> | <u>\$ 7,592,043</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 0 | \$ 6,524 | \$ 149,329 |
| Accrued Payroll | 0 | 0 | 0 | 0 | 8,314 |
| Payroll Deductions Payable | 0 | 0 | 0 | 0 | 10,970 |
| Due to Other Funds | 0 | 0 | 0 | 0 | 5,863 |
| Total Liabilities | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 6,524</u> | <u>\$ 174,476</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 188,608 | \$ 1,593,370 | \$ 1,781,978 | \$ 30,394 | \$ 3,316,067 |
| Deferred Delinquent Property Taxes | 7,678 | 40,422 | 48,100 | 718 | 90,930 |
| Total Deferred Inflows of Resources | <u>\$ 196,286</u> | <u>\$ 1,633,792</u> | <u>\$ 1,830,078</u> | <u>\$ 31,112</u> | <u>\$ 3,406,997</u> |

(Continued)

Exhibit G-1

Anderson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

| | Debt Service Funds | | | Capital | Total Nonmajor Governmental Funds |
|---|--------------------------|------------------------------|---------------------|--------------------------------|--|
| | Rural Debt Service | Education Debt Service | Total | General Capital Projects | |
| <u>FUND BALANCES</u> | | | | | |
| Nonspendable: | | | | | |
| Prepaid Items | \$ 7,020 | \$ 95,610 | \$ 102,630 | \$ 0 | \$ 102,630 |
| Restricted: | | | | | |
| Restricted for Public Safety | 0 | 0 | 0 | 0 | 373,392 |
| Restricted for Public Health and Welfare | 0 | 0 | 0 | 0 | 221,345 |
| Restricted for Social, Cultural, and Recreational Services | 0 | 0 | 0 | 0 | 605,116 |
| Restricted for Capital Outlay | 0 | 0 | 0 | 26,011 | 26,011 |
| Restricted for Debt Service | 79,822 | 1,462,185 | 1,542,007 | 0 | 1,542,007 |
| Restricted for Capital Projects | 0 | 0 | 0 | 465,713 | 545,713 |
| Committed: | | | | | |
| Committed for Public Safety | 0 | 0 | 0 | 0 | 841 |
| Committed for Debt Service | 0 | 96,615 | 96,615 | 0 | 96,615 |
| Committed for Capital Projects | 0 | 0 | 0 | 0 | 496,900 |
| Total Fund Balances | <u>\$ 86,842</u> | <u>\$ 1,654,410</u> | <u>\$ 1,741,252</u> | <u>\$ 491,724</u> | <u>\$ 4,010,570</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 283,128</u> | <u>\$ 3,288,202</u> | <u>\$ 3,571,330</u> | <u>\$ 529,360</u> | <u>\$ 7,592,043</u> |

Exhibit G-2

Anderson County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

| | Special Revenue Funds | | | | | |
|---|-----------------------|--------------------------------|-----------------|-----------------------------|--|--------------|
| | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | Constitu - tional Officers - Fees | Total |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 441,535 | \$ 1,030,587 | \$ 0 | \$ 354,431 | \$ 0 | \$ 1,826,553 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 63,119 | 0 | 0 | 63,119 |
| Charges for Current Services | 26,954 | 489,779 | 0 | 0 | 7,168 | 523,901 |
| Other Local Revenues | 12,256 | 33,221 | 560 | 0 | 0 | 46,037 |
| State of Tennessee | 2,798 | 54,074 | 0 | 25,000 | 0 | 81,872 |
| Federal Government | 0 | 0 | 35,159 | 0 | 0 | 35,159 |
| Other Governments and Citizens Groups | 130,311 | 0 | 0 | 0 | 0 | 130,311 |
| Total Revenues | \$ 613,854 | \$ 1,607,661 | \$ 98,838 | \$ 379,431 | \$ 7,168 | \$ 2,706,952 |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| General Government | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 945 | \$ 945 |
| Finance | 0 | 0 | 0 | 0 | 573 | 573 |
| Administration of Justice | 0 | 0 | 0 | 0 | 5,650 | 5,650 |
| Public Safety | 0 | 0 | 47,872 | 0 | 0 | 47,872 |
| Public Health and Welfare | 0 | 1,567,539 | 0 | 0 | 0 | 1,567,539 |
| Social, Cultural, and Recreational Services | 552,397 | 0 | 0 | 0 | 0 | 552,397 |
| Other Operations | 0 | 0 | 0 | 382,147 | 0 | 382,147 |
| Debt Service: | | | | | | |
| Principal on Debt | 1,764 | 0 | 0 | 0 | 0 | 1,764 |
| Interest on Debt | 4,092 | 0 | 0 | 0 | 0 | 4,092 |
| Other Debt Service | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Projects | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | \$ 558,253 | \$ 1,567,539 | \$ 47,872 | \$ 382,147 | \$ 7,168 | \$ 2,562,979 |

(Continued)

Exhibit G-2

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|--------------------------------|-----------------|-----------------------------|--|--------------|
| | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | Constitu - tional Officers - Fees | Total |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 55,601 | \$ 40,122 | \$ 50,966 | \$ (2,716) | \$ 0 | \$ 143,973 |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Proceeds from Sale of Capital Assets | 435 | 0 | 0 | 0 | 0 | 435 |
| Transfers In | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers Out | 0 | (33,000) | 0 | 0 | 0 | (33,000) |
| Total Other Financing Sources (Uses) | \$ 435 | \$ (33,000) | \$ 0 | \$ 0 | \$ 0 | \$ (32,565) |
| Net Change in Fund Balances | \$ 56,036 | \$ 7,122 | \$ 50,966 | \$ (2,716) | \$ 0 | \$ 111,408 |
| Fund Balance, July 1, 2015 | 246,059 | 791,123 | 323,267 | 305,737 | 0 | 1,666,186 |
| Fund Balance, June 30, 2016 | \$ 302,095 | \$ 798,245 | \$ 374,233 | \$ 303,021 | \$ 0 | \$ 1,777,594 |

(Continued)

Exhibit G-2

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

| | Debt Service Funds | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|---|--------------------------|------------------------------|---------------------|--------------------------------|--|
| | Rural Debt Service | Education Debt Service | Total | General Capital Projects | |
| <u>Revenues</u> | | | | | |
| Local Taxes | \$ 189,521 | \$ 1,548,968 | \$ 1,738,489 | \$ 24,975 | \$ 3,590,017 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 0 | 0 | 63,119 |
| Charges for Current Services | 0 | 0 | 0 | 0 | 523,901 |
| Other Local Revenues | 80 | 2,770 | 2,850 | 0 | 48,887 |
| State of Tennessee | 0 | 0 | 0 | 0 | 81,872 |
| Federal Government | 0 | 0 | 0 | 0 | 35,159 |
| Other Governments and Citizens Groups | 1,499,287 | 0 | 1,499,287 | 0 | 1,629,598 |
| Total Revenues | <u>\$ 1,688,888</u> | <u>\$ 1,551,738</u> | <u>\$ 3,240,626</u> | <u>\$ 24,975</u> | <u>\$ 5,972,553</u> |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| General Government | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 945 |
| Finance | 0 | 0 | 0 | 0 | 573 |
| Administration of Justice | 0 | 0 | 0 | 0 | 5,650 |
| Public Safety | 0 | 0 | 0 | 0 | 47,872 |
| Public Health and Welfare | 0 | 0 | 0 | 0 | 1,567,539 |
| Social, Cultural, and Recreational Services | 0 | 0 | 0 | 0 | 552,397 |
| Other Operations | 0 | 0 | 0 | 0 | 382,147 |
| Debt Service: | | | | | |
| Principal on Debt | 1,134,730 | 995,000 | 2,129,730 | 0 | 2,131,494 |
| Interest on Debt | 521,482 | 640,385 | 1,161,867 | 0 | 1,165,959 |
| Other Debt Service | 6,267 | 33,251 | 39,518 | 0 | 39,518 |
| Capital Projects | 0 | 0 | 0 | 1,257,085 | 1,257,085 |
| Total Expenditures | <u>\$ 1,662,479</u> | <u>\$ 1,668,636</u> | <u>\$ 3,331,115</u> | <u>\$ 1,257,085</u> | <u>\$ 7,151,179</u> |

(Continued)

Exhibit G-2

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

| | Debt Service Funds | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|--------------------------|------------------------------|--------------|--------------------------------|--|
| | Rural Debt Service | Education Debt Service | Total | General Capital Projects | |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 26,409 | \$ (116,898) | \$ (90,489) | \$ (1,232,110) | \$ (1,178,626) |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 1,200,000 | \$ 1,200,000 |
| Proceeds from Sale of Capital Assets | 0 | 0 | 0 | 0 | 435 |
| Transfers In | 0 | 16,100 | 16,100 | 33,000 | 49,100 |
| Transfers Out | 0 | 0 | 0 | 0 | (33,000) |
| Total Other Financing Sources (Uses) | \$ 0 | \$ 16,100 | \$ 16,100 | \$ 1,233,000 | \$ 1,216,535 |
| Net Change in Fund Balances | \$ 26,409 | \$ (100,798) | \$ (74,389) | \$ 890 | \$ 37,909 |
| Fund Balance, July 1, 2015 | 60,433 | 1,755,208 | 1,815,641 | 490,834 | 3,972,661 |
| Fund Balance, June 30, 2016 | \$ 86,842 | \$ 1,654,410 | \$ 1,741,252 | \$ 491,724 | \$ 4,010,570 |

Exhibit G-3

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Public Library Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|--------------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 441,535 | \$ 428,020 | \$ 428,020 | \$ 13,515 |
| Charges for Current Services | 26,954 | 22,250 | 22,250 | 4,704 |
| Other Local Revenues | 12,256 | 4,429 | 6,818 | 5,438 |
| State of Tennessee | 2,798 | 0 | 2,798 | 0 |
| Other Governments and Citizens Groups | 130,311 | 130,311 | 130,311 | 0 |
| Total Revenues | <u>\$ 613,854</u> | <u>\$ 585,010</u> | <u>\$ 590,197</u> | <u>\$ 23,657</u> |
| <u>Expenditures</u> | | | | |
| <u>Social, Cultural, and Recreational Services</u> | | | | |
| Libraries | \$ 552,397 | \$ 583,545 | \$ 609,058 | \$ 56,661 |
| <u>Principal on Debt</u> | | | | |
| General Government | 1,764 | 0 | 0 | (1,764) |
| <u>Interest on Debt</u> | | | | |
| General Government | 4,092 | 0 | 0 | (4,092) |
| Total Expenditures | <u>\$ 558,253</u> | <u>\$ 583,545</u> | <u>\$ 609,058</u> | <u>\$ 50,805</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 55,601</u> | <u>\$ 1,465</u> | <u>\$ (18,861)</u> | <u>\$ 74,462</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Proceeds from Sale of Capital Assets | \$ 435 | 0 | 0 | 435 |
| Total Other Financing Sources | <u>\$ 435</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 435</u> |
| Net Change in Fund Balance | \$ 56,036 | \$ 1,465 | \$ (18,861) | \$ 74,897 |
| Fund Balance, July 1, 2015 | <u>246,059</u> | <u>147,553</u> | <u>147,553</u> | <u>98,506</u> |
| Fund Balance, June 30, 2016 | <u><u>\$ 302,095</u></u> | <u><u>\$ 149,018</u></u> | <u><u>\$ 128,692</u></u> | <u><u>\$ 173,403</u></u> |

Exhibit G-4

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|--------------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 1,030,587 | \$ 996,764 | \$ 996,764 | \$ 33,823 |
| Charges for Current Services | 489,779 | 420,000 | 420,000 | 69,779 |
| Other Local Revenues | 33,221 | 35,500 | 35,500 | (2,279) |
| State of Tennessee | 54,074 | 89,089 | 114,808 | (60,734) |
| Total Revenues | <u>\$ 1,607,661</u> | <u>\$ 1,541,353</u> | <u>\$ 1,567,072</u> | <u>\$ 40,589</u> |
| <u>Expenditures</u> | | | | |
| <u>Public Health and Welfare</u> | | | | |
| Sanitation Management | \$ 192,915 | \$ 173,779 | \$ 223,119 | \$ 30,204 |
| Convenience Centers | 592,529 | 598,450 | 664,356 | 71,827 |
| Other Waste Collection | 63,814 | 71,593 | 87,848 | 24,034 |
| Recycling Center | 19,300 | 4,000 | 23,300 | 4,000 |
| Landfill Operation and Maintenance | 638,819 | 627,000 | 627,000 | (11,819) |
| Other Waste Disposal | 60,162 | 70,500 | 70,500 | 10,338 |
| Total Expenditures | <u>\$ 1,567,539</u> | <u>\$ 1,545,322</u> | <u>\$ 1,696,123</u> | <u>\$ 128,584</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 40,122</u> | <u>\$ (3,969)</u> | <u>\$ (129,051)</u> | <u>\$ 169,173</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (33,000) | \$ 0 | \$ (33,000) | \$ 0 |
| Total Other Financing Sources | <u>\$ (33,000)</u> | <u>\$ 0</u> | <u>\$ (33,000)</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ 7,122 | \$ (3,969) | \$ (162,051) | \$ 169,173 |
| Fund Balance, July 1, 2015 | <u>791,123</u> | <u>686,313</u> | <u>686,313</u> | <u>104,810</u> |
| Fund Balance, June 30, 2016 | <u><u>\$ 798,245</u></u> | <u><u>\$ 682,344</u></u> | <u><u>\$ 524,262</u></u> | <u><u>\$ 273,983</u></u> |

Exhibit G-5

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Fines, Forfeitures, and Penalties | \$ 63,119 | \$ 84,800 | \$ 84,800 | \$ (21,681) |
| Other Local Revenues | 560 | 200 | 200 | 360 |
| Federal Government | 35,159 | 0 | 0 | 35,159 |
| Total Revenues | <u>\$ 98,838</u> | <u>\$ 85,000</u> | <u>\$ 85,000</u> | <u>\$ 13,838</u> |
| <u>Expenditures</u> | | | | |
| <u>Public Safety</u> | | | | |
| Drug Enforcement | \$ 47,872 | \$ 85,000 | \$ 90,000 | \$ 42,128 |
| Total Expenditures | <u>\$ 47,872</u> | <u>\$ 85,000</u> | <u>\$ 90,000</u> | <u>\$ 42,128</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 50,966</u> | <u>\$ 0</u> | <u>\$ (5,000)</u> | <u>\$ 55,966</u> |
| Net Change in Fund Balance | \$ 50,966 | \$ 0 | \$ (5,000) | \$ 55,966 |
| Fund Balance, July 1, 2015 | <u>323,267</u> | <u>279,529</u> | <u>279,529</u> | <u>43,738</u> |
| Fund Balance, June 30, 2016 | <u>\$ 374,233</u> | <u>\$ 279,529</u> | <u>\$ 274,529</u> | <u>\$ 99,704</u> |

Exhibit G-6

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|-------------------|--------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 354,431 | \$ 302,800 | \$ 302,800 | \$ 51,631 |
| Other Local Revenues | 0 | 3,600 | 3,600 | (3,600) |
| State of Tennessee | 25,000 | 5,000 | 25,000 | 0 |
| Total Revenues | <u>\$ 379,431</u> | <u>\$ 311,400</u> | <u>\$ 331,400</u> | <u>\$ 48,031</u> |
| <u>Expenditures</u> | | | | |
| <u>Other Operations</u> | | | | |
| Tourism | \$ 382,147 | \$ 370,708 | \$ 444,708 | \$ 62,561 |
| Total Expenditures | <u>\$ 382,147</u> | <u>\$ 370,708</u> | <u>\$ 444,708</u> | <u>\$ 62,561</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (2,716)</u> | <u>\$ (59,308)</u> | <u>\$ (113,308)</u> | <u>\$ 110,592</u> |
| Net Change in Fund Balance | \$ (2,716) | \$ (59,308) | \$ (113,308) | \$ 110,592 |
| Fund Balance, July 1, 2015 | <u>305,737</u> | <u>188,206</u> | <u>188,206</u> | <u>117,531</u> |
| Fund Balance, June 30, 2016 | <u>\$ 303,021</u> | <u>\$ 128,898</u> | <u>\$ 74,898</u> | <u>\$ 228,123</u> |

Exhibit G-7

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Rural Debt Service Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 189,521 | \$ 179,000 | \$ 179,000 | \$ 10,521 |
| Other Local Revenues | 80 | 500 | 500 | (420) |
| Other Governments and Citizens Groups | 1,499,287 | 1,222,857 | 1,499,287 | 0 |
| Total Revenues | <u>\$ 1,688,888</u> | <u>\$ 1,402,357</u> | <u>\$ 1,678,787</u> | <u>\$ 10,101</u> |
| <u>Expenditures</u> | | | | |
| <u>Principal on Debt</u> | | | | |
| Education | \$ 1,134,730 | \$ 910,000 | \$ 1,134,730 | \$ 0 |
| <u>Interest on Debt</u> | | | | |
| Education | 521,482 | 474,157 | 525,857 | 4,375 |
| <u>Other Debt Service</u> | | | | |
| Education | 6,267 | 18,200 | 18,200 | 11,933 |
| Total Expenditures | <u>\$ 1,662,479</u> | <u>\$ 1,402,357</u> | <u>\$ 1,678,787</u> | <u>\$ 16,308</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 26,409</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 26,409</u> |
| Net Change in Fund Balance | \$ 26,409 | \$ 0 | \$ 0 | \$ 26,409 |
| Fund Balance, July 1, 2015 | <u>60,433</u> | <u>46,313</u> | <u>46,313</u> | <u>14,120</u> |
| Fund Balance, June 30, 2016 | <u>\$ 86,842</u> | <u>\$ 46,313</u> | <u>\$ 46,313</u> | <u>\$ 40,529</u> |

Exhibit G-8

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Education Debt Service Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|----------------------------|----------------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 1,548,968 | \$ 1,476,885 | \$ 1,476,885 | \$ 72,083 |
| Other Local Revenues | 2,770 | 1,500 | 1,500 | 1,270 |
| Total Revenues | <u>\$ 1,551,738</u> | <u>\$ 1,478,385</u> | <u>\$ 1,478,385</u> | <u>\$ 73,353</u> |
| <u>Expenditures</u> | | | | |
| <u>Principal on Debt</u> | | | | |
| Education | \$ 995,000 | \$ 995,000 | \$ 995,000 | \$ 0 |
| <u>Interest on Debt</u> | | | | |
| Education | 640,385 | 645,395 | 645,395 | 5,010 |
| <u>Other Debt Service</u> | | | | |
| Education | 33,251 | 45,000 | 50,000 | 16,749 |
| Total Expenditures | <u>\$ 1,668,636</u> | <u>\$ 1,685,395</u> | <u>\$ 1,690,395</u> | <u>\$ 21,759</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (116,898)</u> | <u>\$ (207,010)</u> | <u>\$ (212,010)</u> | <u>\$ 95,112</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | \$ 16,100 | \$ 16,100 | \$ 16,100 | \$ 0 |
| Total Other Financing Sources | <u>\$ 16,100</u> | <u>\$ 16,100</u> | <u>\$ 16,100</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ (100,798) | \$ (190,910) | \$ (195,910) | \$ 95,112 |
| Fund Balance, July 1, 2015 | <u>1,755,208</u> | <u>2,147,042</u> | <u>2,147,042</u> | <u>(391,834)</u> |
| Fund Balance, June 30, 2016 | <u><u>\$ 1,654,410</u></u> | <u><u>\$ 1,956,132</u></u> | <u><u>\$ 1,951,132</u></u> | <u><u>\$ (296,722)</u></u> |

Exhibit G-9

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Capital Projects Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|----------------|------------------|----------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 24,975 | \$ 21,182 | \$ 21,182 | \$ 3,793 |
| Total Revenues | \$ 24,975 | \$ 21,182 | \$ 21,182 | \$ 3,793 |
| <u>Expenditures</u> | | | | |
| <u>Capital Projects</u> | | | | |
| General Administration Projects | \$ 46,005 | \$ 21,182 | \$ 73,977 | \$ 27,972 |
| Public Safety Projects | 0 | 0 | 183,000 | 183,000 |
| Public Health and Welfare Projects | 6,080 | 0 | 0 | (6,080) |
| Social, Cultural, and Recreation Projects | 5,000 | 0 | 5,000 | 0 |
| Highway and Street Capital Projects | 0 | 0 | 250,000 | 250,000 |
| Education Capital Projects | 1,200,000 | 0 | 1,200,000 | 0 |
| Total Expenditures | \$ 1,257,085 | \$ 21,182 | \$ 1,711,977 | \$ 454,892 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (1,232,110) | \$ 0 | \$ (1,690,795) | \$ 458,685 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Notes Issued | \$ 1,200,000 | \$ 0 | \$ 1,200,000 | \$ 0 |
| Transfers In | 33,000 | 0 | 33,000 | 0 |
| Transfers Out | 0 | 0 | (1,800) | 1,800 |
| Total Other Financing Sources | \$ 1,233,000 | \$ 0 | \$ 1,231,200 | \$ 1,800 |
| Net Change in Fund Balance | \$ 890 | \$ 0 | \$ (459,595) | \$ 460,485 |
| Fund Balance, July 1, 2015 | 490,834 | 459,595 | 459,595 | 31,239 |
| Fund Balance, June 30, 2016 | \$ 491,724 | \$ 459,595 | \$ 0 | \$ 491,724 |

Major Governmental Funds

Debt Service Funds

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

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.

Exhibit H-1

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 1,697,257 | \$ 1,653,600 | \$ 1,653,600 | \$ 43,657 |
| Other Local Revenues | 5,135 | 6,500 | 6,500 | (1,365) |
| Federal Government | 28,245 | 30,000 | 30,000 | (1,755) |
| Total Revenues | <u>\$ 1,730,637</u> | <u>\$ 1,690,100</u> | <u>\$ 1,690,100</u> | <u>\$ 40,537</u> |
| <u>Expenditures</u> | | | | |
| <u>Principal on Debt</u> | | | | |
| General Government | \$ 844,892 | \$ 845,022 | \$ 845,022 | \$ 130 |
| <u>Interest on Debt</u> | | | | |
| General Government | 681,203 | 799,802 | 799,802 | 118,599 |
| <u>Other Debt Service</u> | | | | |
| General Government | 52,893 | 61,000 | 61,000 | 8,107 |
| Total Expenditures | <u>\$ 1,578,988</u> | <u>\$ 1,705,824</u> | <u>\$ 1,705,824</u> | <u>\$ 126,836</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 151,649</u> | <u>\$ (15,724)</u> | <u>\$ (15,724)</u> | <u>\$ 167,373</u> |
| Net Change in Fund Balance | \$ 151,649 | \$ (15,724) | \$ (15,724) | \$ 167,373 |
| Fund Balance, July 1, 2015 | <u>2,981,887</u> | <u>2,581,193</u> | <u>2,581,193</u> | <u>400,694</u> |
| Fund Balance, June 30, 2016 | <u>\$ 3,133,536</u> | <u>\$ 2,565,469</u> | <u>\$ 2,565,469</u> | <u>\$ 568,067</u> |

Proprietary Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or to other governments, on a cost-reimbursement basis.

Employee Health Insurance Fund – The Employee Health Insurance Fund is used to account for the county's self-insurance employee health program. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of claims of county employees.

Channel 95 Fund – The Channel 95 Fund is used to account for transactions of the Anderson County television station.

Exhibit I-1

Anderson County, Tennessee
Combining Statement of Net Position
Proprietary Funds
June 30, 2016

| | Internal Service Funds | | |
|---|------------------------|-------------------|-------------------|
| | Employee | Channel | Total |
| | Health | 95 | Proprietary |
| | Insurance | Fund | Funds |
| | Fund | Fund | Funds |
| <u>ASSETS</u> | | | |
| Current Assets: | | | |
| Cash | \$ 161,701 | \$ 0 | \$ 161,701 |
| Equity in Pooled Cash and Investments | 0 | 102,014 | 102,014 |
| Investments | 18,637 | 0 | 18,637 |
| Accounts Receivable | 111,363 | 33,621 | 144,984 |
| Total Current Assets | <u>\$ 291,701</u> | <u>\$ 135,635</u> | <u>\$ 427,336</u> |
| Noncurrent Assets: | | | |
| Capital Assets: | | | |
| Assets Net of Accumulated Depreciation: | | | |
| Buildings and Improvements | \$ 51,507 | \$ 0 | \$ 51,507 |
| Total Noncurrent Assets | <u>\$ 51,507</u> | <u>\$ 0</u> | <u>\$ 51,507</u> |
| Total Assets | <u>\$ 343,208</u> | <u>\$ 135,635</u> | <u>\$ 478,843</u> |
| <u>LIABILITIES</u> | | | |
| Current Liabilities: | | | |
| Accounts Payable | \$ 100,246 | \$ 718 | \$ 100,964 |
| Accrued Payroll | 0 | 663 | 663 |
| Payroll Deductions Payable | 0 | 790 | 790 |
| Other Current Liabilities | 340,348 | 0 | 340,348 |
| Total Liabilities | <u>\$ 440,594</u> | <u>\$ 2,171</u> | <u>\$ 442,765</u> |
| <u>NET POSITION</u> | | | |
| Net Investment in Capital Assets | \$ 51,507 | \$ 0 | \$ 51,507 |
| Unrestricted | (148,893) | 133,464 | (15,429) |
| Total Net Position | <u>\$ (97,386)</u> | <u>\$ 133,464</u> | <u>\$ 36,078</u> |

Exhibit I-2

Anderson County, Tennessee
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2016

| | Internal Service Funds | | |
|---|------------------------|------------|--------------|
| | Employee | Channel | |
| | Health | 95 | |
| | Insurance | | |
| | Fund | Fund | Total |
| <u>Operating Revenues</u> | | | |
| Charges for Services | \$ 3,600,511 | \$ 35,000 | \$ 3,635,511 |
| Licenses and Permits | 0 | 136,221 | 136,221 |
| Total Operating Revenues | \$ 3,600,511 | \$ 171,221 | \$ 3,771,732 |
| <u>Operating Expenses</u> | | | |
| Medical and Dental Services | \$ 3,293,925 | \$ 0 | \$ 3,293,925 |
| Communication | 930 | | 930 |
| Other Contracted Services | 302,741 | 0 | 302,741 |
| Excess Risk Insurance | 530,493 | 0 | 530,493 |
| Other Charges | 1,277 | 0 | 1,277 |
| Handling Charges and Administrative Costs | 58,607 | 0 | 58,607 |
| Maintenance and Repair Services - Buildings | 1,815 | 0 | 1,815 |
| Data Processing Supplies | 8,114 | 0 | 8,114 |
| Supplies and Materials | 3,681 | 0 | 3,681 |
| Depreciation | 873 | 0 | 873 |
| Salaries | 0 | 43,746 | 43,746 |
| Fringe Benefits | 0 | 18,884 | 18,884 |
| Communication | 0 | 564 | 564 |
| Other Contracted Services | 0 | 12,998 | 12,998 |
| Gasoline | 0 | 33 | 33 |
| Supplies and Materials | 0 | 2,323 | 2,323 |
| Trustee's Commission | 0 | 377 | 377 |
| Workers' Compensation Insurance | 0 | 102 | 102 |
| Data Processing Equipment | 0 | 12,761 | 12,761 |
| Total Operating Expenses | \$ 4,202,456 | \$ 91,788 | \$ 4,294,244 |
| Operating Income (Loss) | \$ (601,945) | \$ 79,433 | \$ (522,512) |
| <u>Nonoperating Revenues (Expenses)</u> | | | |
| Investment Income | \$ 93 | \$ 0 | \$ 93 |
| Total Nonoperating Revenues (Expenses) | \$ 93 | \$ 0 | \$ 93 |
| Income (Loss) Before Operating Transfers | \$ (601,852) | \$ 79,433 | \$ (522,419) |
| Transfers In (Out) | 291,593 | 0 | 291,593 |
| Change in Net Position | \$ (310,259) | \$ 79,433 | \$ (230,826) |
| Net Position, July 1, 2015 | 212,873 | 54,031 | 266,904 |
| Net Position, June 30, 2016 | \$ (97,386) | \$ 133,464 | \$ 36,078 |

Exhibit I-3

Anderson County, Tennessee
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

| | Internal Service Funds | | |
|--|---|-----------------------|--------------|
| | Employee Health Insurance Fund | Channel 95 Fund | Total |
| <u>Cash Flows from Operating Activities</u> | | | |
| Receipts for Self-insurance Premiums | \$ 3,835,036 | \$ 0 | \$ 3,835,036 |
| Receipts from Customers and Users | 0 | 35,000 | 35,000 |
| Receipts from Licenses and Permits | 0 | 121,391 | 121,391 |
| Payments to Fiscal Agents | (276,107) | 0 | (276,107) |
| Payments to Insurers | (547,152) | 0 | (547,152) |
| Stop-loss Recovery | 75,069 | 0 | 75,069 |
| Payments for Claims | (3,291,947) | 0 | (3,291,947) |
| Payments for Administrative Costs | (73,964) | 0 | (73,964) |
| Payments to Vendors | 0 | (28,735) | (28,735) |
| Payments to Employees | 0 | (44,708) | (44,708) |
| Payments for Fringe Benefits | 0 | (20,726) | (20,726) |
| Net Cash Provided By (Used In) Operating Activities | \$ (279,065) | \$ 62,222 | \$ (216,843) |
| <u>Cash Flows from Capital and Related Financing Activities</u> | | | |
| Acquisition and Construction of Capital Assets | \$ (52,380) | \$ 0 | \$ (52,380) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | \$ (52,380) | \$ 0 | \$ (52,380) |
| <u>Cash Flows from Noncapital Financing Activities</u> | | | |
| Transfers from Other Funds | \$ 480,516 | \$ 0 | \$ 480,516 |
| Net Cash Provided By (Used In) Noncapital Financing Activities | \$ 480,516 | \$ 0 | \$ 480,516 |
| <u>Cash Flows from Investing Activities</u> | | | |
| Interest on Investments | \$ 54 | \$ 0 | \$ 54 |
| Net Cash Provided By (Used In) Investing Activities | \$ 54 | \$ 0 | \$ 54 |
| Increase (Decrease) in Cash | \$ 149,125 | \$ 62,222 | \$ 211,347 |
| Cash, July 1, 2015 | 12,576 | 39,792 | 52,368 |
| Cash, June 30, 2016 | \$ 161,701 | \$ 102,014 | \$ 263,715 |
| <u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u> | | | |
| Operating Income (Loss) | \$ (601,945) | \$ 79,433 | \$ (522,512) |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities: | | | |
| Depreciation | 873 | 0 | 873 |
| Changes in Assets and Liabilities: | | | |
| (Increase) Decrease in Accounts Receivable | (95,813) | (26,948) | (122,761) |
| (Increase) Decrease in Due from Other Funds (non-transfers) | 234,525 | 12,118 | 246,643 |
| Increase (Decrease) in Accounts Payable | 10,435 | 618 | 11,053 |
| Increase (Decrease) in Payroll Deductions | 0 | (962) | (962) |
| Increase (Decrease) in Due to Other Fund | 0 | 238 | 238 |
| Increase (Decrease) in Other Current Liabilities | 172,860 | (2,275) | 170,585 |
| Net Cash Provided By (Used In) Operating Activities | \$ (279,065) | \$ 62,222 | \$ (216,843) |
| <u>Reconciliation of Cash With the Statement of Net Position</u> | | | |
| Cash Per Net Position | \$ 161,701 | \$ 0 | \$ 161,701 |
| Equity in Pooled Cash and Investments Per Net Position | 0 | 102,014 | 102,014 |
| Cash, June 30, 2016 | \$ 161,701 | \$ 102,014 | \$ 263,715 |

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.

City School ADA - Clinton Fund and City School ADA - Oak Ridge Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school systems on a monthly basis.

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, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for transactions of the Judicial District Drug Task Force, a joint venture of the various law enforcement agencies of the Seventh Judicial District.

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

Exhibit J-1

Anderson County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2016

| | Agency Funds | | | | | | Total |
|---------------------------------------|--------------------------|------------------------------------|--------------------------------------|---|------------------------------|---------------------------------|----------------------|
| | Cities - Sales Tax | City School ADA - Clinton | City School ADA - Oak Ridge | Constitu- tional Officers - Agency | Judicial District Drug | District Attorney General | |
| <u>ASSETS</u> | | | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 1,435,974 | \$ 0 | \$ 0 | \$ 1,435,974 |
| Equity in Pooled Cash and Investments | 0 | 3,811 | 17,590 | 0 | 30,200 | 25,553 | 77,154 |
| Accounts Receivable | 0 | 0 | 0 | 0 | 5,038 | 0 | 5,038 |
| Due from Other Governments | 2,069,248 | 168,235 | 776,032 | 0 | 0 | 0 | 3,013,515 |
| Taxes Receivable | 0 | 2,083,440 | 10,021,184 | 0 | 0 | 0 | 12,104,624 |
| Allowance for Uncollectible Taxes | 0 | (86,366) | (415,418) | 0 | 0 | 0 | (501,784) |
| Total Assets | <u>\$ 2,069,248</u> | <u>\$ 2,169,120</u> | <u>\$ 10,399,388</u> | <u>\$ 1,435,974</u> | <u>\$ 35,238</u> | <u>\$ 25,553</u> | <u>\$ 16,134,521</u> |
| <u>LIABILITIES</u> | | | | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 3,955 | \$ 750 | \$ 4,705 |
| Due to Other Taxing Units | 2,069,248 | 2,169,120 | 10,399,388 | 0 | 0 | 0 | 14,637,756 |
| Due to Joint Ventures | 0 | 0 | 0 | 0 | 31,283 | 0 | 31,283 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 0 | 1,435,974 | 0 | 24,803 | 1,460,777 |
| Total Liabilities | <u>\$ 2,069,248</u> | <u>\$ 2,169,120</u> | <u>\$ 10,399,388</u> | <u>\$ 1,435,974</u> | <u>\$ 35,238</u> | <u>\$ 25,553</u> | <u>\$ 16,134,521</u> |

Exhibit J-2

Anderson County, Tennessee
Combining Statement of Changes in Assets
and Liabilities - All Agency Funds
For the Year Ended June 30, 2016

| | Beginning Balance | Additions | Deductions | Ending Balance |
|---|----------------------|---------------|---------------|-------------------|
| <u>Cities - Sales Tax Fund</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Investments | \$ 0 | \$ 12,241,355 | \$ 12,241,355 | \$ 0 |
| Due from Other Governments | 2,055,320 | 2,069,248 | 2,055,320 | 2,069,248 |
| Total Assets | \$ 2,055,320 | \$ 14,310,603 | \$ 14,296,675 | \$ 2,069,248 |
| <u>Liabilities</u> | | | | |
| Due to Other Taxing Units | \$ 2,055,320 | \$ 14,310,603 | \$ 14,296,675 | \$ 2,069,248 |
| Total Liabilities | \$ 2,055,320 | \$ 14,310,603 | \$ 14,296,675 | \$ 2,069,248 |
| <u>City School ADA - Clinton Fund</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Investments | \$ 3,761 | \$ 2,884,190 | \$ 2,884,140 | \$ 3,811 |
| Due from Other Governments | 166,928 | 168,235 | 166,928 | 168,235 |
| Taxes Receivable | 1,899,012 | 2,083,440 | 1,899,012 | 2,083,440 |
| Allowance for Uncollectible Taxes | (96,205) | (86,366) | (96,205) | (86,366) |
| Total Assets | \$ 1,973,496 | \$ 5,049,499 | \$ 4,853,875 | \$ 2,169,120 |
| <u>Liabilities</u> | | | | |
| Due to Other Funds | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Due to Other Taxing Units | 1,973,496 | 5,049,499 | 4,853,875 | 2,169,120 |
| Total Liabilities | \$ 1,973,496 | \$ 5,049,499 | \$ 4,853,875 | \$ 2,169,120 |
| <u>City School ADA - Oak Ridge Fund</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Investments | \$ 17,367 | \$ 13,857,238 | \$ 13,857,015 | \$ 17,590 |
| Due from Other Governments | 769,986 | 776,032 | 769,986 | 776,032 |
| Taxes Receivable | 8,759,489 | 10,021,184 | 8,759,489 | 10,021,184 |
| Allowance for Uncollectible Taxes | (443,760) | (415,418) | (443,760) | (415,418) |
| Total Assets | \$ 9,103,082 | \$ 24,239,036 | \$ 22,942,730 | \$ 10,399,388 |
| <u>Liabilities</u> | | | | |
| Due to Other Funds | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Due to Other Taxing Units | 9,103,082 | 24,239,036 | 22,942,730 | 10,399,388 |
| Total Liabilities | \$ 9,103,082 | \$ 24,239,036 | \$ 22,942,730 | \$ 10,399,388 |

(Continued)

Exhibit J-2

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

| | Beginning Balance | Additions | Deductions | Ending Balance |
|--|----------------------|---------------|---------------|-------------------|
| <u>Constitutional Officers - Agency Fund</u> | | | | |
| <u>Assets</u> | | | | |
| Cash | \$ 1,698,911 | \$ 12,605,944 | \$ 12,868,881 | \$ 1,435,974 |
| Total Assets | \$ 1,698,911 | \$ 12,605,944 | \$ 12,868,881 | \$ 1,435,974 |
| <u>Liabilities</u> | | | | |
| Due to Litigants, Heirs, and Others | \$ 1,698,911 | \$ 12,605,944 | \$ 12,868,881 | \$ 1,435,974 |
| Total Liabilities | \$ 1,698,911 | \$ 12,605,944 | \$ 12,868,881 | \$ 1,435,974 |
| <u>Judicial District Drug Fund - Agency Fund</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Investments | \$ 21,946 | \$ 127,067 | \$ 118,813 | \$ 30,200 |
| Accounts Receivable | 0 | 5,038 | 0 | 5,038 |
| Due from Other Governments | 15,171 | 0 | 15,171 | 0 |
| Total Assets | \$ 37,117 | \$ 132,105 | \$ 133,984 | \$ 35,238 |
| <u>Liabilities</u> | | | | |
| Accounts Payable | \$ 4,114 | \$ 3,955 | \$ 4,114 | \$ 3,955 |
| Payroll Deductions Payable | 0 | 0 | 0 | 0 |
| Due to Joint Venture | 33,003 | 128,150 | 129,870 | 31,283 |
| Total Liabilities | \$ 37,117 | \$ 132,105 | \$ 133,984 | \$ 35,238 |
| <u>District Attorney General Fund</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Investments | \$ 35,103 | \$ 7,466 | \$ 17,016 | \$ 25,553 |
| Total Assets | \$ 35,103 | \$ 7,466 | \$ 17,016 | \$ 25,553 |
| <u>Liabilities</u> | | | | |
| Accounts Payable | \$ 30 | \$ 750 | \$ 30 | \$ 750 |
| Due to Other Litigants, Heirs, and Others | 35,073 | 6,716 | 16,986 | 24,803 |
| Total Liabilities | \$ 35,103 | \$ 7,466 | \$ 17,016 | \$ 25,553 |

(Continued)

Exhibit J-2

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

| | Beginning Balance | Additions | Deductions | Ending Balance |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| <u>Totals - All Agency Funds</u> | | | | |
| <u>Assets</u> | | | | |
| Cash | \$ 1,698,911 | \$ 12,605,944 | \$ 12,868,881 | \$ 1,435,974 |
| Equity in Pooled Cash and Investments | 78,177 | 29,117,316 | 29,118,339 | 77,154 |
| Accounts Receivable | 0 | 5,038 | 0 | 5,038 |
| Due from Other Governments | 3,007,405 | 3,013,515 | 3,007,405 | 3,013,515 |
| Taxes Receivable | 10,658,501 | 12,104,624 | 10,658,501 | 12,104,624 |
| Allowance for Uncollectible Taxes | (539,965) | (501,784) | (539,965) | (501,784) |
| Total Assets | <u>\$ 14,903,029</u> | <u>\$ 56,344,653</u> | <u>\$ 55,113,161</u> | <u>\$ 16,134,521</u> |
| <u>Liabilities</u> | | | | |
| Accounts Payable | \$ 4,144 | \$ 4,705 | \$ 4,144 | \$ 4,705 |
| Payroll Deductions Payable | 0 | 0 | 0 | 0 |
| Due to Other Funds | 0 | 0 | 0 | 0 |
| Due to Other Taxing Units | 13,131,898 | 43,599,138 | 42,093,280 | 14,637,756 |
| Due to Joint Ventures | 33,003 | 128,150 | 129,870 | 31,283 |
| Due to Litigants, Heirs, and Others | 1,733,984 | 12,612,660 | 12,885,867 | 1,460,777 |
| Total Liabilities | <u>\$ 14,903,029</u> | <u>\$ 56,344,653</u> | <u>\$ 55,113,161</u> | <u>\$ 16,134,521</u> |

Anderson County School Department

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

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

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

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

Other Education Special Revenue Fund – The Other Education Special Revenue Fund is used to account for day-care programs offered by the School Department, the companion program, and the headstart program.

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

Exhibit K-1

Anderson County, Tennessee
Statement of Activities
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) |
|---|---------------|----------------------------|---|---|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Changes in Net Position Total Governmental Activities |
| Governmental Activities: | | | | | |
| Instruction | \$ 34,767,303 | \$ 53,258 | \$ 4,074,473 | \$ 1,353,255 | \$ (29,286,317) |
| Support Services | 21,661,294 | 8,000 | 801,766 | 0 | (20,851,528) |
| Operation of Non-instructional Services | 6,955,970 | 788,851 | 6,625,190 | 2,008 | 460,079 |
| Total Governmental Activities | \$ 63,384,567 | \$ 850,109 | \$ 11,501,429 | \$ 1,355,263 | \$ (49,677,766) |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes Levied for General Purposes | | | | | \$ 15,279,492 |
| Local Option Sales Taxes | | | | | 7,553,913 |
| Other Local Taxes | | | | | 6,256 |
| Grants and Contributions Not Restricted for Specific Programs | | | | | 30,038,500 |
| Unrestricted Investment Income | | | | | 7,288 |
| Miscellaneous | | | | | 163,312 |
| Total General Revenues | | | | | \$ 53,048,761 |
| Change in Net Position | | | | | \$ 3,370,995 |
| Net Position, July 1, 2015 | | | | | 43,481,844 |
| Net Position, June 30, 2016 | | | | | \$ 46,852,839 |

Exhibit K-2

Anderson County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Anderson County School Department
June 30, 2016

| | Major Fund | Nonmajor Funds | |
|--|------------------------|--------------------------|--------------------------|
| | General Purpose School | Other Governmental Funds | Total Governmental Funds |
| <u>ASSETS</u> | | | |
| Cash | \$ 132,109 | \$ 30,746 | \$ 162,855 |
| Equity in Pooled Cash and Investments | 4,445,430 | 1,273,518 | 5,718,948 |
| Inventories | 0 | 22,410 | 22,410 |
| Accounts Receivable | 3,399 | 712 | 4,111 |
| Due from Other Governments | 1,338,118 | 513,979 | 1,852,097 |
| Due from Other Funds | 165,307 | 1,586 | 166,893 |
| Due from Primary Government | 5,824 | 0 | 5,824 |
| Property Taxes Receivable | 15,853,935 | 261,627 | 16,115,562 |
| Allowance for Uncollectible Property Taxes | (662,211) | (5,842) | (668,053) |
| Prepaid Items | 870 | 0 | 870 |
| Total Assets | \$ 21,282,781 | \$ 2,098,736 | \$ 23,381,517 |

| | | | |
|----------------------------|--------------|------------|--------------|
| <u>LIABILITIES</u> | | | |
| Accounts Payable | \$ 827,213 | \$ 271,821 | \$ 1,099,034 |
| Payroll Deductions Payable | 630,743 | 96,674 | 727,417 |
| Contracts Payable | 175,000 | 0 | 175,000 |
| Due to Other Funds | 1,586 | 165,307 | 166,893 |
| Due to Primary Government | 4,562 | 2,498 | 7,060 |
| Due to State of Tennessee | 0 | 17 | 17 |
| Other Current Liabilities | 31 | 0 | 31 |
| Total Liabilities | \$ 1,639,135 | \$ 536,317 | \$ 2,175,452 |

| | | | |
|--------------------------------------|---------------|------------|---------------|
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | |
| Deferred Current Property Taxes | \$ 14,712,217 | \$ 255,785 | \$ 14,968,002 |
| Deferred Delinquent Property Taxes | 412,029 | 0 | 412,029 |
| Other Deferred/Unavailable Revenue | 641,479 | 0 | 641,479 |
| Total Deferred Inflows of Resources | \$ 15,765,725 | \$ 255,785 | \$ 16,021,510 |

| | | | |
|---------------------------------|---------|-----------|-----------|
| <u>FUND BALANCES</u> | | | |
| Nonspendable: | | | |
| Inventory | \$ 0 | \$ 22,410 | \$ 22,410 |
| Prepaid Items | 870 | 0 | 870 |
| Restricted: | | | |
| Restricted for Education | 0 | 1,234,224 | 1,234,224 |
| Restricted for Capital Projects | 601,831 | 0 | 601,831 |
| Committed: | | | |
| Committed for Education | 100,708 | 50,000 | 150,708 |

(Continued)

Exhibit K-2

Anderson County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Anderson County School Department (Cont.)

| | Major Fund | Nonmajor Funds | |
|---|------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | Other Govern- mental Funds | Total Governmental Funds |
| <u>FUND BALANCES (Cont.)</u> | | | |
| Assigned: | | | |
| Assigned for Education | \$ 4,788 | \$ 0 | \$ 4,788 |
| Unassigned | 3,169,724 | 0 | 3,169,724 |
| Total Fund Balances | <u>\$ 3,877,921</u> | <u>\$ 1,306,634</u> | <u>\$ 5,184,555</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 21,282,781</u> | <u>\$ 2,098,736</u> | <u>\$ 23,381,517</u> |

Exhibit K-3

Anderson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Anderson County School Department
June 30, 2016

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

| | | | |
|---|----|--------------------|--------------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit K-2) | | \$ | 5,184,555 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | | |
| Add: land | \$ | 865,214 | |
| Add: buildings and improvements net of accumulated depreciation | | 43,597,796 | |
| Add: other capital assets net of accumulated depreciation | | <u>2,212,267</u> | 46,675,277 |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | | |
| Less: contributions due on primary government debt for capital lease | \$ | (415,195) | |
| Less: Net pension liability - Teacher Legacy Plan | | (314,226) | |
| Less: other postemployment benefits liability | | (1,431,484) | |
| Less: compensated absences payable | | <u>(298,776)</u> | (2,459,681) |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years: | | | |
| Add: deferred outflows of resources related to pensions | \$ | 3,517,707 | |
| Less: deferred inflows of resources related to pensions | | <u>(7,889,134)</u> | (4,371,427) |
| (4) Net pension assets of the Agent Plan and Teacher Retirement Plan are not current financial resources and therefore are not reported in the governmental funds. | | | |
| Add: Agent Plan | \$ | 761,503 | |
| Add: Teacher Retirement Plan | | <u>9,104</u> | 770,607 |
| (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds. | | | <u>1,053,508</u> |
| Net position of governmental activities (Exhibit A) | | \$ | <u><u>46,852,839</u></u> |

Exhibit K-4

Anderson County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

| | Major Fund | Nonmajor Funds | |
|---|------------------------|--------------------------|--------------------------|
| | General Purpose School | Other Governmental Funds | Total Governmental Funds |
| <u>Revenues</u> | | | |
| Local Taxes | \$ 22,661,202 | \$ 0 | \$ 22,661,202 |
| Licenses and Permits | 3,178 | 0 | 3,178 |
| Fines, Forfeitures, and Penalties | 10,000 | 0 | 10,000 |
| Charges for Current Services | 58,963 | 784,312 | 843,275 |
| Other Local Revenues | 109,091 | 70,316 | 179,407 |
| State of Tennessee | 30,648,465 | 944,461 | 31,592,926 |
| Federal Government | 135,904 | 9,792,761 | 9,928,665 |
| Other Governments and Citizens Groups | 1,355,282 | 0 | 1,355,282 |
| Total Revenues | \$ 54,982,085 | \$ 11,591,850 | \$ 66,573,935 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Instruction | \$ 31,183,035 | \$ 2,374,943 | \$ 33,557,978 |
| Support Services | 20,819,753 | 1,681,337 | 22,501,090 |
| Operation of Non-Instructional Services | 15,040 | 7,077,448 | 7,092,488 |
| Capital Outlay | 613,785 | 7,910 | 621,695 |
| Debt Service: | | | |
| Other Debt Service | 1,378,065 | 121,223 | 1,499,288 |
| Total Expenditures | \$ 54,009,678 | \$ 11,262,861 | \$ 65,272,539 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 972,407 | \$ 328,989 | \$ 1,301,396 |
| <u>Other Financing Sources (Uses)</u> | | | |
| Proceeds from Sale of Capital Assets | \$ 1,302 | \$ 177 | \$ 1,479 |
| Insurance Recovery | 19,007 | 0 | 19,007 |
| Transfers In | 178,382 | 76,105 | 254,487 |
| Transfers Out | (10,922) | (243,565) | (254,487) |
| Total Other Financing Sources (Uses) | \$ 187,769 | \$ (167,283) | \$ 20,486 |
| Net Change in Fund Balances | \$ 1,160,176 | \$ 161,706 | \$ 1,321,882 |
| Fund Balance, July 1, 2015 | 2,717,745 | 1,144,928 | 3,862,673 |
| Fund Balance, June 30, 2016 | \$ 3,877,921 | \$ 1,306,634 | \$ 5,184,555 |

Exhibit K-5

Anderson County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

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

| | | |
|---|--------------------|---------------------|
| Net change in fund balances - total governmental funds (Exhibit K-4) | | \$ 1,321,882 |
| (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 | \$ 501,531 | |
| Less: current-year depreciation expense | <u>(2,593,008)</u> | (2,091,477) |
| (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, 2016 | \$ 1,053,508 | |
| Less: deferred delinquent property taxes and other deferred June 30, 2015 | <u>(892,367)</u> | 161,141 |
| (4) The contribution of long-term debt (e.g., notes, bonds, leases) by the primary government provides current financial resources to governmental funds, while the contributions by the School Department of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. | | |
| Add: principal contributions on notes to primary government | \$ 70,967 | |
| Add: principal contributions on leases to primary government | <u>69,523</u> | 140,490 |
| (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 other postemployment benefits liability | \$ (14,079) | |
| Change in compensated absences payable | 13,780 | |
| Change in net pension asset - agent plan | (349,173) | |
| Change in net pension asset - teacher retirement plan | 9,104 | |
| Change in net pension liability - teacher legacy pension plan | (437,357) | |
| Change in deferred outflows related to pensions | 63,820 | |
| Change in deferred inflows related to pensions | <u>4,552,864</u> | <u>3,838,959</u> |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 3,370,995</u> |

Exhibit K-6

Anderson County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Anderson County School Department
June 30, 2016

| | Special Revenue Funds | | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|-------------------------------|----------------------|--|---------------------|----------------------------------|--|
| | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Total | Education Capital Projects | |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 11,515 | \$ 5,302 | \$ 13,929 | \$ 30,746 | \$ 0 | \$ 30,746 |
| Equity in Pooled Cash and Investments | 21,944 | 1,247,514 | 4,060 | 1,273,518 | 0 | 1,273,518 |
| Inventories | 0 | 22,410 | 0 | 22,410 | 0 | 22,410 |
| Accounts Receivable | 700 | 12 | 0 | 712 | 0 | 712 |
| Due from Other Governments | 249,664 | 0 | 264,315 | 513,979 | 0 | 513,979 |
| Due from Other Funds | 1,586 | 0 | 0 | 1,586 | 0 | 1,586 |
| Property Taxes Receivable | 0 | 0 | 0 | 0 | 261,627 | 261,627 |
| Allowance for Uncollectible Property Taxes | 0 | 0 | 0 | 0 | (5,842) | (5,842) |
| Total Assets | <u>\$ 285,409</u> | <u>\$ 1,275,238</u> | <u>\$ 282,304</u> | <u>\$ 1,842,951</u> | <u>\$ 255,785</u> | <u>\$ 2,098,736</u> |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 66,245 | \$ 52,875 | \$ 152,701 | \$ 271,821 | \$ 0 | \$ 271,821 |
| Payroll Deductions Payable | 51,642 | 16,877 | 28,155 | 96,674 | 0 | 96,674 |
| Due to Other Funds | 91,144 | 0 | 74,163 | 165,307 | 0 | 165,307 |
| Due to Primary Government | 2,102 | 0 | 396 | 2,498 | 0 | 2,498 |
| Due to State of Tennessee | 0 | 0 | 17 | 17 | 0 | 17 |
| Total Liabilities | <u>\$ 211,133</u> | <u>\$ 69,752</u> | <u>\$ 255,432</u> | <u>\$ 536,317</u> | <u>\$ 0</u> | <u>\$ 536,317</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Deferred Current Property Taxes | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 255,785 | \$ 255,785 |
| Total Deferred Inflows of Resources | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 255,785</u> | <u>\$ 255,785</u> |

(Continued)

Exhibit K-6

Anderson County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Anderson County School Department (Cont.)

| | Special Revenue Funds | | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|---|-------------------------------|----------------------|--|---------------------|----------------------------------|--|
| | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Total | Education Capital Projects | |
| <u>FUND BALANCES</u> | | | | | | |
| Nonspendable: | | | | | | |
| Inventory | \$ 0 | \$ 22,410 | \$ 0 | \$ 22,410 | \$ 0 | \$ 22,410 |
| Restricted: | | | | | | |
| Restricted for Education | 24,276 | 1,183,076 | 26,872 | 1,234,224 | 0 | 1,234,224 |
| Committed: | | | | | | |
| Committed for Education | 50,000 | 0 | 0 | 50,000 | 0 | 50,000 |
| Total Fund Balances | <u>\$ 74,276</u> | <u>\$ 1,205,486</u> | <u>\$ 26,872</u> | <u>\$ 1,306,634</u> | <u>\$ 0</u> | <u>\$ 1,306,634</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 285,409</u> | <u>\$ 1,275,238</u> | <u>\$ 282,304</u> | <u>\$ 1,842,951</u> | <u>\$ 255,785</u> | <u>\$ 2,098,736</u> |

Exhibit K-7

Anderson County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

| | Special Revenue Funds | | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|-------------------------------|----------------------|--|---------------|----------------------------------|--|
| | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Total | Education Capital Projects | |
| <u>Revenues</u> | | | | | | |
| Charges for Current Services | \$ 0 | \$ 620,441 | \$ 163,871 | \$ 784,312 | \$ 0 | \$ 784,312 |
| Other Local Revenues | 33,884 | 34,424 | 2,008 | 70,316 | 0 | 70,316 |
| State of Tennessee | 288,476 | 29,590 | 626,395 | 944,461 | 0 | 944,461 |
| Federal Government | 4,191,152 | 2,630,035 | 2,971,574 | 9,792,761 | 0 | 9,792,761 |
| Total Revenues | \$ 4,513,512 | \$ 3,314,490 | \$ 3,763,848 | \$ 11,591,850 | \$ 0 | \$ 11,591,850 |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| Instruction | \$ 2,374,943 | \$ 0 | \$ 0 | \$ 2,374,943 | \$ 0 | \$ 2,374,943 |
| Support Services | 1,681,337 | 0 | 0 | 1,681,337 | 0 | 1,681,337 |
| Operation of Non-Instructional Services | 335,119 | 3,231,165 | 3,511,164 | 7,077,448 | 0 | 7,077,448 |
| Capital Outlay | 0 | 0 | 0 | 0 | 7,910 | 7,910 |
| Debt Service: | | | | | | |
| Other Debt Service | 0 | 0 | 121,223 | 121,223 | 0 | 121,223 |
| Total Expenditures | \$ 4,391,399 | \$ 3,231,165 | \$ 3,632,387 | \$ 11,254,951 | \$ 7,910 | \$ 11,262,861 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 122,113 | \$ 83,325 | \$ 131,461 | \$ 336,899 | \$ (7,910) | \$ 328,989 |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Proceeds from Sale of Capital Assets | \$ 0 | \$ 167 | \$ 10 | \$ 177 | \$ 0 | \$ 177 |
| Transfers In | 0 | 76,105 | 0 | 76,105 | 0 | 76,105 |
| Transfers Out | (104,219) | 0 | (139,346) | (243,565) | 0 | (243,565) |
| Total Other Financing Sources (Uses) | \$ (104,219) | \$ 76,272 | \$ (139,336) | \$ (167,283) | \$ 0 | \$ (167,283) |

(Continued)

Exhibit K-7

Anderson County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Anderson County School Department (Cont.)

| | Special Revenue Funds | | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|-----------------------------|-------------------------------|----------------------|--|--------------|----------------------------------|--|
| | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Total | Education Capital Projects | |
| Net Change in Fund Balances | \$ 17,894 | \$ 159,597 | \$ (7,875) | \$ 169,616 | \$ (7,910) | \$ 161,706 |
| Fund Balance, July 1, 2015 | 56,382 | 1,045,889 | 34,747 | 1,137,018 | 7,910 | 1,144,928 |
| Fund Balance, June 30, 2016 | \$ 74,276 | \$ 1,205,486 | \$ 26,872 | \$ 1,306,634 | \$ 0 | \$ 1,306,634 |

Exhibit K-8

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Anderson County School Department
General Purpose School Fund
For the Year Ended June 30, 2016

| | Actual (GAAP Basis) | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|---------------------------|-----------------------------------|---|------------------|---------------|--|
| | | | | Original | Final | |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 22,661,202 | \$ 0 | \$ 22,661,202 | \$ 22,452,453 | \$ 22,462,453 | \$ 198,749 |
| Licenses and Permits | 3,178 | 0 | 3,178 | 3,120 | 3,120 | 58 |
| Fines, Forfeitures, and Penalties | 10,000 | 0 | 10,000 | 10,000 | 10,000 | 0 |
| Charges for Current Services | 58,963 | 0 | 58,963 | 47,039 | 58,189 | 774 |
| Other Local Revenues | 109,091 | 0 | 109,091 | 143,549 | 143,549 | (34,458) |
| State of Tennessee | 30,648,465 | 0 | 30,648,465 | 31,440,175 | 31,435,175 | (786,710) |
| Federal Government | 135,904 | 0 | 135,904 | 180,034 | 189,670 | (53,766) |
| Other Governments and Citizens Groups | 1,355,282 | 0 | 1,355,282 | 3,900 | 1,203,900 | 151,382 |
| Total Revenues | \$ 54,982,085 | \$ 0 | \$ 54,982,085 | \$ 54,280,270 | \$ 55,506,056 | \$ (523,971) |
| <u>Expenditures</u> | | | | | | |
| <u>Instruction</u> | | | | | | |
| Regular Instruction Program | \$ 22,727,409 | \$ 0 | \$ 22,727,409 | \$ 22,540,367 | \$ 22,959,622 | \$ 232,213 |
| Special Education Program | 5,331,246 | 0 | 5,331,246 | 6,565,491 | 5,605,205 | 273,959 |
| Vocational Education Program | 3,025,433 | 0 | 3,025,433 | 3,160,492 | 3,189,423 | 163,990 |
| Student Body Education Program | 98,947 | 0 | 98,947 | 100,000 | 100,000 | 1,053 |
| <u>Support Services</u> | | | | | | |
| Attendance | 375,676 | 0 | 375,676 | 356,714 | 407,624 | 31,948 |
| Health Services | 658,045 | 0 | 658,045 | 488,237 | 688,097 | 30,052 |
| Other Student Support | 1,485,996 | 0 | 1,485,996 | 1,602,816 | 1,583,653 | 97,657 |
| Regular Instruction Program | 1,056,446 | 0 | 1,056,446 | 1,091,789 | 1,102,481 | 46,035 |
| Special Education Program | 1,416,864 | 0 | 1,416,864 | 550,497 | 1,448,237 | 31,373 |
| Vocational Education Program | 276,189 | 0 | 276,189 | 271,572 | 287,572 | 11,383 |
| Adult Programs | 0 | 0 | 0 | 100,000 | 0 | 0 |
| Other Programs | 206,337 | 0 | 206,337 | 300,000 | 300,000 | 93,663 |

(Continued)

Exhibit K-8

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

| | Actual (GAAP Basis) | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | |
| <u>Support Services (Cont.)</u> | | | | | | |
| Board of Education | \$ 1,135,803 | \$ 0 | \$ 1,135,803 | \$ 1,166,713 | \$ 1,168,750 | \$ 32,947 |
| Director of Schools | 337,791 | 0 | 337,791 | 345,008 | 382,066 | 44,275 |
| Office of the Principal | 3,480,201 | 0 | 3,480,201 | 3,514,078 | 3,530,498 | 50,297 |
| Fiscal Services | 499,715 | 0 | 499,715 | 460,339 | 546,140 | 46,425 |
| Human Services/Personnel | 71,550 | 0 | 71,550 | 67,821 | 73,086 | 1,536 |
| Operation of Plant | 4,381,316 | 0 | 4,381,316 | 4,767,487 | 4,783,025 | 401,709 |
| Maintenance of Plant | 1,361,784 | 0 | 1,361,784 | 1,504,083 | 1,499,602 | 137,818 |
| Transportation | 3,178,385 | 0 | 3,178,385 | 3,220,392 | 3,250,830 | 72,445 |
| Central and Other | 897,655 | 4,788 | 902,443 | 894,031 | 926,624 | 24,181 |
| <u>Operation of Non-Instructional Services</u> | | | | | | |
| Community Services | 15,040 | 0 | 15,040 | 51,059 | 21,617 | 6,577 |
| <u>Capital Outlay</u> | | | | | | |
| Regular Capital Outlay | 613,785 | 398,575 | 1,012,360 | 328,148 | 1,178,148 | 165,788 |
| <u>Principal on Debt</u> | | | | | | |
| Education | 0 | 0 | 0 | 70,968 | 70,968 | 70,968 |
| <u>Other Debt Service</u> | | | | | | |
| Education | 1,378,065 | 0 | 1,378,065 | 1,562,255 | 1,562,255 | 184,190 |
| Total Expenditures | \$ 54,009,678 | \$ 403,363 | \$ 54,413,041 | \$ 55,080,357 | \$ 56,665,523 | \$ 2,252,482 |
| <u>Excess (Deficiency) of Revenues</u> | | | | | | |
| Over Expenditures | \$ 972,407 | \$ (403,363) | \$ 569,044 | \$ (800,087) | \$ (1,159,467) | \$ 1,728,511 |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 600,000 | \$ 0 | \$ 0 |

(Continued)

Exhibit K-8

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

| | Actual (GAAP Basis) | Add: Encumbrances 6/30/2016 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------------|-----------------------------------|---|------------------|--------------|--|
| | | | | Original | Final | |
| <u>Other Financing Sources (Uses) (Cont.)</u> | | | | | | |
| Proceeds from Sale of Capital Assets | \$ 1,302 | \$ 0 | \$ 1,302 | \$ 0 | \$ 0 | \$ 1,302 |
| Insurance Recovery | 19,007 | 0 | 19,007 | 0 | 0 | 19,007 |
| Transfers In | 178,382 | 0 | 178,382 | 200,088 | 200,088 | (21,706) |
| Transfers Out | (10,922) | 0 | (10,922) | 0 | (10,925) | 3 |
| Total Other Financing Sources | \$ 187,769 | \$ 0 | \$ 187,769 | \$ 800,088 | \$ 189,163 | \$ (1,394) |
| Net Change in Fund Balance | \$ 1,160,176 | \$ (403,363) | \$ 756,813 | \$ 1 | \$ (970,304) | \$ 1,727,117 |
| Fund Balance, July 1, 2015 | 2,717,745 | 0 | 2,717,745 | 1,295,649 | 1,295,649 | 1,422,096 |
| Fund Balance, June 30, 2016 | \$ 3,877,921 | \$ (403,363) | \$ 3,474,558 | \$ 1,295,650 | \$ 325,345 | \$ 3,149,213 |

Exhibit K-9

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Anderson County School Department
School Federal Projects Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|--------------|------------------|--------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Other Local Revenues | \$ 33,884 | \$ 0 | \$ 0 | \$ 33,884 |
| State of Tennessee | 288,476 | 0 | 345,000 | (56,524) |
| Federal Government | 4,191,152 | 4,773,146 | 5,983,893 | (1,792,741) |
| Total Revenues | \$ 4,513,512 | \$ 4,773,146 | \$ 6,328,893 | \$ (1,815,381) |
| <u>Expenditures</u> | | | | |
| <u>Instruction</u> | | | | |
| Regular Instruction Program | \$ 1,106,366 | \$ 1,020,201 | \$ 1,136,241 | \$ 29,875 |
| Special Education Program | 1,170,195 | 1,363,956 | 1,724,405 | 554,210 |
| Vocational Education Program | 98,382 | 121,078 | 101,812 | 3,430 |
| <u>Support Services</u> | | | | |
| Other Student Support | 379,847 | 618,835 | 809,996 | 430,149 |
| Regular Instruction Program | 933,958 | 967,062 | 1,067,745 | 133,787 |
| Special Education Program | 236,758 | 224,824 | 501,771 | 265,013 |
| Board of Education | 378 | 378 | 378 | 0 |
| Transportation | 130,396 | 153,205 | 332,076 | 201,680 |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Community Services | 335,119 | 56,991 | 392,427 | 57,308 |
| Total Expenditures | \$ 4,391,399 | \$ 4,526,530 | \$ 6,066,851 | \$ 1,675,452 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 122,113 | \$ 246,616 | \$ 262,042 | \$ (139,929) |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (104,219) | \$ (276,617) | \$ (307,235) | \$ 203,016 |
| Total Other Financing Sources | \$ (104,219) | \$ (276,617) | \$ (307,235) | \$ 203,016 |
| Net Change in Fund Balance | \$ 17,894 | \$ (30,001) | \$ (45,193) | \$ 63,087 |
| Fund Balance, July 1, 2015 | 56,382 | 30,001 | 45,193 | 11,189 |
| Fund Balance, June 30, 2016 | \$ 74,276 | \$ 0 | \$ 0 | \$ 74,276 |

Exhibit K-10

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Anderson County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|--------------|------------------|--------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Charges for Current Services | \$ 620,441 | \$ 755,909 | \$ 645,016 | \$ (24,575) |
| Other Local Revenues | 34,424 | 200 | 200 | 34,224 |
| State of Tennessee | 29,590 | 31,300 | 31,300 | (1,710) |
| Federal Government | 2,630,035 | 2,587,785 | 2,614,665 | 15,370 |
| Total Revenues | \$ 3,314,490 | \$ 3,375,194 | \$ 3,291,181 | \$ 23,309 |
| <u>Expenditures</u> | | | | |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Food Service | \$ 3,231,165 | \$ 3,548,003 | \$ 3,482,028 | \$ 250,863 |
| Total Expenditures | \$ 3,231,165 | \$ 3,548,003 | \$ 3,482,028 | \$ 250,863 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 83,325 | \$ (172,809) | \$ (190,847) | \$ 274,172 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Proceeds from Sale of Capital Assets | \$ 167 | \$ 0 | \$ 0 | \$ 167 |
| Transfers In | 76,105 | 53,151 | 71,189 | 4,916 |
| Total Other Financing Sources | \$ 76,272 | \$ 53,151 | \$ 71,189 | \$ 5,083 |
| Net Change in Fund Balance | \$ 159,597 | \$ (119,658) | \$ (119,658) | \$ 279,255 |
| Fund Balance, July 1, 2015 | 1,045,889 | 473,981 | 473,981 | 571,908 |
| Fund Balance, June 30, 2016 | \$ 1,205,486 | \$ 354,323 | \$ 354,323 | \$ 851,163 |

Exhibit K-11

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Anderson County School Department
Other Education Special Revenue Fund
For the Year Ended June 30, 2016

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Charges for Current Services | \$ 163,871 | \$ 160,500 | \$ 160,500 | \$ 3,371 |
| Other Local Revenues | 2,008 | 0 | 2,009 | (1) |
| State of Tennessee | 626,395 | 632,110 | 632,110 | (5,715) |
| Federal Government | 2,971,574 | 2,966,944 | 2,976,944 | (5,370) |
| Total Revenues | <u>\$ 3,763,848</u> | <u>\$ 3,759,554</u> | <u>\$ 3,771,563</u> | <u>\$ (7,715)</u> |
| <u>Expenditures</u> | | | | |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Community Services | \$ 2,920,497 | \$ 2,885,589 | \$ 2,929,235 | \$ 8,738 |
| Early Childhood Education | 590,667 | 612,235 | 612,720 | 22,053 |
| <u>Principal on Debt</u> | | | | |
| Education | 0 | 67,774 | 0 | 0 |
| <u>Interest on Debt</u> | | | | |
| Education | 0 | 53,424 | 0 | 0 |
| <u>Other Debt Service</u> | | | | |
| Education | 121,223 | 0 | 121,329 | 106 |
| Total Expenditures | <u>\$ 3,632,387</u> | <u>\$ 3,619,022</u> | <u>\$ 3,663,284</u> | <u>\$ 30,897</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 131,461</u> | <u>\$ 140,532</u> | <u>\$ 108,279</u> | <u>\$ 23,182</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Proceeds from Sale of Capital Assets | \$ 10 | \$ 0 | \$ 10 | \$ 0 |
| Transfers Out | (139,346) | (140,532) | (143,034) | 3,688 |
| Total Other Financing Sources | <u>\$ (139,336)</u> | <u>\$ (140,532)</u> | <u>\$ (143,024)</u> | <u>\$ 3,688</u> |
| Net Change in Fund Balance | \$ (7,875) | \$ 0 | \$ (34,745) | \$ 26,870 |
| Fund Balance, July 1, 2015 | 34,747 | 32,488 | 34,745 | 2 |
| Fund Balance, June 30, 2016 | <u>\$ 26,872</u> | <u>\$ 32,488</u> | <u>\$ 0</u> | <u>\$ 26,872</u> |

MISCELLANEOUS SCHEDULES

Exhibit L-1

Anderson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, Capital Lease, and Bonds
For the Year Ended June 30, 2016

| Description of Indebtedness | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-15 | Issued During Period | Paid and/or Matured During Period | Outstanding 6-30-16 |
|---|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|--|------------------------|
| <u>GOVERNMENTAL ACTIVITIES:</u> | | | | | | | | |
| <u>NOTES PAYABLE</u> | | | | | | | | |
| <u>Payable through Rural Debt Service Fund</u> | | | | | | | | |
| Local Government Energy Efficient Loan Program | \$ 489,502 | 0 % | 3-25-11 | 11-1-21 | \$ 314,105 | \$ 0 | \$ 48,948 | \$ 265,157 |
| Local Government Energy Efficient Loan Program | 352,931 | 0 | 6-21-12 | 8-1-22 | 252,937 | 0 | 35,292 | 217,645 |
| Total Payable through Rural Debt Service Fund | | | | | <u>\$ 567,042</u> | <u>\$ 0</u> | <u>\$ 84,240</u> | <u>\$ 482,802</u> |
| <u>Contributions Due by the School Department from the General Purpose School Fund to the Rural Debt Service Fund</u> | | | | | | | | |
| Local Government Energy Efficient Loan Program | 496,775 | 0 | 2-2-09 | 2-2-16 | \$ 70,967 | \$ 0 | \$ 70,967 | \$ 0 |
| Total Contributions Due by the School Department from the General Purpose School Fund to the Rural Debt Service Fund | | | | | <u>\$ 70,967</u> | <u>\$ 0</u> | <u>\$ 70,967</u> | <u>\$ 0</u> |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| School Capital Projects Note | 1,200,000 | 1.9 | 5-4-16 | 4-1-19 | \$ 0 | \$ 1,200,000 | \$ 0 | \$ 1,200,000 |
| Total Payable through Education Debt Service Fund | | | | | <u>\$ 0</u> | <u>\$ 1,200,000</u> | <u>\$ 0</u> | <u>\$ 1,200,000</u> |
| Total Notes Payable | | | | | <u>\$ 638,009</u> | <u>\$ 1,200,000</u> | <u>\$ 155,207</u> | <u>\$ 1,682,802</u> |
| <u>OTHER LOANS PAYABLE</u> | | | | | | | | |
| <u>Payable through Public Library Fund</u> | | | | | | | | |
| USDA Loan for Briceville Library | 125,000 | 3.38 | 9-11-13 | 7-25-51 | \$ 122,043 | \$ 0 | \$ 1,764 | \$ 120,279 |
| Total Payable through Public Library Fund | | | | | <u>\$ 122,043</u> | <u>\$ 0</u> | <u>\$ 1,764</u> | <u>\$ 120,279</u> |
| <u>Public Building Authority Loan Agreements Payable through General Debt Service Fund</u> | | | | | | | | |
| Industrial Development - Montgomery County PBA | 1,700,000 | Variable | 7-13-01 | 5-25-21 | \$ 714,000 | \$ 0 | \$ 105,000 | \$ 609,000 |
| Jail Renovation - Montgomery County PBA | 3,000,000 | Variable | 5-22-06 | 5-25-25 | 1,792,000 | 0 | 156,000 | 1,636,000 |
| Total Payable through General Debt Service Fund | | | | | <u>\$ 2,506,000</u> | <u>\$ 0</u> | <u>\$ 261,000</u> | <u>\$ 2,245,000</u> |
| <u>Payable through Rural Debt Service Fund</u> | | | | | | | | |
| City of Clarksville Series 2014 PBA | 4,505,215 | 2.75 | 2-4-14 | 5-1-31 | \$ 4,375,000 | \$ 0 | \$ 175,000 | \$ 4,200,000 |
| Total Payable through Rural Debt Service Fund | | | | | <u>\$ 4,375,000</u> | <u>\$ 0</u> | <u>\$ 175,000</u> | <u>\$ 4,200,000</u> |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| City of Clarksville Series 2014 PBA | 5,180,000 | 2.75 | 2-4-14 | 5-1-31 | \$ 5,010,000 | \$ 0 | \$ 225,000 | \$ 4,785,000 |
| Total Payable through Education Debt Service Fund | | | | | <u>\$ 5,010,000</u> | <u>\$ 0</u> | <u>\$ 225,000</u> | <u>\$ 4,785,000</u> |
| Total Other Loans Payable | | | | | <u>\$ 12,013,043</u> | <u>\$ 0</u> | <u>\$ 662,764</u> | <u>\$ 11,350,279</u> |

(Continued)

Exhibit L-1

Anderson County, Tennessee

Schedule of Changes in Long-term Notes, Other Loans, Capital Lease, and Bonds (Cont.)

| Description of Indebtedness | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-15 | Issued During Period | Paid and/or Matured During Period | Outstanding 6-30-16 |
|--|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|--|------------------------|
| <u>GOVERNMENTAL ACTIVITIES (CONT.):</u> | | | | | | | | |
| <u>BONDS PAYABLE</u> | | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | |
| General Obligation | \$ 2,450,000 | 1 to 5.25 % | 6-4-10 | 5-1-28 | \$ 1,870,000 | \$ 0 | \$ 120,000 | \$ 1,750,000 |
| General Obligation Refunding | 1,750,000 | 2.5 to 3 | 2-25-11 | 5-1-19 | 1,195,000 | 0 | 285,000 | 910,000 |
| General Obligation | 14,750,000 | 2 to 4 | 9-28-11 | 5-1-35 | 14,675,000 | 0 | 75,000 | 14,600,000 |
| Total Payable through General Debt Service Fund | | | | | <u>\$ 17,740,000</u> | <u>\$ 0</u> | <u>\$ 480,000</u> | <u>\$ 17,260,000</u> |
| <u>Payable through Rural Debt Service Fund</u> | | | | | | | | |
| Rural School Refunding | 7,535,000 | 2.5 to 3.5 | 10-25-10 | 5-1-26 | \$ 7,535,000 | \$ 0 | \$ 160,000 | \$ 7,375,000 |
| Rural School Refunding | 2,050,000 | 2.5 to 3 | 2-25-11 | 5-1-18 | 690,000 | 0 | 230,000 | 460,000 |
| Rural School | 2,000,000 | 2 to 4 | 9-28-11 | 5-1-31 | 1,900,000 | 0 | 25,000 | 1,875,000 |
| Rural School Refunding | 1,290,000 | 1 to 2 | 12-11-13 | 6-30-18 | 975,000 | 0 | 320,000 | 655,000 |
| Total Payable through Rural Debt Service Fund | | | | | <u>\$ 11,100,000</u> | <u>\$ 0</u> | <u>\$ 735,000</u> | <u>\$ 10,365,000</u> |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| Rural High School Refunding | 6,205,000 | 2.5 to 3.5 | 10-25-10 | 5-1-25 | \$ 5,840,000 | \$ 0 | \$ 190,000 | \$ 5,650,000 |
| Rural High School | 8,000,000 | 2 to 4 | 9-28-11 | 5-1-31 | 7,800,000 | 0 | 135,000 | 7,665,000 |
| Rural High School Refunding | 1,810,000 | 1 to 2 | 12-11-13 | 6-30-18 | 1,370,000 | 0 | 445,000 | 925,000 |
| Total Payable through Education Debt Service Fund | | | | | <u>\$ 15,010,000</u> | <u>\$ 0</u> | <u>\$ 770,000</u> | <u>\$ 14,240,000</u> |
| Total Bonds Payable | | | | | <u>\$ 43,850,000</u> | <u>\$ 0</u> | <u>\$ 1,985,000</u> | <u>\$ 41,865,000</u> |
| <u>CAPITAL LEASE PAYABLE</u> | | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | |
| Phone System | 501,365 | 6.25 | 7-23-14 | 5-25-21 | \$ 443,361 | \$ 0 | \$ 103,892 | \$ 339,469 |
| Total Payable through General Debt Service Fund | | | | | <u>\$ 443,361</u> | <u>\$ 0</u> | <u>\$ 103,892</u> | <u>\$ 339,469</u> |
| <u>Contributions Due by the School Department from the Other Education Special Revenue Fund to the Rural Debt Service Fund</u> | | | | | | | | |
| Headstart Facility | 957,236 | 11.4 | 12-1-03 | 12-1-20 | \$ 484,718 | \$ 0 | \$ 69,523 | \$ 415,195 |
| Total Contributions Due by the School Department from the Other Education Special Revenue Fund to the Rural Debt Service Fund | | | | | <u>\$ 484,718</u> | <u>\$ 0</u> | <u>\$ 69,523</u> | <u>\$ 415,195</u> |
| Total Capital Lease Payable | | | | | <u>\$ 928,079</u> | <u>\$ 0</u> | <u>\$ 173,415</u> | <u>\$ 754,664</u> |
| <u>BUSINESS-TYPE ACTIVITIES</u> | | | | | | | | |
| <u>NOTES PAYABLE</u> | | | | | | | | |
| <u>Payable through Ambulance Service Fund</u> | | | | | | | | |
| Ambulances | 223,225 | 2.25 | 6-4-15 | 6-1-22 | \$ 223,225 | \$ 0 | \$ 29,225 | \$ 194,000 |
| Total Payable through Ambulance Service Fund | | | | | <u>\$ 223,225</u> | <u>\$ 0</u> | <u>\$ 29,225</u> | <u>\$ 194,000</u> |
| Total Notes Payable | | | | | <u>\$ 223,225</u> | <u>\$ 0</u> | <u>\$ 29,225</u> | <u>\$ 194,000</u> |

Exhibit L-2

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

GOVERNMENTAL ACTIVITIES

| Year Ending June 30 | Notes | | |
|---------------------------|--------------|-----------|--------------|
| | Principal | Interest | Total |
| 2017 | \$ 452,240 | \$ 18,088 | \$ 470,328 |
| 2018 | 496,240 | 12,887 | 509,127 |
| 2019 | 504,240 | 5,002 | 509,242 |
| 2020 | 84,240 | 0 | 84,240 |
| 2021 | 84,240 | 0 | 84,240 |
| 2022 | 55,709 | 0 | 55,709 |
| 2023 | 5,893 | 0 | 5,893 |
| Total | \$ 1,682,802 | \$ 35,977 | \$ 1,718,779 |

| Year Ending June 30 | Other Loans | | | |
|---------------------------|-------------|------------|------------|------------|
| | Principal | Interest | Other Fees | Total |
| 2017 | \$ 686,823 | \$ 260,447 | \$ 13,489 | \$ 960,759 |
| 2018 | 707,887 | 247,841 | 11,852 | 967,580 |
| 2109 | 717,952 | 234,914 | 10,148 | 963,014 |
| 2020 | 731,019 | 221,942 | 8,383 | 961,344 |
| 2021 | 742,088 | 208,913 | 6,538 | 957,539 |
| 2022 | 614,159 | 195,836 | 4,626 | 814,621 |
| 2023 | 620,233 | 183,308 | 3,522 | 807,063 |
| 2024 | 626,310 | 170,752 | 2,384 | 799,446 |
| 2025 | 632,389 | 158,170 | 1,210 | 791,769 |
| 2026 | 627,469 | 145,562 | 0 | 773,031 |
| 2027 | 877,558 | 128,386 | 0 | 1,005,944 |
| 2028 | 877,643 | 104,138 | 0 | 981,781 |
| 2029 | 927,734 | 79,985 | 0 | 1,007,719 |
| 2030 | 927,828 | 54,453 | 0 | 982,281 |
| 2031 | 947,924 | 28,920 | 0 | 976,844 |
| 2032 | 3,025 | 2,831 | 0 | 5,856 |
| 2033 | 3,128 | 2,728 | 0 | 5,856 |
| 2034 | 3,236 | 2,620 | 0 | 5,856 |
| 2035 | 3,347 | 2,509 | 0 | 5,856 |
| 2036 | 3,461 | 2,395 | 0 | 5,856 |

(Continued)

Exhibit L-2

Anderson County, Tennessee

Schedule of Long-term Debt Requirements by Year (Cont.)

GOVERNMENTAL ACTIVITIES (CONT.)

| Year Ending June 30 | Other Loans (Cont.) | | | |
|---------------------------|---------------------|--------------|------------|---------------|
| | Principal | Interest | Other Fees | Total |
| 2037 | \$ 3,580 | \$ 2,276 | \$ 0 | \$ 5,856 |
| 2038 | 3,703 | 2,153 | 0 | 5,856 |
| 2039 | 3,830 | 2,026 | 0 | 5,856 |
| 2040 | 3,961 | 1,895 | 0 | 5,856 |
| 2041 | 4,097 | 1,759 | 0 | 5,856 |
| 2042 | 4,237 | 1,619 | 0 | 5,856 |
| 2043 | 4,382 | 1,474 | 0 | 5,856 |
| 2044 | 4,532 | 1,324 | 0 | 5,856 |
| 2045 | 4,688 | 1,168 | 0 | 5,856 |
| 2046 | 4,848 | 1,008 | 0 | 5,856 |
| 2047 | 5,015 | 841 | 0 | 5,856 |
| 2048 | 5,186 | 670 | 0 | 5,856 |
| 2049 | 5,364 | 492 | 0 | 5,856 |
| 2050 | 5,548 | 308 | 0 | 5,856 |
| 2051 | 5,738 | 118 | 0 | 5,856 |
| 2052 | 357 | 1 | 0 | 358 |
| Total | \$ 11,350,279 | \$ 2,455,782 | \$ 62,152 | \$ 13,868,213 |

(Continued)

Exhibit L-2

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

GOVERNMENTAL ACTIVITIES (CONT.)

| Year Ending June 30 | Bonds | | |
|---------------------------|---------------|---------------|---------------|
| | Principal | Interest | Total |
| 2017 | \$ 2,045,000 | \$ 1,466,156 | \$ 3,511,156 |
| 2018 | 2,085,000 | 1,415,356 | 3,500,356 |
| 2019 | 2,200,000 | 1,362,244 | 3,562,244 |
| 2020 | 2,260,000 | 1,294,749 | 3,554,749 |
| 2021 | 2,315,000 | 1,225,194 | 3,540,194 |
| 2022 | 2,530,000 | 1,156,644 | 3,686,644 |
| 2023 | 2,640,000 | 1,077,844 | 3,717,844 |
| 2024 | 2,735,000 | 995,742 | 3,730,742 |
| 2025 | 2,830,000 | 905,550 | 3,735,550 |
| 2026 | 2,960,000 | 808,675 | 3,768,675 |
| 2027 | 2,290,000 | 693,275 | 2,983,275 |
| 2028 | 2,415,000 | 599,613 | 3,014,613 |
| 2029 | 2,375,000 | 502,400 | 2,877,400 |
| 2030 | 2,485,000 | 407,400 | 2,892,400 |
| 2031 | 2,600,000 | 308,000 | 2,908,000 |
| 2032 | 1,200,000 | 204,000 | 1,404,000 |
| 2033 | 1,250,000 | 156,000 | 1,406,000 |
| 2034 | 1,300,000 | 106,000 | 1,406,000 |
| 2035 | 1,350,000 | 54,000 | 1,404,000 |
| Total | \$ 41,865,000 | \$ 14,738,842 | \$ 56,603,842 |

| Year Ending June 30 | Capital Lease | | |
|---------------------------|---------------|------------|------------|
| | Principal | Interest | Total |
| 2017 | \$ 184,496 | \$ 47,660 | \$ 232,156 |
| 2018 | 196,742 | 36,511 | 233,253 |
| 2019 | 210,292 | 24,058 | 234,350 |
| 2020 | 133,255 | 10,663 | 143,918 |
| 2021 | 29,879 | 569 | 30,448 |
| Total | \$ 754,664 | \$ 119,461 | \$ 874,125 |

(Continued)

Exhibit L-2

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

BUSINESS-TYPE ACTIVITIES

| Year Ending June 30 | Notes | | |
|---------------------------|------------|-----------|------------|
| | Principal | Interest | Total |
| 2017 | \$ 31,000 | \$ 4,365 | \$ 35,365 |
| 2018 | 31,000 | 3,668 | 34,668 |
| 2019 | 32,000 | 2,970 | 34,970 |
| 2020 | 33,000 | 2,250 | 35,250 |
| 2021 | 33,000 | 1,508 | 34,508 |
| 2022 | 34,000 | 765 | 34,765 |
| Total | \$ 194,000 | \$ 15,526 | \$ 209,526 |

Exhibit L-3

Anderson County, Tennessee
Schedule of Investments
June 30, 2016

| Fund and Type | Amount |
|--|-----------|
| <u>Employee Health Insurance (Internal Service) Fund</u> | |
| State Treasurer's Investment Pool | \$ 18,637 |
| Total Investments | \$ 18,637 |

Exhibit L-4

Anderson County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

| From Fund | To Fund | Purpose | Amount |
|---|--------------------------|--|-------------------|
| <u>PRIMARY GOVERNMENT</u> | | | |
| General | Education Debt Service | State sharing revenue | \$ 16,100 |
| " | Self Insurance | Contribution in addition to premiums | 171,593 |
| " | Self Insurance | Funding for construction of employee clinic | 120,000 |
| " | Ambulance Service | Forgive one year of scheduled debt payment | 127,312 |
| " | Ambulance Service | Funding for salary increases for all employees | 45,000 |
| Solid Waste/Sanitation | General Capital Projects | Unspent bond proceeds for other capital projects | <u>33,000</u> |
| Total Transfers Primary Government | | | <u>\$ 513,005</u> |
| <u>DISCRETELY PRESENTED ANDERSON COUNTY SCHOOL DEPARTMENT</u> | | | |
| School Federal Projects | General Purpose School | Indirect costs | \$ 104,219 |
| Other Education Special Revenue | General Purpose School | Indirect costs | 74,163 |
| " | Central Cafeteria | Cafeteria expenditures | 65,183 |
| General Purpose School | Central Cafeteria | Cafeteria expenditures | <u>10,922</u> |
| Total Transfers Discretely Presented Anderson County School Department | | | <u>\$ 254,487</u> |

Exhibit L-5

Anderson County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

| Official | Authorization for Salary | Salary Paid During Period | Bond | Surety |
|--|--|------------------------------------|-----------|--|
| County Mayor | Section 8-24-102, <i>TCA</i> | \$ 101,555 (1) \$ | 100,000 | RLI Insurance Company |
| Highway Superintendent | Section 8-24-102, <i>TCA</i> | 91,972 | 100,000 | RLI Insurance Company |
| Director of Schools | State Board of Education and County Board of Education | 164,775 (2) | 100,000 | Auto Owners Insurance Company |
| Trustee | Section 8-24-102, <i>TCA</i> | 83,610 | 2,945,010 | Cincinnati Insurance Company |
| Assessor of Property | Section 8-24-102, <i>TCA</i> | 83,610 | 50,000 | RLI Insurance Company |
| Director of Accounts and Budgets: | | | | |
| Christopher Phillips (7-1-15 through 1-22-16) | County Commission | 54,053 (3) | 100,000 | RLI Insurance Company |
| Connie Aytes (Interim) (1-23-16 through 6-30-16) | County Commission | 34,787 | 100,000 | RLI Insurance Company |
| Finance Director | County Commission | 7,268 (4) | 100,000 | RLI Insurance Company |
| County Clerk | Section 8-24-102, <i>TCA</i> | 83,610 | 100,000 | RLI Insurance Company |
| Circuit, General Sessions, and Juvenile Courts Clerk | Section 8-24-102, <i>TCA</i> | 83,610 | 100,000 | RLI Insurance Company |
| Clerk and Master | Section 8-24-102, <i>TCA</i> , and Chancery Court Judge | 83,610 (5) | 50,000 | Travelers Casualty and Surety Company of America |
| Register of Deeds | Section 8-24-102, <i>TCA</i> | 83,610 | 100,000 | RLI Insurance Company |
| Sheriff | Section 8-24-102, <i>TCA</i> | 92,572 (6) | 100,000 | Cincinnati Insurance Company |
| Purchasing Agent: | | | | |
| Pam Cotham (7-1-15 through 2-22-16) | County Commission | 52,515 (7) | 100,000 | RLI Insurance Company |
| Hazel Gibson (Interim) (3-7-16 through 6-12-16) | County Commission | 13,488 | 100,000 | RLI Insurance Company |
| Tony Foreman (6-13-16 through 6-30-16) | County Commission | 3,213 | 100,000 | RLI Insurance Company |
| Employee Blanket Bonds: | | | | |
| Employee Fidelity - County Departments | | | 150,000 | Tennessee Risk Management Trust |
| Employee Fidelity - School Department | | | 150,000 | " |

(1) Includes a vehicle allowance of \$4,984.

(2) Includes a payment of \$19,395 in accrued leave, \$10,780 in retiree sick leave payout, \$4,300 in retiree bonus payment, and career ladder supplement of \$1,000.

(3) Includes a payment of \$5,230 in accrued leave.

(4) Natalie Erb was appointed on May 18, 2016 to serve as the finance director under the County Financial Management System of 1981. The county's implementation plan for the County Financial Management System of 1981 allowed for the previous director of accounts and budgets to continue previous duties through June 30, 2016.

(5) Does not include special commissioner fees of \$5,650.

(6) Includes a law enforcement training supplement of \$600.

(7) Includes a payment of \$8,047 in accrued leave and \$1,075 for work at the Senior Center. Does not include \$2,182 for part-time work in the Purchasing Department after resigning as purchasing agent.

Exhibit L-6

Anderson County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2016

| | Special Revenue Funds | | | | | Constitu - tional Officers - Fees |
|--|-----------------------|-------------------|--------------------------------|-----------------|-----------------------------|--|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 11,126,525 | \$ 425,566 | \$ 992,944 | \$ 0 | \$ 0 | \$ 0 |
| Trustee's Collections - Prior Year | 349,605 | 13,271 | 31,282 | 0 | 0 | 0 |
| Trustee's Collections - Bankruptcy | 4,023 | 89 | 205 | 0 | 0 | 0 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 200,056 | 0 | 0 | 0 | 0 | 0 |
| Interest and Penalty | 144,199 | 2,609 | 6,156 | 0 | 0 | 0 |
| Payments in-Lieu-of Taxes - T.V.A. | 71,289 | 0 | 0 | 0 | 0 | 0 |
| Payments in-Lieu-of Taxes - Local Utilities | 833,153 | 0 | 0 | 0 | 0 | 0 |
| Payments in-Lieu-of Taxes - Other | 2,060,487 | 0 | 0 | 0 | 0 | 0 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 618,662 | 0 | 0 | 0 | 0 | 0 |
| Hotel/Motel Tax | 0 | 0 | 0 | 0 | 354,431 | 0 |
| Litigation Tax - General | 152,556 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Special Purpose | 17,475 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Office of Public Defender | 23,648 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 9,125 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Victim-Offender Mediation Center | 8,899 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Courthouse Security | 78,582 | 0 | 0 | 0 | 0 | 0 |
| Business Tax | 932,049 | 0 | 0 | 0 | 0 | 0 |
| Mineral Severance Tax | 0 | 0 | 0 | 0 | 0 | 0 |
| Other County Local Option Taxes | 684 | 0 | 0 | 0 | 0 | 0 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 52,191 | 0 | 0 | 0 | 0 | 0 |
| Wholesale Beer Tax | 153,951 | 0 | 0 | 0 | 0 | 0 |
| Interstate Telecommunications Tax | 3,401 | 0 | 0 | 0 | 0 | 0 |
| Other Statutory Local Taxes | 10,939 | 0 | 0 | 0 | 0 | 0 |
| Total Local Taxes | \$ 16,851,499 | \$ 441,535 | \$ 1,030,587 | \$ 0 | \$ 354,431 | \$ 0 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | | Constitu - tional Officers - Fees |
|--|-----------------------|-------------------|--------------------------------|-----------------|-----------------------------|--|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Cable TV Franchise | \$ 213,665 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Permits</u> | | | | | | |
| Beer Permits | 475 | 0 | 0 | 0 | 0 | 0 |
| Building Permits | 89,942 | 0 | 0 | 0 | 0 | 0 |
| Total Licenses and Permits | \$ 304,082 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | |
| <u>Circuit Court</u> | | | | | | |
| Fines | \$ 16,339 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Officers Costs | 23,506 | 0 | 0 | 0 | 0 | 0 |
| Drug Control Fines | 5,851 | 0 | 0 | 5,134 | 0 | 0 |
| Drug Court Fees | 7,185 | 0 | 0 | 0 | 0 | 0 |
| Jail Fees | 14,322 | 0 | 0 | 0 | 0 | 0 |
| District Attorney General Fees | 246 | 0 | 0 | 0 | 0 | 0 |
| DUI Treatment Fines | 7,378 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Circuit Court | 3,542 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 297 | 0 | 0 | 0 | 0 | 0 |
| Victims Assistance Assessments | 5,317 | 0 | 0 | 0 | 0 | 0 |
| <u>General Sessions Court</u> | | | | | | |
| Fines | 35,647 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 75,945 | 0 | 0 | 0 | 0 | 0 |
| Game and Fish Fines | 20 | 0 | 0 | 0 | 0 | 0 |
| Drug Control Fines | 1,831 | 0 | 0 | 1,651 | 0 | 0 |
| Drug Court Fees | 3,993 | 0 | 0 | 0 | 0 | 0 |
| Jail Fees | 62,532 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | | Constitu - tional Officers - Fees |
|--|-----------------------|-------------------|--------------------------------|-----------------|-----------------------------|--|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | | |
| <u>General Sessions Court (Cont.)</u> | | | | | | |
| District Attorney General Fees | \$ 13,429 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| DUI Treatment Fines | 86 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - General Sessions Court | 18,117 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 625 | 0 | 0 | 0 | 0 | 0 |
| Victims Assistance Assessments | 18,921 | 0 | 0 | 0 | 0 | 0 |
| <u>Juvenile Court</u> | | | | | | |
| Fines | 2,683 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 16,769 | 0 | 0 | 0 | 0 | 0 |
| Drug Court Fees | 1,064 | 0 | 0 | 0 | 0 | 0 |
| Jail Fees | 4,545 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Juvenile Court | 2,250 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 34 | 0 | 0 | 0 | 0 | 0 |
| <u>Chancery Court</u> | | | | | | |
| Officers Costs | 42,080 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Chancery Court | 4,422 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 2,263 | 0 | 0 | 0 | 0 | 0 |
| <u>Other Courts - In-county</u> | | | | | | |
| Fines | 5,063 | 0 | 0 | 0 | 0 | 0 |
| Game and Fish Fines | 28 | 0 | 0 | 0 | 0 | 0 |
| <u>Judicial District Drug Program</u> | | | | | | |
| Drug Task Force Forfeitures and Seizures | 0 | 0 | 0 | 5,543 | 0 | 0 |
| <u>Other Fines, Forfeitures, and Penalties</u> | | | | | | |
| Proceeds from Confiscated Property | 585 | 0 | 0 | 50,791 | 0 | 0 |
| Total Fines, Forfeitures, and Penalties | \$ 396,915 | \$ 0 | \$ 0 | \$ 63,119 | \$ 0 | 0 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | | Constitu - |
|---|-----------------------|----------------|--------------------------|--------------|-----------------------|------------------------|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | tional Officers - Fees |
| <u>Charges for Current Services</u> | | | | | | |
| <u>General Service Charges</u> | | | | | | |
| Convenience Waste Centers Collection Charge | \$ 0 | \$ 0 | \$ 62,005 | \$ 0 | \$ 0 | \$ 0 |
| Surcharge - Host Agency | 0 | 0 | 369,833 | 0 | 0 | 0 |
| Solid Waste Disposal Fee | 0 | 0 | 20,386 | 0 | 0 | 0 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 37,555 | 0 | 0 | 0 |
| Health Department Collections | 234,575 | 0 | 0 | 0 | 0 | 0 |
| Other General Service Charges | 526 | 0 | 0 | 0 | 0 | 0 |
| Service Charges | 3,590 | 0 | 0 | 0 | 0 | 0 |
| <u>Fees</u> | | | | | | |
| Recreation Fees | 128,946 | 0 | 0 | 0 | 0 | 0 |
| Copy Fees | 321 | 0 | 0 | 0 | 0 | 0 |
| Library Fees | 0 | 26,954 | 0 | 0 | 0 | 0 |
| Archives and Records Management Fee | 29,083 | 0 | 0 | 0 | 0 | 0 |
| Greenbelt Late Application Fee | 50 | 0 | 0 | 0 | 0 | 0 |
| Telephone Commissions | 150,405 | 0 | 0 | 0 | 0 | 0 |
| Constitutional Officers' Fees and Commissions | 0 | 0 | 0 | 0 | 0 | 1,518 |
| Special Commissioner Fees/Special Master Fees | 0 | 0 | 0 | 0 | 0 | 5,650 |
| Data Processing Fee - Register | 21,766 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - Sheriff | 11,393 | 0 | 0 | 0 | 0 | 0 |
| Sexual Offender Registration Fee - Sheriff | 2,400 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - County Clerk | 15,350 | 0 | 0 | 0 | 0 | 0 |
| Subscription and Document Retrieval Fee - Circuit | 3,250 | 0 | 0 | 0 | 0 | 0 |
| <u>Education Charges</u> | | | | | | |
| Other Charges for Services | 4,630 | 0 | 0 | 0 | 0 | 0 |
| Total Charges for Current Services | \$ 606,285 | \$ 26,954 | \$ 489,779 | \$ 0 | \$ 0 | \$ 7,168 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | | | Constitu - tional Officers - Fees |
|--|-----------------------|-------------------|--------------------------------|-----------------|-----------------------------|------|--|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | | |
| <u>Other Local Revenues</u> | | | | | | | |
| <u>Recurring Items</u> | | | | | | | |
| Investment Income | \$ 16,192 | \$ 427 | \$ 0 | \$ 555 | \$ 0 | \$ 0 | 0 |
| Lease/Rentals | 149,612 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale of Materials and Supplies | 1,490 | 82 | 0 | 5 | 0 | 0 | 0 |
| Commissary Sales | 50,373 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale of Gasoline | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale of Maps | 1,225 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale of Recycled Materials | 0 | 0 | 21,121 | 0 | 0 | 0 | 0 |
| E-Rate Funding | 0 | 5,174 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous Refunds | 3,853 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>Nonrecurring Items</u> | | | | | | | |
| Sale of Equipment | 11,288 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contributions and Gifts | 18,428 | 6,573 | 12,100 | 0 | 0 | 0 | 0 |
| <u>Other Local Revenues</u> | | | | | | | |
| Other Local Revenues | 299,261 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Local Revenues | \$ 551,722 | \$ 12,256 | \$ 33,221 | \$ 560 | \$ 0 | \$ 0 | 0 |
| <u>Fees Received From County Officials</u> | | | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | | | |
| County Clerk | \$ 929,514 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| General Sessions Court Clerk | 871,462 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clerk and Master | 462,837 | 0 | 0 | 0 | 0 | 0 | 0 |
| Register | 294,750 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sheriff | 45,197 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trustee | 1,375,718 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Fees Received From County Officials | \$ 3,979,478 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | | Constitu - tional Officers - Fees |
|-----------------------------------|-----------------------|-------------------|--------------------------------|-----------------|-----------------------------|--|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | |
| <u>State of Tennessee</u> | | | | | | |
| <u>General Government Grants</u> | | | | | | |
| Juvenile Services Program | \$ 9,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Public Safety Grants</u> | | | | | | |
| Law Enforcement Training Programs | 33,600 | 0 | 0 | 0 | 0 | 0 |
| Drug Control Grants | 67,473 | 0 | 0 | 0 | 0 | 0 |
| <u>Health and Welfare Grants</u> | | | | | | |
| Health Department Programs | 170,285 | 0 | 0 | 0 | 0 | 0 |
| <u>Public Works Grants</u> | | | | | | |
| Bridge Program | 0 | 0 | 0 | 0 | 0 | 0 |
| Litter Program | 0 | 0 | 54,074 | 0 | 0 | 0 |
| Other Public Works Grants | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>Other State Revenues</u> | | | | | | |
| Income Tax | 164,384 | 0 | 0 | 0 | 0 | 0 |
| Beer Tax | 18,488 | 0 | 0 | 0 | 0 | 0 |
| Alcoholic Beverage Tax | 111,873 | 0 | 0 | 0 | 0 | 0 |
| State Revenue Sharing - T.V.A. | 276,127 | 0 | 0 | 0 | 0 | 0 |
| Prisoner Transportation | 41 | 0 | 0 | 0 | 0 | 0 |
| Contracted Prisoner Boarding | 1,535,870 | 0 | 0 | 0 | 0 | 0 |
| Gasoline and Motor Fuel Tax | 0 | 0 | 0 | 0 | 0 | 0 |
| Petroleum Special Tax | 0 | 0 | 0 | 0 | 0 | 0 |
| Registrar's Salary Supplement | 15,559 | 0 | 0 | 0 | 0 | 0 |
| Other State Grants | 38,184 | 2,798 | 0 | 0 | 25,000 | 0 |
| Other State Revenues | 78,721 | 0 | 0 | 0 | 0 | 0 |
| Total State of Tennessee | \$ 2,519,605 | \$ 2,798 | \$ 54,074 | \$ 0 | \$ 25,000 | \$ 0 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | | Constitu - tional Officers - Fees |
|--|-----------------------|-------------------|--------------------------------|-----------------|-----------------------------|--|
| | General | Public Library | Solid Waste / Sanitation | Drug Control | Other Special Revenue | |
| <u>Federal Government</u> | | | | | | |
| <u>Federal Through State</u> | | | | | | |
| Appalachian Regional Commission | \$ 81,549 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Civil Defense Reimbursement | 33,409 | 0 | 0 | 0 | 0 | 0 |
| Disaster Relief | 0 | 0 | 0 | 0 | 0 | 0 |
| Homeland Security Grants | 20,000 | 0 | 0 | 0 | 0 | 0 |
| Other Federal through State | 400,953 | 0 | 0 | 0 | 0 | 0 |
| <u>Direct Federal Revenue</u> | | | | | | |
| Tax Credit Bond Rebate | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Direct Federal Revenue | 22,795 | 0 | 0 | 35,159 | 0 | 0 |
| Total Federal Government | \$ 558,706 | \$ 0 | \$ 0 | \$ 35,159 | \$ 0 | 0 |
| <u>Other Governments and Citizens Groups</u> | | | | | | |
| <u>Other Governments</u> | | | | | | |
| Paving and Maintenance | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Contributions | 32,712 | 130,311 | 0 | 0 | 0 | 0 |
| Contracted Services | 76,359 | 0 | 0 | 0 | 0 | 0 |
| <u>Citizens Groups</u> | | | | | | |
| Donations | 42,288 | 0 | 0 | 0 | 0 | 0 |
| Total Other Governments and Citizens Groups | \$ 151,359 | \$ 130,311 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Total | \$ 25,919,651 | \$ 613,854 | \$ 1,607,661 | \$ 98,838 | \$ 379,431 | \$ 7,168 |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | Capital Projects Fund | |
|--|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|---------------|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | Total |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 676,074 | \$ 1,604,167 | \$ 179,606 | \$ 1,486,141 | \$ 24,143 | \$ 16,515,166 |
| Trustee's Collections - Prior Year | 14,750 | 50,654 | 8,109 | 51,647 | 692 | 520,010 |
| Trustee's Collections - Bankruptcy | 106 | 719 | 80 | 714 | 4 | 5,940 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 0 | 0 | 0 | 0 | 0 | 200,056 |
| Interest and Penalty | 2,937 | 9,981 | 1,726 | 10,466 | 136 | 178,210 |
| Payments in-Lieu-of Taxes - T.V.A. | 0 | 0 | 0 | 0 | 0 | 71,289 |
| Payments in-Lieu-of Taxes - Local Utilities | 0 | 0 | 0 | 0 | 0 | 833,153 |
| Payments in-Lieu-of Taxes - Other | 0 | 0 | 0 | 0 | 0 | 2,060,487 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 353,480 | 0 | 0 | 0 | 0 | 972,142 |
| Hotel/Motel Tax | 0 | 0 | 0 | 0 | 0 | 354,431 |
| Litigation Tax - General | 0 | 0 | 0 | 0 | 0 | 152,556 |
| Litigation Tax - Special Purpose | 0 | 0 | 0 | 0 | 0 | 17,475 |
| Litigation Tax - Office of Public Defender | 0 | 0 | 0 | 0 | 0 | 23,648 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 0 | 31,736 | 0 | 0 | 0 | 40,861 |
| Litigation Tax - Victim-Offender Mediation Center | 0 | 0 | 0 | 0 | 0 | 8,899 |
| Litigation Tax - Courthouse Security | 0 | 0 | 0 | 0 | 0 | 78,582 |
| Business Tax | 0 | 0 | 0 | 0 | 0 | 932,049 |
| Mineral Severance Tax | 93,556 | 0 | 0 | 0 | 0 | 93,556 |
| Other County Local Option Taxes | 0 | 0 | 0 | 0 | 0 | 684 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 0 | 0 | 0 | 0 | 0 | 52,191 |
| Wholesale Beer Tax | 0 | 0 | 0 | 0 | 0 | 153,951 |
| Interstate Telecommunications Tax | 0 | 0 | 0 | 0 | 0 | 3,401 |
| Other Statutory Local Taxes | 0 | 0 | 0 | 0 | 0 | 10,939 |
| Total Local Taxes | \$ 1,140,903 | \$ 1,697,257 | \$ 189,521 | \$ 1,548,968 | \$ 24,975 | \$ 23,279,676 |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | | Capital Projects Fund | |
|--|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|-----------------------------|---------|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | | Total |
| <u>Licenses and Permits</u> | | | | | | | |
| <u>Licenses</u> | | | | | | | |
| Cable TV Franchise | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ | 213,665 |
| <u>Permits</u> | | | | | | | |
| Beer Permits | 0 | 0 | 0 | 0 | 0 | | 475 |
| Building Permits | 0 | 0 | 0 | 0 | 0 | | 89,942 |
| Total Licenses and Permits | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ | 304,082 |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | | |
| <u>Circuit Court</u> | | | | | | | |
| Fines | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ | 16,339 |
| Officers Costs | 0 | 0 | 0 | 0 | 0 | | 23,506 |
| Drug Control Fines | 0 | 0 | 0 | 0 | 0 | | 10,985 |
| Drug Court Fees | 0 | 0 | 0 | 0 | 0 | | 7,185 |
| Jail Fees | 0 | 0 | 0 | 0 | 0 | | 14,322 |
| District Attorney General Fees | 0 | 0 | 0 | 0 | 0 | | 246 |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 0 | | 7,378 |
| Data Entry Fee - Circuit Court | 0 | 0 | 0 | 0 | 0 | | 3,542 |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 0 | | 297 |
| Victims Assistance Assessments | 0 | 0 | 0 | 0 | 0 | | 5,317 |
| <u>General Sessions Court</u> | | | | | | | |
| Fines | 0 | 0 | 0 | 0 | 0 | | 35,647 |
| Officers Costs | 0 | 0 | 0 | 0 | 0 | | 75,945 |
| Game and Fish Fines | 0 | 0 | 0 | 0 | 0 | | 20 |
| Drug Control Fines | 0 | 0 | 0 | 0 | 0 | | 3,482 |
| Drug Court Fees | 0 | 0 | 0 | 0 | 0 | | 3,993 |
| Jail Fees | 0 | 0 | 0 | 0 | 0 | | 62,532 |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | | Capital Projects Fund | |
|--|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|-----------------------------|--|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | Total | |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | | | |
| <u>General Sessions Court (Cont.)</u> | | | | | | | |
| District Attorney General Fees | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 13,429 | |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 0 | 86 | |
| Data Entry Fee - General Sessions Court | 0 | 0 | 0 | 0 | 0 | 18,117 | |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 0 | 625 | |
| Victims Assistance Assessments | 0 | 0 | 0 | 0 | 0 | 18,921 | |
| <u>Juvenile Court</u> | | | | | | | |
| Fines | 0 | 0 | 0 | 0 | 0 | 2,683 | |
| Officers Costs | 0 | 0 | 0 | 0 | 0 | 16,769 | |
| Drug Court Fees | 0 | 0 | 0 | 0 | 0 | 1,064 | |
| Jail Fees | 0 | 0 | 0 | 0 | 0 | 4,545 | |
| Data Entry Fee - Juvenile Court | 0 | 0 | 0 | 0 | 0 | 2,250 | |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 0 | 34 | |
| <u>Chancery Court</u> | | | | | | | |
| Officers Costs | 0 | 0 | 0 | 0 | 0 | 42,080 | |
| Data Entry Fee - Chancery Court | 0 | 0 | 0 | 0 | 0 | 4,422 | |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 0 | 2,263 | |
| <u>Other Courts - In-county</u> | | | | | | | |
| Fines | 0 | 0 | 0 | 0 | 0 | 5,063 | |
| Game and Fish Fines | 0 | 0 | 0 | 0 | 0 | 28 | |
| <u>Judicial District Drug Program</u> | | | | | | | |
| Drug Task Force Forfeitures and Seizures | 0 | 0 | 0 | 0 | 0 | 5,543 | |
| <u>Other Fines, Forfeitures, and Penalties</u> | | | | | | | |
| Proceeds from Confiscated Property | 0 | 0 | 0 | 0 | 0 | 51,376 | |
| Total Fines, Forfeitures, and Penalties | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 460,034 | |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | Capital Projects Fund | |
|---|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|-----------|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | Total |
| <u>Charges for Current Services</u> | | | | | | |
| <u>General Service Charges</u> | | | | | | |
| Convenience Waste Centers Collection Charge | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 62,005 |
| Surcharge - Host Agency | 0 | 0 | 0 | 0 | 0 | 369,833 |
| Solid Waste Disposal Fee | 0 | 0 | 0 | 0 | 0 | 20,386 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 0 | 0 | 0 | 37,555 |
| Health Department Collections | 0 | 0 | 0 | 0 | 0 | 234,575 |
| Other General Service Charges | 0 | 0 | 0 | 0 | 0 | 526 |
| Service Charges | 0 | 0 | 0 | 0 | 0 | 3,590 |
| <u>Fees</u> | | | | | | |
| Recreation Fees | 0 | 0 | 0 | 0 | 0 | 128,946 |
| Copy Fees | 0 | 0 | 0 | 0 | 0 | 321 |
| Library Fees | 0 | 0 | 0 | 0 | 0 | 26,954 |
| Archives and Records Management Fee | 0 | 0 | 0 | 0 | 0 | 29,083 |
| Greenbelt Late Application Fee | 0 | 0 | 0 | 0 | 0 | 50 |
| Telephone Commissions | 0 | 0 | 0 | 0 | 0 | 150,405 |
| Constitutional Officers' Fees and Commissions | 0 | 0 | 0 | 0 | 0 | 1,518 |
| Special Commissioner Fees/Special Master Fees | 0 | 0 | 0 | 0 | 0 | 5,650 |
| Data Processing Fee - Register | 0 | 0 | 0 | 0 | 0 | 21,766 |
| Data Processing Fee - Sheriff | 0 | 0 | 0 | 0 | 0 | 11,393 |
| Sexual Offender Registration Fee - Sheriff | 0 | 0 | 0 | 0 | 0 | 2,400 |
| Data Processing Fee - County Clerk | 0 | 0 | 0 | 0 | 0 | 15,350 |
| Subscription and Document Retrieval Fee - Circuit | 0 | 0 | 0 | 0 | 0 | 3,250 |
| <u>Education Charges</u> | | | | | | |
| Other Charges for Services | 0 | 0 | 0 | 0 | 0 | 4,630 |
| Total Charges for Current Services | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 1,130,186 |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | Capital Projects Fund | |
|--|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|--------------|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | Total |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 0 | \$ 5,135 | \$ 80 | \$ 2,770 | \$ 0 | \$ 25,159 |
| Lease/Rentals | 0 | 0 | 0 | 0 | 0 | 149,612 |
| Sale of Materials and Supplies | 0 | 0 | 0 | 0 | 0 | 1,577 |
| Commissary Sales | 0 | 0 | 0 | 0 | 0 | 50,373 |
| Sale of Gasoline | 163,892 | 0 | 0 | 0 | 0 | 163,892 |
| Sale of Maps | 0 | 0 | 0 | 0 | 0 | 1,225 |
| Sale of Recycled Materials | 0 | 0 | 0 | 0 | 0 | 21,121 |
| E-Rate Funding | 0 | 0 | 0 | 0 | 0 | 5,174 |
| Miscellaneous Refunds | 2,075 | 0 | 0 | 0 | 0 | 5,928 |
| <u>Nonrecurring Items</u> | | | | | | |
| Sale of Equipment | 0 | 0 | 0 | 0 | 0 | 11,288 |
| Contributions and Gifts | 0 | 0 | 0 | 0 | 0 | 37,101 |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | 0 | 0 | 0 | 0 | 0 | 299,261 |
| Total Other Local Revenues | \$ 165,967 | \$ 5,135 | \$ 80 | \$ 2,770 | \$ 0 | \$ 771,711 |
| <u>Fees Received From County Officials</u> | | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | | |
| County Clerk | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 929,514 |
| General Sessions Court Clerk | 0 | 0 | 0 | 0 | 0 | 871,462 |
| Clerk and Master | 0 | 0 | 0 | 0 | 0 | 462,837 |
| Register | 0 | 0 | 0 | 0 | 0 | 294,750 |
| Sheriff | 0 | 0 | 0 | 0 | 0 | 45,197 |
| Trustee | 0 | 0 | 0 | 0 | 0 | 1,375,718 |
| Total Fees Received From County Officials | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 3,979,478 |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | Capital Projects Fund | |
|-----------------------------------|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|-----------|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | Total |
| <u>State of Tennessee</u> | | | | | | |
| <u>General Government Grants</u> | | | | | | |
| Juvenile Services Program | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 9,000 |
| <u>Public Safety Grants</u> | | | | | | |
| Law Enforcement Training Programs | 0 | 0 | 0 | 0 | 0 | 33,600 |
| Drug Control Grants | 0 | 0 | 0 | 0 | 0 | 67,473 |
| <u>Health and Welfare Grants</u> | | | | | | |
| Health Department Programs | 0 | 0 | 0 | 0 | 0 | 170,285 |
| <u>Public Works Grants</u> | | | | | | |
| Bridge Program | 462,319 | 0 | 0 | 0 | 0 | 462,319 |
| Litter Program | 0 | 0 | 0 | 0 | 0 | 54,074 |
| Other Public Works Grants | 9,027 | 0 | 0 | 0 | 0 | 9,027 |
| <u>Other State Revenues</u> | | | | | | |
| Income Tax | 0 | 0 | 0 | 0 | 0 | 164,384 |
| Beer Tax | 0 | 0 | 0 | 0 | 0 | 18,488 |
| Alcoholic Beverage Tax | 0 | 0 | 0 | 0 | 0 | 111,873 |
| State Revenue Sharing - T.V.A. | 0 | 0 | 0 | 0 | 0 | 276,127 |
| Prisoner Transportation | 0 | 0 | 0 | 0 | 0 | 41 |
| Contracted Prisoner Boarding | 0 | 0 | 0 | 0 | 0 | 1,535,870 |
| Gasoline and Motor Fuel Tax | 2,026,477 | 0 | 0 | 0 | 0 | 2,026,477 |
| Petroleum Special Tax | 54,209 | 0 | 0 | 0 | 0 | 54,209 |
| Registrar's Salary Supplement | 0 | 0 | 0 | 0 | 0 | 15,559 |
| Other State Grants | 0 | 0 | 0 | 0 | 0 | 65,982 |
| Other State Revenues | 0 | 0 | 0 | 0 | 0 | 78,721 |
| Total State of Tennessee | \$ 2,552,032 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 5,153,509 |

(Continued)

Exhibit L-6

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

| | Special Revenue Fund | Debt Service Funds | | | | Capital Projects Fund | |
|--|------------------------------|----------------------------|--------------------------|------------------------------|--------------------------------|-----------------------------|------------|
| | Highway / Public Works | General Debt Service | Rural Debt Service | Education Debt Service | General Capital Projects | | Total |
| <u>Federal Government</u> | | | | | | | |
| <u>Federal Through State</u> | | | | | | | |
| Appalachian Regional Commission | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ | 81,549 |
| Civil Defense Reimbursement | 0 | 0 | 0 | 0 | 0 | | 33,409 |
| Disaster Relief | 86,760 | 0 | 0 | 0 | 0 | | 86,760 |
| Homeland Security Grants | 0 | 0 | 0 | 0 | 0 | | 20,000 |
| Other Federal through State | 0 | 0 | 0 | 0 | 0 | | 400,953 |
| <u>Direct Federal Revenue</u> | | | | | | | |
| Tax Credit Bond Rebate | 0 | 28,245 | 0 | 0 | 0 | | 28,245 |
| Other Direct Federal Revenue | 0 | 0 | 0 | 0 | 0 | | 57,954 |
| Total Federal Government | \$ 86,760 | \$ 28,245 | \$ 0 | \$ 0 | \$ 0 | \$ | 708,870 |
| <u>Other Governments and Citizens Groups</u> | | | | | | | |
| <u>Other Governments</u> | | | | | | | |
| Paving and Maintenance | \$ 1,836 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ | 1,836 |
| Contributions | 0 | 0 | 1,499,287 | 0 | 0 | | 1,662,310 |
| Contracted Services | 0 | 0 | 0 | 0 | 0 | | 76,359 |
| <u>Citizens Groups</u> | | | | | | | |
| Donations | 0 | 0 | 0 | 0 | 0 | | 42,288 |
| Total Other Governments and Citizens Groups | \$ 1,836 | \$ 0 | \$ 1,499,287 | \$ 0 | \$ 0 | \$ | 1,782,793 |
| Total | \$ 3,947,498 | \$ 1,730,637 | \$ 1,688,888 | \$ 1,551,738 | \$ 24,975 | \$ | 37,570,339 |

Exhibit L-7

Anderson County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

| | Special Revenue Funds | | | | | |
|--|------------------------------|-------------------------------|----------------------|--|---------------|--|
| | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Total | |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 13,878,567 | \$ 0 | \$ 0 | \$ 0 | \$ 13,878,567 | |
| Trustee's Collections - Prior Year | 414,997 | 0 | 0 | 0 | 414,997 | |
| Trustee's Collections - Bankruptcy | 4,900 | 0 | 0 | 0 | 4,900 | |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 177,210 | 0 | 0 | 0 | 177,210 | |
| Interest and Penalty | 141,525 | 0 | 0 | 0 | 141,525 | |
| Payments in-Lieu-of Taxes - Other | 492,000 | 0 | 0 | 0 | 492,000 | |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 7,545,832 | 0 | 0 | 0 | 7,545,832 | |
| Mixed Drink Tax | 2,913 | 0 | 0 | 0 | 2,913 | |
| <u>Statutory Local Taxes</u> | | | | | | |
| Interstate Telecommunications Tax | 3,258 | 0 | 0 | 0 | 3,258 | |
| Total Local Taxes | \$ 22,661,202 | \$ 0 | \$ 0 | \$ 0 | \$ 22,661,202 | |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Marriage Licenses | \$ 3,178 | \$ 0 | \$ 0 | \$ 0 | \$ 3,178 | |
| Total Licenses and Permits | \$ 3,178 | \$ 0 | \$ 0 | \$ 0 | \$ 3,178 | |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | |
| <u>Other Courts - In-county</u> | | | | | | |
| DUI Treatment Fines | \$ 10,000 | \$ 0 | \$ 0 | \$ 0 | \$ 10,000 | |
| Total Fines, Forfeitures, and Penalties | \$ 10,000 | \$ 0 | \$ 0 | \$ 0 | \$ 10,000 | |

(Continued)

Exhibit L-7

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

| | Special Revenue Funds | | | | Total |
|-------------------------------------|------------------------------|-------------------------------|----------------------|--|------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | |
| <u>Charges for Current Services</u> | | | | | |
| <u>Fees</u> | | | | | |
| Copy Fees | \$ 16 | \$ 0 | \$ 0 | \$ 0 | \$ 16 |
| <u>Education Charges</u> | | | | | |
| Tuition - Other | 0 | 0 | 0 | 163,871 | 163,871 |
| Lunch Payments - Children | 0 | 0 | 270,110 | 0 | 270,110 |
| Lunch Payments - Adults | 0 | 0 | 35,487 | 0 | 35,487 |
| Income from Breakfast | 0 | 0 | 44,286 | 0 | 44,286 |
| Special Milk Sales | 0 | 0 | 5,063 | 0 | 5,063 |
| A la Carte Sales | 0 | 0 | 265,495 | 0 | 265,495 |
| School Based Health Services - FFS | 8,000 | 0 | 0 | 0 | 8,000 |
| Receipts from Individual Schools | 43,258 | 0 | 0 | 0 | 43,258 |
| Community Service Fees - Adults | 7,689 | 0 | 0 | 0 | 7,689 |
| Total Charges for Current Services | \$ 58,963 | \$ 0 | \$ 620,441 | \$ 163,871 | \$ 843,275 |
| <u>Other Local Revenues</u> | | | | | |
| <u>Recurring Items</u> | | | | | |
| Investment Income | \$ 7,288 | \$ 0 | \$ 0 | \$ 0 | \$ 7,288 |
| Lease/Rentals | 5,057 | 0 | 0 | 0 | 5,057 |
| Sale of Materials and Supplies | 1,389 | 0 | 1,332 | 0 | 2,721 |
| Commodity Rebates | 0 | 0 | 29,328 | 0 | 29,328 |
| Miscellaneous Refunds | 4,235 | 0 | 3,764 | 0 | 7,999 |
| <u>Nonrecurring Items</u> | | | | | |
| Contributions and Gifts | 0 | 0 | 0 | 2,008 | 2,008 |
| <u>Other Local Revenues</u> | | | | | |
| Other Local Revenues | 91,122 | 33,884 | 0 | 0 | 125,006 |
| Total Other Local Revenues | \$ 109,091 | \$ 33,884 | \$ 34,424 | \$ 2,008 | \$ 179,407 |

(Continued)

Exhibit L-7

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

| | Special Revenue Funds | | | | Total |
|---|------------------------------|-------------------------------|----------------------|--|---------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | |
| <u>State of Tennessee</u> | | | | | |
| <u>General Government Grants</u> | | | | | |
| On-behalf Contributions for OPEB | \$ 206,337 | \$ 0 | \$ 0 | \$ 0 | \$ 206,337 |
| <u>State Education Funds</u> | | | | | |
| Basic Education Program | 29,141,000 | 0 | 0 | 0 | 29,141,000 |
| Early Childhood Education | 0 | 0 | 0 | 613,050 | 613,050 |
| School Food Service | 0 | 0 | 29,590 | 0 | 29,590 |
| Other State Education Funds | 209,016 | 288,476 | 0 | 0 | 497,492 |
| Career Ladder Program | 186,932 | 0 | 0 | 0 | 186,932 |
| <u>Other State Revenues</u> | | | | | |
| State Revenue Sharing - T.V.A. | 897,500 | 0 | 0 | 0 | 897,500 |
| Other State Grants | 5,000 | 0 | 0 | 0 | 5,000 |
| Other State Revenues | 2,680 | 0 | 0 | 13,345 | 16,025 |
| Total State of Tennessee | \$ 30,648,465 | \$ 288,476 | \$ 29,590 | \$ 626,395 | \$ 31,592,926 |
| <u>Federal Government</u> | | | | | |
| <u>Federal Through State</u> | | | | | |
| USDA School Lunch Program | \$ 0 | \$ 0 | \$ 1,720,340 | \$ 0 | \$ 1,720,340 |
| USDA - Commodities | 0 | 0 | 145,289 | 0 | 145,289 |
| Breakfast | 0 | 0 | 709,548 | 0 | 709,548 |
| USDA - Other | 0 | 0 | 41,783 | 125,164 | 166,947 |
| Vocational Education - Basic Grants to States | 0 | 121,078 | 0 | 0 | 121,078 |
| Other Vocational | 0 | 8,315 | 0 | 0 | 8,315 |
| Title I Grants to Local Education Agencies | 0 | 1,653,441 | 0 | 0 | 1,653,441 |
| Special Education - Grants to States | 0 | 1,400,937 | 0 | 0 | 1,400,937 |
| Special Education Preschool Grants | 0 | 64,018 | 0 | 0 | 64,018 |

(Continued)

Exhibit L-7

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

| | Special Revenue Funds | | | | Total |
|--|------------------------------|-------------------------------|----------------------|--|---------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | |
| <u>Federal Government (Cont.)</u> | | | | | |
| <u>Federal Through State (Cont.)</u> | | | | | |
| Eisenhower Professional Development State Grants | \$ 0 | \$ 257,439 | \$ 0 | \$ 0 | \$ 257,439 |
| Other Federal through State | 0 | 685,924 | 13,075 | 0 | 698,999 |
| <u>Direct Federal Revenue</u> | | | | | |
| ROTC Reimbursement | 135,904 | 0 | 0 | 0 | 135,904 |
| Other Direct Federal Revenue | 0 | 0 | 0 | 2,846,410 | 2,846,410 |
| Total Federal Government | \$ 135,904 | \$ 4,191,152 | \$ 2,630,035 | \$ 2,971,574 | \$ 9,928,665 |
| <u>Other Governments and Citizens Groups</u> | | | | | |
| <u>Other Governments</u> | | | | | |
| Contributions | \$ 1,353,255 | \$ 0 | \$ 0 | \$ 0 | \$ 1,353,255 |
| <u>Citizens Groups</u> | | | | | |
| Donations | 2,027 | 0 | 0 | 0 | 2,027 |
| Total Other Governments and Citizens Groups | \$ 1,355,282 | \$ 0 | \$ 0 | \$ 0 | \$ 1,355,282 |
| Total | \$ 54,982,085 | \$ 4,513,512 | \$ 3,314,490 | \$ 3,763,848 | \$ 66,573,935 |

Exhibit L-8

Anderson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2016

General FundGeneral GovernmentCounty Commission

| | | | |
|---|----|---------|------------|
| Secretary to Board | \$ | 52,272 | |
| Board and Committee Members Fees | | 108,528 | |
| Social Security | | 8,119 | |
| Pensions | | 10,870 | |
| Life Insurance | | 746 | |
| Medical Insurance | | 82,608 | |
| Dental Insurance | | 7,126 | |
| Disability Insurance | | 333 | |
| Unemployment Compensation | | 163 | |
| Employer Medicare | | 1,900 | |
| Communication | | 1,177 | |
| Dues and Memberships | | 1,600 | |
| Legal Notices, Recording, and Court Costs | | 385 | |
| Maintenance Agreements | | 571 | |
| Postal Charges | | 101 | |
| Printing, Stationery, and Forms | | 155 | |
| Travel | | 8,963 | |
| Office Supplies | | 1,683 | |
| Workers' Compensation Insurance | | 345 | |
| In Service/Staff Development | | 2,300 | |
| Total County Commission | | | \$ 289,945 |

Board of Equalization

| | | | |
|---|----|-------|-------|
| Board and Committee Members Fees | \$ | 5,900 | |
| Social Security | | 366 | |
| Unemployment Compensation | | 34 | |
| Employer Medicare | | 86 | |
| Legal Notices, Recording, and Court Costs | | 35 | |
| Workers' Compensation Insurance | | 8 | |
| Total Board of Equalization | | | 6,429 |

Other Boards and Committees

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 38,045 | |
| Guards | | 4,456 | |
| Secretary(ies) | | 6,506 | |
| Maintenance Personnel | | 80,361 | |
| Part-time Personnel | | 22,197 | |
| Social Security | | 9,160 | |
| Pensions | | 9,302 | |
| Life Insurance | | 183 | |
| Medical Insurance | | 28,670 | |
| Dental Insurance | | 1,467 | |
| Disability Insurance | | 793 | |
| Unemployment Compensation | | 714 | |
| Employer Medicare | | 2,142 | |
| Advertising | | 228 | |
| Communication | | 2,519 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)General Government (Cont.)Other Boards and Committees (Cont.)

| | | | |
|---|----|--------|------------|
| Dues and Memberships | \$ | 80 | |
| Operating Lease Payments | | 1,250 | |
| Maintenance and Repair Services - Equipment | | 4,495 | |
| Maintenance and Repair Services - Vehicles | | 7,558 | |
| Rentals | | 3,602 | |
| Disposal Fees | | 1,253 | |
| Other Contracted Services | | 8,185 | |
| Crushed Stone | | 3,000 | |
| Custodial Supplies | | 2,594 | |
| Gasoline | | 6,361 | |
| Natural Gas | | 1,270 | |
| Office Supplies | | 406 | |
| Small Tools | | 857 | |
| Uniforms | | 1,143 | |
| Utilities | | 30,746 | |
| Water and Sewer | | 1,539 | |
| Wood Products | | 1,500 | |
| Other Supplies and Materials | | 21,631 | |
| Vehicle and Equipment Insurance | | 4,500 | |
| Workers' Compensation Insurance | | 5,883 | |
| Other Capital Outlay | | 8,800 | |
| Total Other Boards and Committees | | | \$ 323,396 |

County Mayor/Executive

| | | | |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 96,571 | |
| Supervisor/Director | | 55,128 | |
| Clerical Personnel | | 28,274 | |
| Part-time Personnel | | 19,770 | |
| Other Per Diem and Fees | | 5,058 | |
| Social Security | | 12,210 | |
| Pensions | | 13,569 | |
| Life Insurance | | 135 | |
| Medical Insurance | | 20,809 | |
| Dental Insurance | | 1,094 | |
| Disability Insurance | | 1,160 | |
| Unemployment Compensation | | 349 | |
| Employer Medicare | | 2,859 | |
| Dues and Memberships | | 1,302 | |
| Postal Charges | | 253 | |
| Office Supplies | | 2,703 | |
| Other Supplies and Materials | | 886 | |
| Workers' Compensation Insurance | | 468 | |
| In Service/Staff Development | | 250 | |
| Total County Mayor/Executive | | | 262,848 |

Personnel Office

| | | | |
|--------------|----|--------|--|
| Assistant(s) | \$ | 42,362 | |
|--------------|----|--------|--|

(Continued)

Exhibit L-8

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

General Fund (Cont.)General Government (Cont.)Personnel Office (Cont.)

| | | | |
|---|----|--------|------------|
| Supervisor/Director | \$ | 55,927 | |
| Clerical Personnel | | 12,794 | |
| Social Security | | 6,326 | |
| Pensions | | 6,971 | |
| Life Insurance | | 110 | |
| Medical Insurance | | 25,770 | |
| Dental Insurance | | 1,304 | |
| Disability Insurance | | 746 | |
| Unemployment Compensation | | 370 | |
| Employer Medicare | | 1,480 | |
| Data Processing Services | | 8,736 | |
| Dues and Memberships | | 190 | |
| Legal Notices, Recording, and Court Costs | | 1,734 | |
| Postal Charges | | 71 | |
| Travel | | 49 | |
| Other Contracted Services | | 7,767 | |
| Data Processing Supplies | | 765 | |
| Office Supplies | | 6,728 | |
| Other Supplies and Materials | | 1,773 | |
| Workers' Compensation Insurance | | 252 | |
| In Service/Staff Development | | 1,096 | |
| Total Personnel Office | | | \$ 183,321 |

County Attorney

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 153,018 | |
| Paraprofessionals | | 37,319 | |
| Secretary(ies) | | 33,324 | |
| Social Security | | 11,891 | |
| Pensions | | 16,501 | |
| Life Insurance | | 311 | |
| Medical Insurance | | 29,400 | |
| Dental Insurance | | 1,401 | |
| Disability Insurance | | 1,382 | |
| Unemployment Compensation | | 288 | |
| Employer Medicare | | 3,057 | |
| Communication | | 2,060 | |
| Dues and Memberships | | 915 | |
| Legal Services | | 103,262 | |
| Legal Notices, Recording, and Court Costs | | 271 | |
| Maintenance and Repair Services - Office Equipment | | 1,500 | |
| Postal Charges | | 1,775 | |
| Travel | | 314 | |
| Other Contracted Services | | 4,081 | |
| Library Books/Media | | 448 | |
| Office Supplies | | 1,993 | |
| Workers' Compensation Insurance | | 587 | |
| In Service/Staff Development | | 175 | |
| Total County Attorney | | | 405,273 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)General Government (Cont.)Election Commission

| | | | |
|--|----|---------|------------|
| County Official/Administrative Officer | \$ | 75,250 | |
| Deputy(ies) | | 118,871 | |
| Part-time Personnel | | 2,398 | |
| Other Salaries and Wages | | 6,985 | |
| Election Commission | | 9,380 | |
| Election Workers | | 44,902 | |
| Social Security | | 14,495 | |
| Pensions | | 13,212 | |
| Life Insurance | | 283 | |
| Medical Insurance | | 32,844 | |
| Dental Insurance | | 3,067 | |
| Disability Insurance | | 1,123 | |
| Unemployment Compensation | | 752 | |
| Employer Medicare | | 3,390 | |
| Communication | | 2,535 | |
| Data Processing Services | | 3,737 | |
| Dues and Memberships | | 956 | |
| Legal Notices, Recording, and Court Costs | | 4,078 | |
| Maintenance Agreements | | 14,550 | |
| Maintenance and Repair Services - Equipment | | 2,189 | |
| Maintenance and Repair Services - Office Equipment | | 149 | |
| Postal Charges | | 8,116 | |
| Printing, Stationery, and Forms | | 6,971 | |
| Rentals | | 1,500 | |
| Travel | | 3,600 | |
| Other Contracted Services | | 1,335 | |
| Office Supplies | | 3,558 | |
| Workers' Compensation Insurance | | 524 | |
| In Service/Staff Development | | 1,525 | |
| Total Election Commission | | | \$ 382,275 |

Register of Deeds

| | | |
|--|----|---------|
| County Official/Administrative Officer | \$ | 83,610 |
| Clerical Personnel | | 186,127 |
| Part-time Personnel | | 4,992 |
| Social Security | | 16,297 |
| Pensions | | 20,173 |
| Life Insurance | | 286 |
| Medical Insurance | | 33,840 |
| Dental Insurance | | 1,677 |
| Disability Insurance | | 1,766 |
| Unemployment Compensation | | 444 |
| Employer Medicare | | 3,884 |
| Dues and Memberships | | 666 |
| Maintenance and Repair Services - Office Equipment | | 37,067 |
| Postal Charges | | 1,984 |
| Printing, Stationery, and Forms | | 286 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)General Government (Cont.)Register of Deeds (Cont.)

| | | | |
|---------------------------------|----|-------|------------|
| Rentals | \$ | 354 | |
| Travel | | 3,335 | |
| Data Processing Supplies | | 975 | |
| Duplicating Supplies | | 500 | |
| Office Supplies | | 3,678 | |
| Workers' Compensation Insurance | | 652 | |
| In Service/Staff Development | | 730 | |
| Data Processing Equipment | | 4,250 | |
| Total Register of Deeds | | | \$ 407,573 |

Planning

| | | | |
|--|----|--------|---------|
| Supervisor/Director | \$ | 31,944 | |
| Part-time Personnel | | 10,259 | |
| Other Salaries and Wages | | 67,597 | |
| Social Security | | 6,457 | |
| Pensions | | 7,446 | |
| Life Insurance | | 112 | |
| Medical Insurance | | 18,720 | |
| Dental Insurance | | 1,443 | |
| Disability Insurance | | 636 | |
| Unemployment Compensation | | 361 | |
| Employer Medicare | | 1,510 | |
| Communication | | 4,879 | |
| Data Processing Services | | 7,494 | |
| Legal Notices, Recording, and Court Costs | | 804 | |
| Maintenance Agreements | | 1,246 | |
| Maintenance and Repair Services - Vehicles | | 3,535 | |
| Postal Charges | | 555 | |
| Printing, Stationery, and Forms | | 296 | |
| Travel | | 1,580 | |
| Other Contracted Services | | 14,975 | |
| Gasoline | | 765 | |
| Office Supplies | | 905 | |
| Tires and Tubes | | 457 | |
| Other Supplies and Materials | | 654 | |
| Vehicle and Equipment Insurance | | 3,000 | |
| Workers' Compensation Insurance | | 3,137 | |
| In Service/Staff Development | | 3,208 | |
| Data Processing Equipment | | 630 | |
| Total Planning | | | 194,605 |

Building

| | | | |
|---|----|--------|--------|
| Maintenance and Repair Services - Buildings | \$ | 17,425 | |
| Other Supplies and Materials | | 2,724 | |
| Data Processing Equipment | | 6,506 | |
| Total Building | | | 26,655 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)General Government (Cont.)County Buildings

| | | | |
|---|----|---------|------------|
| Clerical Personnel | \$ | 1,940 | |
| Custodial Personnel | | 134,165 | |
| Maintenance Personnel | | 40,415 | |
| Overtime Pay | | 619 | |
| Other Salaries and Wages | | 3,620 | |
| Social Security | | 10,436 | |
| Pensions | | 12,450 | |
| Life Insurance | | 351 | |
| Medical Insurance | | 48,897 | |
| Dental Insurance | | 2,521 | |
| Disability Insurance | | 1,153 | |
| Unemployment Compensation | | 657 | |
| Employer Medicare | | 2,441 | |
| Communication | | 1,418 | |
| Janitorial Services | | 7,644 | |
| Maintenance and Repair Services - Buildings | | 37,832 | |
| Maintenance and Repair Services - Vehicles | | 337 | |
| Pest Control | | 2,415 | |
| Disposal Fees | | 3,760 | |
| Other Contracted Services | | 41,306 | |
| Custodial Supplies | | 20,381 | |
| Electricity | | 228,624 | |
| Gasoline | | 1,823 | |
| Natural Gas | | 31,633 | |
| Office Supplies | | 475 | |
| Small Tools | | 272 | |
| Tires and Tubes | | 2,095 | |
| Uniforms | | 4,035 | |
| Water and Sewer | | 45,340 | |
| Other Supplies and Materials | | 15,754 | |
| Workers' Compensation Insurance | | 10,046 | |
| Other Construction | | 16,147 | |
| Total County Buildings | | | \$ 731,002 |

Other General Administration

| | | | |
|------------------------------------|----|--------|---------|
| Accounting Services | \$ | 450 | |
| Audit Services | | 22,539 | |
| Contracts with Private Agencies | | 2,778 | |
| Contributions | | 5,856 | |
| Legal Services | | 2,497 | |
| Remittance of Revenue Collected | | 8,153 | |
| Other Contracted Services | | 92,711 | |
| Other Supplies and Materials | | 6,616 | |
| Refunds | | 4,645 | |
| Other Charges | | 65,274 | |
| Total Other General Administration | | | 211,519 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)General Government (Cont.)Preservation of Records

| | | | |
|---------------------------------|----|--------|-----------|
| Clerical Personnel | \$ | 30,943 | |
| Social Security | | 1,944 | |
| Pensions | | 2,340 | |
| Life Insurance | | 17 | |
| Dental Insurance | | 563 | |
| Disability Insurance | | 205 | |
| Unemployment Compensation | | 96 | |
| Employer Medicare | | 455 | |
| Postal Charges | | 5 | |
| Other Supplies and Materials | | 13 | |
| Workers' Compensation Insurance | | 72 | |
| Other Capital Outlay | | 20,043 | |
| Total Preservation of Records | | | \$ 56,696 |

FinanceAccounting and Budgeting

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 96,108 | |
| Accountants/Bookkeepers | | 294,388 | |
| Part-time Personnel | | 11,120 | |
| Social Security | | 22,340 | |
| Pensions | | 28,196 | |
| Life Insurance | | 516 | |
| Medical Insurance | | 96,067 | |
| Dental Insurance | | 4,476 | |
| Disability Insurance | | 2,350 | |
| Unemployment Compensation | | 1,092 | |
| Employer Medicare | | 5,413 | |
| Communication | | 1,411 | |
| Data Processing Services | | 4,000 | |
| Dues and Memberships | | 828 | |
| Legal Notices, Recording, and Court Costs | | 7 | |
| Maintenance Agreements | | 34,591 | |
| Maintenance and Repair Services - Office Equipment | | 990 | |
| Postal Charges | | 4,478 | |
| Printing, Stationery, and Forms | | 2,743 | |
| Travel | | 2,171 | |
| Other Contracted Services | | 5,551 | |
| Duplicating Supplies | | 490 | |
| Office Supplies | | 4,070 | |
| Other Supplies and Materials | | 220 | |
| Workers' Compensation Insurance | | 944 | |
| In Service/Staff Development | | 2,021 | |
| Data Processing Equipment | | 13,354 | |
| Total Accounting and Budgeting | | | 639,935 |

Purchasing

| | | |
|--|----|--------|
| County Official/Administrative Officer | \$ | 68,141 |
|--|----|--------|

(Continued)

Exhibit L-8

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

General Fund (Cont.)Finance (Cont.)Purchasing (Cont.)

| | | | |
|---------------------------------|----|--------|------------|
| Purchasing Personnel | \$ | 70,151 | |
| Part-time Personnel | | 2,638 | |
| Other Salaries and Wages | | 1,938 | |
| Social Security | | 8,167 | |
| Pensions | | 8,355 | |
| Life Insurance | | 174 | |
| Medical Insurance | | 31,151 | |
| Dental Insurance | | 1,483 | |
| Disability Insurance | | 733 | |
| Unemployment Compensation | | 528 | |
| Employer Medicare | | 1,910 | |
| Advertising | | 1,082 | |
| Communication | | 1,832 | |
| Dues and Memberships | | 565 | |
| Postal Charges | | 1,476 | |
| Printing, Stationery, and Forms | | 1,352 | |
| Rentals | | 2,996 | |
| Travel | | 1,652 | |
| Other Contracted Services | | 9,297 | |
| Gasoline | | 382 | |
| Office Supplies | | 2,579 | |
| Uniforms | | 354 | |
| Other Supplies and Materials | | 5,415 | |
| Vehicle and Equipment Insurance | | 750 | |
| Workers' Compensation Insurance | | 341 | |
| In Service/Staff Development | | 1,186 | |
| Total Purchasing | | | \$ 226,628 |

Property Assessor's Office

| | | |
|--|----|---------|
| County Official/Administrative Officer | \$ | 83,610 |
| Deputy(ies) | | 109,359 |
| Social Security | | 11,661 |
| Pensions | | 14,353 |
| Life Insurance | | 342 |
| Medical Insurance | | 21,360 |
| Dental Insurance | | 1,630 |
| Disability Insurance | | 1,222 |
| Unemployment Compensation | | 288 |
| Employer Medicare | | 2,727 |
| Audit Services | | 56,191 |
| Communication | | 7,458 |
| Data Processing Services | | 12,408 |
| Dues and Memberships | | 1,950 |
| Operating Lease Payments | | 731 |
| Legal Services | | 3,330 |
| Maintenance Agreements | | 4,875 |
| Maintenance and Repair Services - Office Equipment | | 340 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Finance (Cont.)Property Assessor's Office (Cont.)

| | | | |
|----------------------------------|----|-------|------------|
| Postal Charges | \$ | 2,614 | |
| Printing, Stationery, and Forms | | 450 | |
| Travel | | 859 | |
| Other Contracted Services | | 2,197 | |
| Office Supplies | | 5,664 | |
| Other Supplies and Materials | | 1,663 | |
| Workers' Compensation Insurance | | 254 | |
| In Service/Staff Development | | 375 | |
| Total Property Assessor's Office | | | \$ 347,911 |

Reappraisal Program

| | | | |
|--|----|---------|---------|
| Deputy(ies) | \$ | 159,968 | |
| Social Security | | 9,669 | |
| Pensions | | 12,031 | |
| Life Insurance | | 201 | |
| Medical Insurance | | 30,240 | |
| Dental Insurance | | 1,665 | |
| Disability Insurance | | 1,024 | |
| Unemployment Compensation | | 480 | |
| Employer Medicare | | 2,261 | |
| Data Processing Services | | 9,315 | |
| Maintenance and Repair Services - Vehicles | | 42 | |
| Postal Charges | | 25 | |
| Printing, Stationery, and Forms | | 106 | |
| Travel | | 219 | |
| Gasoline | | 1,446 | |
| Uniforms | | 112 | |
| Workers' Compensation Insurance | | 1,540 | |
| Motor Vehicles | | 12,382 | |
| Total Reappraisal Program | | | 242,726 |

County Trustee's Office

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 83,610 | |
| Clerical Personnel | | 280,243 | |
| Part-time Personnel | | 36,526 | |
| Overtime Pay | | 203 | |
| Social Security | | 24,298 | |
| Pensions | | 24,437 | |
| Life Insurance | | 469 | |
| Medical Insurance | | 52,887 | |
| Dental Insurance | | 3,860 | |
| Disability Insurance | | 2,201 | |
| Unemployment Compensation | | 1,103 | |
| Employer Medicare | | 5,683 | |
| Communication | | 3,839 | |
| Data Processing Services | | 7,526 | |
| Dues and Memberships | | 1,013 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Finance (Cont.)County Trustee's Office (Cont.)

| | | | |
|---|----|--------|------------|
| Legal Notices, Recording, and Court Costs | \$ | 196 | |
| Maintenance Agreements | | 23,999 | |
| Postal Charges | | 10,605 | |
| Printing, Stationery, and Forms | | 8,707 | |
| Rentals | | 15,158 | |
| Travel | | 9,366 | |
| Other Contracted Services | | 4,114 | |
| Gasoline | | 141 | |
| Office Supplies | | 2,496 | |
| Utilities | | 3,087 | |
| Water and Sewer | | 560 | |
| Other Supplies and Materials | | 536 | |
| Workers' Compensation Insurance | | 930 | |
| Liability Claims | | 5,000 | |
| In Service/Staff Development | | 1,830 | |
| Data Processing Equipment | | 3,641 | |
| Furniture and Fixtures | | 770 | |
| Total County Trustee's Office | | | \$ 619,034 |

County Clerk's Office

| | | | |
|---|----|---------|---------|
| County Official/Administrative Officer | \$ | 83,610 | |
| Clerical Personnel | | 436,408 | |
| Part-time Personnel | | 46,466 | |
| Social Security | | 34,356 | |
| Pensions | | 38,947 | |
| Life Insurance | | 734 | |
| Medical Insurance | | 80,081 | |
| Dental Insurance | | 5,966 | |
| Disability Insurance | | 3,245 | |
| Unemployment Compensation | | 1,888 | |
| Employer Medicare | | 8,035 | |
| Communication | | 5,926 | |
| Data Processing Services | | 24,349 | |
| Dues and Memberships | | 606 | |
| Legal Notices, Recording, and Court Costs | | 1,974 | |
| Maintenance and Repair Services - Buildings | | 3,077 | |
| Postal Charges | | 26,837 | |
| Printing, Stationery, and Forms | | 2,058 | |
| Travel | | 1,840 | |
| Other Contracted Services | | 315 | |
| Data Processing Supplies | | 2,334 | |
| Office Supplies | | 8,564 | |
| Workers' Compensation Insurance | | 1,289 | |
| In Service/Staff Development | | 927 | |
| Data Processing Equipment | | 13,211 | |
| Total County Clerk's Office | | | 833,043 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Administration of JusticeCircuit Court

| | | | |
|--|----|---------|--------------|
| County Official/Administrative Officer | \$ | 83,610 | |
| Clerical Personnel | | 653,187 | |
| Part-time Personnel | | 13,545 | |
| Overtime Pay | | 252 | |
| Social Security | | 45,019 | |
| Pensions | | 50,797 | |
| Life Insurance | | 961 | |
| Medical Insurance | | 112,527 | |
| Dental Insurance | | 7,793 | |
| Disability Insurance | | 4,789 | |
| Unemployment Compensation | | 2,404 | |
| Employer Medicare | | 10,529 | |
| Communication | | 17,308 | |
| Data Processing Services | | 33,336 | |
| Dues and Memberships | | 606 | |
| Legal Notices, Recording, and Court Costs | | 231 | |
| Maintenance Agreements | | 11,171 | |
| Maintenance and Repair Services - Office Equipment | | 2,183 | |
| Postal Charges | | 17,678 | |
| Printing, Stationery, and Forms | | 4,960 | |
| Travel | | 1,642 | |
| Other Contracted Services | | 13,621 | |
| Data Processing Supplies | | 942 | |
| Duplicating Supplies | | 4,212 | |
| Office Supplies | | 9,319 | |
| Other Supplies and Materials | | 5,105 | |
| Workers' Compensation Insurance | | 2,051 | |
| In Service/Staff Development | | 900 | |
| Data Processing Equipment | | 1,949 | |
| Furniture and Fixtures | | 1,966 | |
| Total Circuit Court | | | \$ 1,114,593 |

Criminal Court

| | | | |
|----------------------|----|-----|-----|
| Postal Charges | \$ | 18 | |
| Office Supplies | | 340 | |
| Total Criminal Court | | | 358 |

General Sessions Judge

| | | | |
|--------------------------|----|---------|--|
| Judge(s) | \$ | 340,039 | |
| Assistant(s) | | 80,938 | |
| Other Salaries and Wages | | 28,890 | |
| Social Security | | 23,136 | |
| Pensions | | 32,604 | |
| Life Insurance | | 368 | |
| Medical Insurance | | 39,690 | |
| Dental Insurance | | 2,270 | |
| Disability Insurance | | 2,854 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Administration of Justice (Cont.)General Sessions Judge (Cont.)

| | | | |
|--|----|--------|------------|
| Unemployment Compensation | \$ | 386 | |
| Employer Medicare | | 6,506 | |
| Dues and Memberships | | 1,570 | |
| Maintenance and Repair Services - Office Equipment | | 325 | |
| Postal Charges | | 190 | |
| Printing, Stationery, and Forms | | 264 | |
| Rentals | | 90,440 | |
| Travel | | 1,077 | |
| Disposal Fees | | 469 | |
| Office Supplies | | 694 | |
| Uniforms | | 522 | |
| Workers' Compensation Insurance | | 1,054 | |
| In Service/Staff Development | | 1,208 | |
| Other Charges | | 9,216 | |
| Furniture and Fixtures | | 414 | |
| Total General Sessions Judge | | | \$ 665,124 |

Drug Court

| | | | |
|--|----|--------|--------|
| County Official/Administrative Officer | \$ | 36,163 | |
| Social Security | | 2,045 | |
| Pensions | | 2,725 | |
| Life Insurance | | 45 | |
| Medical Insurance | | 12,397 | |
| Dental Insurance | | 563 | |
| Disability Insurance | | 249 | |
| Unemployment Compensation | | 96 | |
| Employer Medicare | | 478 | |
| Communication | | 459 | |
| Contributions | | 1,450 | |
| Dues and Memberships | | 200 | |
| Maintenance and Repair Services - Office Equipment | | 500 | |
| Travel | | 2,504 | |
| Office Supplies | | 909 | |
| Textbooks | | 586 | |
| Other Supplies and Materials | | 9,600 | |
| Workers' Compensation Insurance | | 86 | |
| Total Drug Court | | | 71,055 |

Chancery Court

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 83,610 | |
| Clerical Personnel | | 224,711 | |
| Part-time Personnel | | 13,745 | |
| Overtime Pay | | 938 | |
| Social Security | | 19,459 | |
| Pensions | | 23,049 | |
| Life Insurance | | 422 | |
| Medical Insurance | | 46,640 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Administration of Justice (Cont.)Chancery Court (Cont.)

| | | | |
|--|----|--------|---------|
| Dental Insurance | \$ | 3,042 | |
| Disability Insurance | | 1,994 | |
| Unemployment Compensation | | 941 | |
| Employer Medicare | | 4,551 | |
| Data Processing Services | | 2,325 | |
| Dues and Memberships | | 606 | |
| Maintenance Agreements | | 1,722 | |
| Maintenance and Repair Services - Office Equipment | | 5,073 | |
| Postal Charges | | 12,979 | |
| Printing, Stationery, and Forms | | 855 | |
| Office Supplies | | 2,635 | |
| Other Supplies and Materials | | 1,485 | |
| Workers' Compensation Insurance | | 572 | |
| Data Processing Equipment | | 46,117 | |
| Total Chancery Court | \$ | | 497,471 |

Juvenile Court

| | | | |
|--|----|---------|---------|
| Judge(s) | \$ | 170,915 | |
| Other Salaries and Wages | | 230,043 | |
| Social Security | | 21,563 | |
| Pensions | | 28,489 | |
| Life Insurance | | 328 | |
| Medical Insurance | | 47,660 | |
| Dental Insurance | | 3,229 | |
| Disability Insurance | | 2,659 | |
| Unemployment Compensation | | 680 | |
| Employer Medicare | | 5,643 | |
| Communication | | 216 | |
| Contracts with Government Agencies | | 26,190 | |
| Dues and Memberships | | 250 | |
| Maintenance Agreements | | 1,700 | |
| Maintenance and Repair Services - Vehicles | | 500 | |
| Postal Charges | | 501 | |
| Printing, Stationery, and Forms | | 320 | |
| Rentals | | 888 | |
| Travel | | 2,150 | |
| Custodial Supplies | | 41 | |
| Gasoline | | 2 | |
| Office Supplies | | 785 | |
| Other Supplies and Materials | | 4,463 | |
| Vehicle and Equipment Insurance | | 750 | |
| Workers' Compensation Insurance | | 874 | |
| In Service/Staff Development | | 970 | |
| Total Juvenile Court | | | 551,809 |

District Attorney General

| | | |
|--------------------------|----|--------|
| Other Salaries and Wages | \$ | 29,066 |
|--------------------------|----|--------|

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General (Cont.)

| | | | |
|---------------------------------|----|-------|-----------|
| Social Security | \$ | 1,779 | |
| Pensions | | 820 | |
| Life Insurance | | 35 | |
| Medical Insurance | | 5,485 | |
| Dental Insurance | | 372 | |
| Disability Insurance | | 218 | |
| Unemployment Compensation | | 265 | |
| Employer Medicare | | 416 | |
| Other Supplies and Materials | | 974 | |
| Workers' Compensation Insurance | | 69 | |
| Total District Attorney General | | | \$ 39,499 |

Office of Public Defender

| | | | |
|---------------------------------|----|--------|--------|
| Part-time Personnel | \$ | 23,028 | |
| Social Security | | 1,424 | |
| Unemployment Compensation | | 243 | |
| Employer Medicare | | 333 | |
| Workers' Compensation Insurance | | 49 | |
| Total Office of Public Defender | | | 25,077 |

Judicial Commissioners

| | | | |
|------------------------------|----|-----|-------|
| Duplicating Supplies | \$ | 348 | |
| Office Supplies | | 894 | |
| Total Judicial Commissioners | | | 1,242 |

Probate Court

| | | | |
|---------------------------------|----|-----|-------|
| Printing, Stationery, and Forms | \$ | 289 | |
| Duplicating Supplies | | 841 | |
| Office Supplies | | 490 | |
| Other Supplies and Materials | | 682 | |
| Total Probate Court | | | 2,302 |

Other Administration of Justice

| | | | |
|---------------------------------------|----|--------|--------|
| Probation Officer(s) | \$ | 64,269 | |
| Social Security | | 4,008 | |
| Pensions | | 4,069 | |
| Life Insurance | | 78 | |
| Medical Insurance | | 4,810 | |
| Dental Insurance | | 411 | |
| Disability Insurance | | 313 | |
| Unemployment Compensation | | 192 | |
| Employer Medicare | | 937 | |
| Communication | | 31 | |
| Travel | | 744 | |
| Other Contracted Services | | 344 | |
| Office Supplies | | 863 | |
| Workers' Compensation Insurance | | 149 | |
| Total Other Administration of Justice | | | 81,218 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Administration of Justice (Cont.)Courtroom Security

| | | | |
|------------------------------|----|-------|-----------|
| Other Contracted Services | \$ | 5,192 | |
| Other Supplies and Materials | | 1,560 | |
| Other Capital Outlay | | 6,356 | |
| Total Courtroom Security | | | \$ 13,108 |

Victim Assistance Programs

| | | | |
|----------------------------------|----|--------|--------|
| Remittance of Revenue Collected | \$ | 22,391 | |
| Total Victim Assistance Programs | | | 22,391 |

Public SafetySheriff's Department

| | | | |
|---|----|-----------|--|
| County Official/Administrative Officer | \$ | 91,972 | |
| Deputy(ies) | | 2,067,077 | |
| Salary Supplements | | 600 | |
| Secretary(ies) | | 41,729 | |
| Clerical Personnel | | 65,795 | |
| School Resource Officer | | 295,318 | |
| Overtime Pay | | 97,370 | |
| Other Salaries and Wages | | 393,821 | |
| Social Security | | 182,378 | |
| Pensions | | 209,005 | |
| Life Insurance | | 3,792 | |
| Medical Insurance | | 512,192 | |
| Dental Insurance | | 30,183 | |
| Disability Insurance | | 18,029 | |
| Unemployment Compensation | | 7,298 | |
| Employer Medicare | | 42,652 | |
| Advertising | | 21 | |
| Communication | | 78,833 | |
| Contracts with Government Agencies | | 8,289 | |
| Contracts with Private Agencies | | 8,858 | |
| Data Processing Services | | 3,750 | |
| Dues and Memberships | | 2,500 | |
| Operating Lease Payments | | 5,600 | |
| Maintenance and Repair Services - Equipment | | 42,900 | |
| Maintenance and Repair Services - Vehicles | | 7,996 | |
| Medical and Dental Services | | 5,624 | |
| Postal Charges | | 13,015 | |
| Printing, Stationery, and Forms | | 2,090 | |
| Rentals | | 2,380 | |
| Towing Services | | 625 | |
| Travel | | 4,396 | |
| Gasoline | | 112,205 | |
| Law Enforcement Supplies | | 13,256 | |
| Office Supplies | | 6,448 | |
| Tires and Tubes | | 22,957 | |
| Uniforms | | 37,860 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Safety (Cont.)Sheriff's Department (Cont.)

| | | | |
|---------------------------------|----|--------|--------------|
| Utilities | \$ | 4,474 | |
| Other Supplies and Materials | | 100 | |
| Liability Insurance | | 59,600 | |
| Vehicle and Equipment Insurance | | 55,000 | |
| Workers' Compensation Insurance | | 97,780 | |
| Liability Claims | | 11,140 | |
| In Service/Staff Development | | 1,353 | |
| Communication Equipment | | 27,234 | |
| Data Processing Equipment | | 11,652 | |
| Law Enforcement Equipment | | 18,993 | |
| Motor Vehicles | | 64,428 | |
| Total Sheriff's Department | | | \$ 4,790,568 |

Jail

| | | | |
|---|----|-----------|--|
| Guards | \$ | 2,567,157 | |
| Clerical Personnel | | 44,001 | |
| Overtime Pay | | 137,385 | |
| Other Salaries and Wages | | 40,779 | |
| Social Security | | 167,704 | |
| Pensions | | 155,525 | |
| Life Insurance | | 3,810 | |
| Medical Insurance | | 497,119 | |
| Dental Insurance | | 28,758 | |
| Disability Insurance | | 15,408 | |
| Unemployment Compensation | | 10,703 | |
| Employer Medicare | | 39,004 | |
| Communication | | 35,748 | |
| Contracts with Government Agencies | | 680 | |
| Contracts with Private Agencies | | 7,045 | |
| Dues and Memberships | | 100 | |
| Evaluation and Testing | | 100 | |
| Maintenance and Repair Services - Buildings | | 25,598 | |
| Medical and Dental Services | | 9,250 | |
| Pest Control | | 480 | |
| Printing, Stationery, and Forms | | 730 | |
| Rentals | | 100 | |
| Travel | | 3,929 | |
| Disposal Fees | | 4,885 | |
| Other Contracted Services | | 353,368 | |
| Custodial Supplies | | 71,013 | |
| Duplicating Supplies | | 2,201 | |
| Electricity | | 205,117 | |
| Food Preparation Supplies | | 904 | |
| Food Supplies | | 416,107 | |
| Gasoline | | 17,222 | |
| Law Enforcement Supplies | | 3,818 | |
| Natural Gas | | 64,182 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Safety (Cont.)Jail (Cont.)

| | | | |
|---------------------------------|----|---------|--------------|
| Office Supplies | \$ | 8,761 | |
| Prisoners Clothing | | 19,546 | |
| Uniforms | | 31,760 | |
| Water and Sewer | | 125,430 | |
| Other Supplies and Materials | | 23,515 | |
| Building and Contents Insurance | | 25,555 | |
| Liability Insurance | | 39,374 | |
| Medical Claims | | 230,469 | |
| Vehicle and Equipment Insurance | | 8,805 | |
| Workers' Compensation Insurance | | 109,533 | |
| Liability Claims | | 5,582 | |
| In Service/Staff Development | | 1,590 | |
| Other Charges | | 550 | |
| Communication Equipment | | 5,694 | |
| Data Processing Equipment | | 816 | |
| Law Enforcement Equipment | | 7,480 | |
| Other Capital Outlay | | 8,079 | |
| Total Jail | | | \$ 5,582,469 |

Correctional Incentive Program Improvements

| | | | |
|---|----|--------|--------|
| Supervisor/Director | \$ | 46,760 | |
| Social Security | | 2,955 | |
| Pensions | | 3,290 | |
| Life Insurance | | 30 | |
| Medical Insurance | | 204 | |
| Disability Insurance | | 316 | |
| Unemployment Compensation | | 96 | |
| Employer Medicare | | 691 | |
| Communication | | 376 | |
| Travel | | 588 | |
| Other Contracted Services | | 1,876 | |
| Other Supplies and Materials | | 6,823 | |
| In Service/Staff Development | | 600 | |
| Total Correctional Incentive Program Improvements | | | 64,605 |

Commissary

| | | | |
|------------------------------|----|-------|-------|
| Other Supplies and Materials | \$ | 7,950 | |
| Total Commissary | | | 7,950 |

Civil Defense

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 31,752 | |
| Assistant(s) | | 37,853 | |
| Part-time Personnel | | 3,528 | |
| Social Security | | 4,413 | |
| Pensions | | 2,863 | |
| Life Insurance | | 190 | |
| Medical Insurance | | 4,440 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Safety (Cont.)Civil Defense (Cont.)

| | | | |
|---|----|---------|------------|
| Dental Insurance | \$ | 251 | |
| Disability Insurance | | 254 | |
| Unemployment Compensation | | 240 | |
| Employer Medicare | | 1,032 | |
| Communication | | 5,898 | |
| Contracts with Government Agencies | | 2,000 | |
| Contributions | | 379,598 | |
| Maintenance and Repair Services - Equipment | | 285 | |
| Maintenance and Repair Services - Vehicles | | 1,008 | |
| Postal Charges | | 200 | |
| Rentals | | 8,050 | |
| Travel | | 2,225 | |
| Other Contracted Services | | 15,000 | |
| Gasoline | | 4,180 | |
| Office Supplies | | 2,114 | |
| Tires and Tubes | | 2,388 | |
| Other Supplies and Materials | | 61,173 | |
| Building and Contents Insurance | | 2,000 | |
| Vehicle and Equipment Insurance | | 6,500 | |
| Workers' Compensation Insurance | | 169 | |
| In Service/Staff Development | | 750 | |
| Other Charges | | 245 | |
| Communication Equipment | | 881 | |
| Other Capital Outlay | | 18,978 | |
| Total Civil Defense | | | \$ 600,458 |

Rescue Squad

| | | | |
|--------------------|----|--------|--------|
| Contributions | \$ | 26,000 | |
| Total Rescue Squad | | | 26,000 |

Other Emergency Management

| | | | |
|------------------------------------|----|---------|---------|
| Dispatchers/Radio Operators | \$ | 416,328 | |
| Overtime Pay | | 43,879 | |
| Social Security | | 33,618 | |
| Pensions | | 34,792 | |
| Life Insurance | | 652 | |
| Medical Insurance | | 97,568 | |
| Dental Insurance | | 5,473 | |
| Disability Insurance | | 2,925 | |
| Unemployment Compensation | | 2,134 | |
| Employer Medicare | | 7,862 | |
| Communication | | 694 | |
| Contracts with Government Agencies | | 2,240 | |
| Contracts with Private Agencies | | 3,500 | |
| Medical and Dental Services | | 2,061 | |
| Travel | | 416 | |
| Office Supplies | | 638 | |
| Workers' Compensation Insurance | | 1,174 | |
| Total Other Emergency Management | | | 655,954 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Safety (Cont.)County Coroner/Medical Examiner

| | | | |
|---------------------------------------|----|---------|------------|
| Other Contracted Services | \$ | 212,763 | |
| Total County Coroner/Medical Examiner | | | \$ 212,763 |

Other Public Safety

| | | | |
|--|----|--------|---------|
| Mechanic(s) | \$ | 72,190 | |
| Clerical Personnel | | 3,189 | |
| Overtime Pay | | 267 | |
| Other Salaries and Wages | | 980 | |
| Social Security | | 6,974 | |
| Pensions | | 6,882 | |
| Life Insurance | | 117 | |
| Medical Insurance | | 17,450 | |
| Dental Insurance | | 980 | |
| Disability Insurance | | 617 | |
| Unemployment Compensation | | 384 | |
| Employer Medicare | | 1,631 | |
| Communication | | 3,294 | |
| Dues and Memberships | | 3,064 | |
| Maintenance and Repair Services - Vehicles | | 1,666 | |
| Rentals | | 11,700 | |
| Towing Services | | 2,450 | |
| Travel | | 1,500 | |
| Other Contracted Services | | 6,691 | |
| Garage Supplies | | 11,484 | |
| Gasoline | | 2,154 | |
| Lubricants | | 5,020 | |
| Office Supplies | | 718 | |
| Small Tools | | 607 | |
| Tires and Tubes | | 1,415 | |
| Uniforms | | 2,981 | |
| Utilities | | 11,898 | |
| Vehicle Parts | | 65,000 | |
| Other Supplies and Materials | | 5,546 | |
| Vehicle and Equipment Insurance | | 1,443 | |
| Workers' Compensation Insurance | | 4,096 | |
| In Service/Staff Development | | 743 | |
| Data Processing Equipment | | 1,629 | |
| Maintenance Equipment | | 11,980 | |
| Total Other Public Safety | | | 268,740 |

Public Health and WelfareLocal Health Center

| | | |
|--------------------------|----|--------|
| Medical Personnel | \$ | 15,395 |
| Clerical Personnel | | 39,380 |
| Overtime Pay | | 173 |
| Other Salaries and Wages | | 24,133 |
| Social Security | | 4,716 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Local Health Center (Cont.)

| | | | |
|---|----|--------|------------|
| Pensions | \$ | 3,975 | |
| Life Insurance | | 164 | |
| Medical Insurance | | 20,250 | |
| Dental Insurance | | 1,044 | |
| Disability Insurance | | 436 | |
| Unemployment Compensation | | 528 | |
| Employer Medicare | | 1,103 | |
| Advertising | | 7,030 | |
| Communication | | 4,314 | |
| Dues and Memberships | | 535 | |
| Laundry Service | | 3,611 | |
| Maintenance and Repair Services - Buildings | | 2,123 | |
| Maintenance and Repair Services - Equipment | | 1,021 | |
| Postal Charges | | 2,000 | |
| Printing, Stationery, and Forms | | 195 | |
| Rentals | | 744 | |
| Travel | | 26 | |
| Disposal Fees | | 627 | |
| Other Contracted Services | | 10,370 | |
| Drugs and Medical Supplies | | 5,734 | |
| Electricity | | 30,597 | |
| Gasoline | | 23 | |
| Instructional Supplies and Materials | | 9,590 | |
| Natural Gas | | 94 | |
| Office Supplies | | 6,310 | |
| Uniforms | | 392 | |
| Other Supplies and Materials | | 7,165 | |
| Building and Contents Insurance | | 2,400 | |
| Workers' Compensation Insurance | | 3,776 | |
| In Service/Staff Development | | 745 | |
| Other Charges | | 7,838 | |
| Building Improvements | | 36,490 | |
| Other Equipment | | 248 | |
| Total Local Health Center | | | \$ 255,295 |

Rabies and Animal Control

| | | |
|------------------------------------|----|--------|
| Other Salaries and Wages | \$ | 62,361 |
| Social Security | | 3,622 |
| Pensions | | 4,716 |
| Life Insurance | | 90 |
| Medical Insurance | | 16,400 |
| Dental Insurance | | 887 |
| Disability Insurance | | 414 |
| Unemployment Compensation | | 192 |
| Employer Medicare | | 847 |
| Contracts with Government Agencies | | 27,200 |
| Dues and Memberships | | 260 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Rabies and Animal Control (Cont.)

| | | | |
|--|----|-------|------------|
| Licenses | \$ | 110 | |
| Maintenance and Repair Services - Vehicles | | 3,000 | |
| Printing, Stationery, and Forms | | 283 | |
| Animal Food and Supplies | | 1,415 | |
| Gasoline | | 6,230 | |
| Tires and Tubes | | 1,126 | |
| Uniforms | | 804 | |
| Other Supplies and Materials | | 1,896 | |
| Vehicle and Equipment Insurance | | 1,500 | |
| Workers' Compensation Insurance | | 2,504 | |
| Total Rabies and Animal Control | | | \$ 135,857 |

Dental Health Program

| | | | |
|---|----|---------|---------|
| Medical Personnel | \$ | 203,423 | |
| Social Security | | 11,893 | |
| Pensions | | 7,001 | |
| Life Insurance | | 133 | |
| Medical Insurance | | 40,040 | |
| Dental Insurance | | 1,756 | |
| Disability Insurance | | 755 | |
| Unemployment Compensation | | 1,023 | |
| Employer Medicare | | 2,853 | |
| Communication | | 2,313 | |
| Maintenance Agreements | | 995 | |
| Maintenance and Repair Services - Equipment | | 1,914 | |
| Maintenance and Repair Services - Vehicles | | 210 | |
| Postal Charges | | 1,700 | |
| Travel | | 690 | |
| Disposal Fees | | 80 | |
| Other Contracted Services | | 4,000 | |
| Drugs and Medical Supplies | | 14,435 | |
| Gasoline | | 70 | |
| Office Supplies | | 3,262 | |
| Other Supplies and Materials | | 6,106 | |
| Liability Insurance | | 3,000 | |
| Workers' Compensation Insurance | | 6,789 | |
| In Service/Staff Development | | 169 | |
| Other Charges | | 1,045 | |
| Data Processing Equipment | | 3,388 | |
| Total Dental Health Program | | | 319,043 |

Alcohol and Drug Programs

| | | | |
|---------------------------------|----|-------|-------|
| Contributions | \$ | 5,000 | |
| Total Alcohol and Drug Programs | | | 5,000 |

Other Local Health Services

| | | | |
|-------------------|----|---------|--|
| Medical Personnel | \$ | 177,496 | |
|-------------------|----|---------|--|

(Continued)

Exhibit L-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Other Local Health Services (Cont.)

| | | | |
|-----------------------------------|----|--------|------------|
| Clerical Personnel | \$ | 55,415 | |
| Social Security | | 14,286 | |
| Pensions | | 12,926 | |
| Life Insurance | | 411 | |
| Medical Insurance | | 32,078 | |
| Dental Insurance | | 2,679 | |
| Disability Insurance | | 1,408 | |
| Unemployment Compensation | | 1,130 | |
| Employer Medicare | | 3,341 | |
| Travel | | 5,334 | |
| Liability Insurance | | 1,000 | |
| Workers' Compensation Insurance | | 1,420 | |
| Total Other Local Health Services | | | \$ 308,924 |

Appropriation to State

| | | | |
|--------------------------------------|----|---------|---------|
| Contracts with Other Public Agencies | \$ | 122,120 | |
| Total Appropriation to State | | | 122,120 |

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

| | | | |
|----------------------------------|----|--------|--------|
| Other Salaries and Wages | \$ | 23,584 | |
| Social Security | | 1,231 | |
| Pensions | | 735 | |
| Life Insurance | | 34 | |
| Medical Insurance | | 9,526 | |
| Dental Insurance | | 409 | |
| Disability Insurance | | 98 | |
| Unemployment Compensation | | 189 | |
| Employer Medicare | | 288 | |
| Communication | | 1,797 | |
| Printing, Stationery, and Forms | | 99 | |
| Rentals | | 12,968 | |
| Travel | | 4,371 | |
| Other Contracted Services | | 4,540 | |
| Electricity | | 1,802 | |
| Natural Gas | | 295 | |
| Office Supplies | | 2,476 | |
| Water and Sewer | | 363 | |
| Other Supplies and Materials | | 17,358 | |
| Motor Vehicles | | 7,000 | |
| Total Senior Citizens Assistance | | | 89,163 |

Parks and Fair Boards

| | | | |
|-----------------------------|----|-------|-------|
| Contributions | \$ | 3,000 | |
| Total Parks and Fair Boards | | | 3,000 |

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Agriculture and Natural ResourcesAgricultural Extension Service

| | | | |
|--------------------------------------|----|---------|------------|
| Clerical Personnel | \$ | 7,761 | |
| Social Security | | 528 | |
| Pensions | | 557 | |
| Life Insurance | | 36 | |
| Medical Insurance | | 370 | |
| Disability Insurance | | 55 | |
| Unemployment Compensation | | 1 | |
| Employer Medicare | | 124 | |
| Dues and Memberships | | 229 | |
| Postal Charges | | 523 | |
| Travel | | 1,506 | |
| Other Contracted Services | | 127,365 | |
| Office Supplies | | 1,575 | |
| Other Supplies and Materials | | 1,852 | |
| Workers' Compensation Insurance | | 20 | |
| Total Agricultural Extension Service | | | \$ 142,502 |

Soil Conservation

| | | | |
|---------------------------------|----|--------|--------|
| Secretary(ies) | \$ | 34,893 | |
| Social Security | | 1,976 | |
| Pensions | | 2,639 | |
| Life Insurance | | 45 | |
| Medical Insurance | | 12,480 | |
| Dental Insurance | | 563 | |
| Disability Insurance | | 231 | |
| Unemployment Compensation | | 96 | |
| Employer Medicare | | 462 | |
| Dues and Memberships | | 290 | |
| Workers' Compensation Insurance | | 81 | |
| Total Soil Conservation | | | 53,756 |

Storm Water Management

| | | | |
|------------------------------|----|--------|--------|
| Other Contracted Services | \$ | 29,990 | |
| Other Supplies and Materials | | 1,363 | |
| Other Charges | | 3,760 | |
| Total Storm Water Management | | | 35,113 |

Other OperationsIndustrial Development

| | | | |
|------------------------------|----|---------|---------|
| Contributions | \$ | 186,545 | |
| Total Industrial Development | | | 186,545 |

Veterans' Services

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 52,007 | |
| Assistant(s) | | 27,771 | |
| Social Security | | 4,862 | |
| Pensions | | 5,891 | |

(Continued)

Exhibit L-8

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

General Fund (Cont.)Other Operations (Cont.)Veterans' Services (Cont.)

| | | | |
|---------------------------------|----|-------|------------|
| Life Insurance | \$ | 112 | |
| Medical Insurance | | 4,440 | |
| Dental Insurance | | 839 | |
| Disability Insurance | | 513 | |
| Unemployment Compensation | | 192 | |
| Employer Medicare | | 1,187 | |
| Advertising | | 175 | |
| Communication | | 486 | |
| Maintenance Agreements | | 399 | |
| Postal Charges | | 358 | |
| Printing, Stationery, and Forms | | 610 | |
| Rentals | | 458 | |
| Travel | | 1,857 | |
| Other Contracted Services | | 2,000 | |
| Office Supplies | | 1,092 | |
| Other Supplies and Materials | | 200 | |
| Workers' Compensation Insurance | | 181 | |
| Total Veterans' Services | | | \$ 105,630 |

Other Charges

| | | | |
|---------------------------------|----|---------|---------|
| Contributions | \$ | 11,000 | |
| Other Contracted Services | | 1,349 | |
| Building and Contents Insurance | | 5,100 | |
| Liability Insurance | | 118,000 | |
| Trustee's Commission | | 307,264 | |
| Total Other Charges | | | 442,713 |

Miscellaneous

| | | | |
|----------------------|----|---------|---------|
| Communication | \$ | 101,921 | |
| Dues and Memberships | | 11,523 | |
| Total Miscellaneous | | | 113,444 |

Capital ProjectsPublic Safety Projects

| | | | |
|------------------------------|----|---------|---------|
| Engineering Services | \$ | 10,450 | |
| Other Contracted Services | | 137,241 | |
| Other Construction | | 8,000 | |
| Total Public Safety Projects | | | 155,691 |

Public Utility Projects

| | | | |
|-------------------------------|----|--------|--------|
| Engineering Services | \$ | 38,899 | |
| Other Contracted Services | | 402 | |
| Total Public Utility Projects | | | 39,301 |

Total General Fund \$ 24,198,665

(Continued)

Exhibit L-8

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

Public Library FundSocial, Cultural, and Recreational ServicesLibraries

| | | | |
|---|----|---------|------------|
| Librarians | \$ | 196,238 | |
| Part-time Personnel | | 132,799 | |
| Social Security | | 20,081 | |
| Pensions | | 13,352 | |
| Life Insurance | | 660 | |
| Medical Insurance | | 43,040 | |
| Dental Insurance | | 3,045 | |
| Disability Insurance | | 1,488 | |
| Unemployment Compensation | | 1,979 | |
| Employer Medicare | | 4,696 | |
| Communication | | 13,777 | |
| Data Processing Services | | 2,277 | |
| Dues and Memberships | | 293 | |
| Maintenance Agreements | | 4,775 | |
| Maintenance and Repair Services - Buildings | | 491 | |
| Maintenance and Repair Services - Equipment | | 438 | |
| Pest Control | | 240 | |
| Postal Charges | | 585 | |
| Rentals | | 98 | |
| Travel | | 2,167 | |
| Other Contracted Services | | 280 | |
| Custodial Supplies | | 1,336 | |
| Library Books/Media | | 41,786 | |
| Office Supplies | | 2,554 | |
| Periodicals | | 2,956 | |
| Utilities | | 26,842 | |
| Other Supplies and Materials | | 8,254 | |
| Building and Contents Insurance | | 500 | |
| Trustee's Commission | | 9,199 | |
| Workers' Compensation Insurance | | 744 | |
| In Service/Staff Development | | 1,069 | |
| Data Processing Equipment | | 6,808 | |
| Furniture and Fixtures | | 7,550 | |
| Total Libraries | | | \$ 552,397 |

Principal on DebtGeneral Government

| | | | |
|--------------------------|----|-------|-------|
| Principal on Other Loans | \$ | 1,764 | |
| Total General Government | | | 1,764 |

Interest on DebtGeneral Government

| | | | |
|--------------------------|----|-------|-------|
| Interest on Other Loans | \$ | 4,092 | |
| Total General Government | | | 4,092 |

Total Public Library Fund \$ 558,253

(Continued)

Exhibit L-8

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

Solid Waste/Sanitation FundPublic Health and WelfareSanitation Management

| | | | |
|--|----|--------|------------|
| County Official/Administrative Officer | \$ | 30,800 | |
| Supervisor/Director | | 40,728 | |
| Laborers | | 23,710 | |
| Part-time Personnel | | 3,300 | |
| Social Security | | 5,843 | |
| Pensions | | 6,247 | |
| Life Insurance | | 87 | |
| Medical Insurance | | 19,750 | |
| Dental Insurance | | 994 | |
| Disability Insurance | | 567 | |
| Unemployment Compensation | | 321 | |
| Employer Medicare | | 1,366 | |
| Advertising | | 1,552 | |
| Communication | | 1,291 | |
| Maintenance and Repair Services - Vehicles | | 1,500 | |
| Other Contracted Services | | 19,063 | |
| Gasoline | | 2,239 | |
| Instructional Supplies and Materials | | 110 | |
| Tires and Tubes | | 537 | |
| Uniforms | | 97 | |
| Other Supplies and Materials | | 990 | |
| Trustee's Commission | | 24,979 | |
| Vehicle and Equipment Insurance | | 1,500 | |
| Workers' Compensation Insurance | | 3,556 | |
| In Service/Staff Development | | 1,788 | |
| Total Sanitation Management | | | \$ 192,915 |

Convenience Centers

| | | | |
|---|----|---------|---------|
| Engineering Services | \$ | 23,800 | |
| Maintenance and Repair Services - Buildings | | 1,214 | |
| Rentals | | 11,178 | |
| Other Contracted Services | | 521,334 | |
| Concrete | | 9,584 | |
| Crushed Stone | | 2,676 | |
| Electricity | | 6,757 | |
| General Construction Materials | | 3,734 | |
| Water and Sewer | | 1,412 | |
| Other Supplies and Materials | | 3,932 | |
| Solid Waste Equipment | | 6,908 | |
| Total Convenience Centers | | | 592,529 |

Other Waste Collection

| | | |
|---------------------|----|--------|
| Supervisor/Director | \$ | 2,796 |
| Deputy(ies) | | 30,464 |
| Social Security | | 2,203 |
| Pensions | | 2,544 |
| Life Insurance | | 231 |

(Continued)

Exhibit L-8

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

Solid Waste/Sanitation Fund (Cont.)Public Health and Welfare (Cont.)Other Waste Collection (Cont.)

| | | | |
|--|----|--------|-----------|
| Medical Insurance | \$ | 1,476 | |
| Dental Insurance | | 649 | |
| Disability Insurance | | 211 | |
| Unemployment Compensation | | 91 | |
| Employer Medicare | | 517 | |
| Communication | | 382 | |
| Maintenance and Repair Services - Vehicles | | 2,000 | |
| Travel | | 89 | |
| Gasoline | | 3,430 | |
| Instructional Supplies and Materials | | 11,818 | |
| Uniforms | | 93 | |
| Other Supplies and Materials | | 2,004 | |
| Vehicle and Equipment Insurance | | 1,700 | |
| Workers' Compensation Insurance | | 1,116 | |
| Total Other Waste Collection | | | \$ 63,814 |

Recycling Center

| | | | |
|---------------------------------|----|--------|--------|
| Contracts with Private Agencies | \$ | 6,800 | |
| Engineering Services | | 12,500 | |
| Total Recycling Center | | | 19,300 |

Landfill Operation and Maintenance

| | | | |
|--|----|---------|---------|
| Contracts with Private Agencies | \$ | 631,174 | |
| Contributions | | 7,645 | |
| Total Landfill Operation and Maintenance | | | 638,819 |

Other Waste Disposal

| | | | |
|---------------------------------|----|--------|---------------|
| Contracts with Private Agencies | \$ | 60,162 | |
| Total Other Waste Disposal | | | <u>60,162</u> |

Total Solid Waste/Sanitation Fund \$ 1,567,539

Drug Control FundPublic SafetyDrug Enforcement

| | | | |
|--|----|-------|--|
| Communication | \$ | 9,625 | |
| Contracts with Private Agencies | | 216 | |
| Confidential Drug Enforcement Payments | | 5,500 | |
| Dues and Memberships | | 410 | |
| Towing Services | | 3,150 | |
| Travel | | 1,530 | |
| Veterinary Services | | 1,764 | |
| Animal Food and Supplies | | 1,623 | |
| Gasoline | | 7,344 | |
| Law Enforcement Supplies | | 3,065 | |
| Office Supplies | | 494 | |
| Uniforms | | 1,593 | |

(Continued)

Exhibit L-8

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

Drug Control Fund (Cont.)Public Safety (Cont.)Drug Enforcement (Cont.)

| | | | |
|---------------------------------|----|-------|-----------|
| Other Supplies and Materials | \$ | 620 | |
| Trustee's Commission | | 659 | |
| Vehicle and Equipment Insurance | | 3,000 | |
| In Service/Staff Development | | 730 | |
| Other Charges | | 1,885 | |
| Data Processing Equipment | | 4,380 | |
| Law Enforcement Equipment | | 284 | |
| Total Drug Enforcement | | | \$ 47,872 |

Total Drug Control Fund \$ 47,872

Other Special Revenue FundOther OperationsTourism

| | | | |
|---|----|---------|------------|
| Supervisor/Director | \$ | 53,863 | |
| Clerical Personnel | | 85,604 | |
| Social Security | | 8,597 | |
| Pensions | | 9,228 | |
| Life Insurance | | 131 | |
| Medical Insurance | | 11,440 | |
| Dental Insurance | | 563 | |
| Disability Insurance | | 753 | |
| Unemployment Compensation | | 485 | |
| Employer Medicare | | 2,011 | |
| Advertising | | 127,169 | |
| Communication | | 5,144 | |
| Contributions | | 35,089 | |
| Dues and Memberships | | 3,651 | |
| Maintenance and Repair Services - Buildings | | 7,828 | |
| Postal Charges | | 3,038 | |
| Printing, Stationery, and Forms | | 1,105 | |
| Rentals | | 1,262 | |
| Travel | | 8,418 | |
| Office Supplies | | 1,694 | |
| Uniforms | | 736 | |
| Utilities | | 2,960 | |
| Other Supplies and Materials | | 1,104 | |
| Building and Contents Insurance | | 750 | |
| Liability Insurance | | 911 | |
| Trustee's Commission | | 3,522 | |
| Workers' Compensation Insurance | | 327 | |
| In Service/Staff Development | | 1,823 | |
| Other Charges | | 1,204 | |
| Data Processing Equipment | | 1,737 | |
| Total Tourism | | | \$ 382,147 |

Total Other Special Revenue Fund 382,147

(Continued)

Exhibit L-8

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

Constitutional Officers - Fees FundGeneral GovernmentRegister of Deeds

| | | | |
|---|----|-----|--------|
| Constitutional Officers' Operating Expenses | \$ | 945 | |
| Total Register of Deeds | | | \$ 945 |

FinanceCounty Trustee's Office

| | | | |
|---|----|-----|-----|
| Constitutional Officers' Operating Expenses | \$ | 573 | |
| Total County Trustee's Office | | | 573 |

Administration of JusticeChancery Court

| | | | |
|---|----|-------|--------------|
| Special Commissioner Fees/Special Master Fees | \$ | 5,650 | |
| Total Chancery Court | | | <u>5,650</u> |

| | | | |
|---|--|--|----------|
| Total Constitutional Officers - Fees Fund | | | \$ 7,168 |
|---|--|--|----------|

Highway/Public Works FundHighwaysAdministration

| | | | |
|---|----|--------------|------------|
| County Official/Administrative Officer | \$ | 91,972 | |
| Clerical Personnel | | 73,398 | |
| Social Security | | 9,794 | |
| Pensions | | 12,258 | |
| Life Insurance | | 242 | |
| Medical Insurance | | 26,950 | |
| Dental Insurance | | 1,377 | |
| Disability Insurance | | 1,048 | |
| Unemployment Compensation | | 64 | |
| Employer Medicare | | 2,290 | |
| Dues and Memberships | | 3,534 | |
| Licenses | | 375 | |
| Maintenance Agreements | | 5,616 | |
| Maintenance and Repair Services - Equipment | | 169 | |
| Pest Control | | 240 | |
| Travel | | 21 | |
| Disposal Fees | | 313 | |
| Office Supplies | | <u>2,922</u> | |
| Total Administration | | | \$ 232,583 |

Highway and Bridge Maintenance

| | | |
|---------------------|----|---------|
| Foremen | \$ | 39,111 |
| Equipment Operators | | 101,178 |
| Truck Drivers | | 126,630 |
| Laborers | | 263,747 |
| Overtime Pay | | 53,247 |
| Social Security | | 34,996 |
| Pensions | | 39,372 |
| Life Insurance | | 808 |

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

| | | | |
|--------------------------------------|----|---------|--------------|
| Medical Insurance | \$ | 106,310 | |
| Dental Insurance | | 7,356 | |
| Disability Insurance | | 3,401 | |
| Unemployment Compensation | | 707 | |
| Employer Medicare | | 8,185 | |
| Contracts with Private Agencies | | 650 | |
| Rentals | | 852 | |
| Other Contracted Services | | 41,026 | |
| Asphalt | | 207,420 | |
| Crushed Stone | | 88,919 | |
| Custodial Supplies | | 3,888 | |
| Pipe - Metal | | 33,393 | |
| Road Signs | | 9,513 | |
| Uniforms | | 4,053 | |
| Other Supplies and Materials | | 1,000 | |
| Total Highway and Bridge Maintenance | | | \$ 1,175,762 |

Operation and Maintenance of Equipment

| | | | |
|--|----|---------|---------|
| Mechanic(s) | \$ | 38,356 | |
| Nightwatchmen | | 48,742 | |
| Overtime Pay | | 3,651 | |
| Social Security | | 5,223 | |
| Pensions | | 6,938 | |
| Life Insurance | | 251 | |
| Medical Insurance | | 29,550 | |
| Dental Insurance | | 1,609 | |
| Disability Insurance | | 583 | |
| Unemployment Compensation | | 96 | |
| Employer Medicare | | 1,221 | |
| Other Contracted Services | | 8,298 | |
| Equipment and Machinery Parts | | 133,905 | |
| Garage Supplies | | 726 | |
| Gasoline | | 238,869 | |
| Lubricants | | 10,407 | |
| Tires and Tubes | | 18,466 | |
| Other Supplies and Materials | | 22,045 | |
| Other Charges | | 449 | |
| Total Operation and Maintenance of Equipment | | | 569,385 |

Other Charges

| | | | |
|---------------------------------|----|--------|--|
| Communication | \$ | 2,604 | |
| Electricity | | 9,089 | |
| Natural Gas | | 5,390 | |
| Water and Sewer | | 414 | |
| Building and Contents Insurance | | 1,000 | |
| Liability Insurance | | 58,600 | |
| Trustee's Commission | | 39,056 | |

(Continued)

Exhibit L-8

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Other Charges (Cont.)

| | | | |
|---------------------------------|----|--------|------------|
| Vehicle and Equipment Insurance | \$ | 50,000 | |
| Workers' Compensation Insurance | | 61,308 | |
| Total Other Charges | | | \$ 227,461 |

Capital Outlay

| | | | |
|----------------------|----|---------|---------|
| Engineering Services | \$ | 11,590 | |
| Bridge Construction | | 442,114 | |
| Highway Equipment | | 5,242 | |
| Total Capital Outlay | | | 458,946 |

Total Highway/Public Works Fund \$ 2,664,137

General Debt Service FundPrincipal on DebtGeneral Government

| | | | |
|-----------------------------|----|---------|------------|
| Principal on Bonds | \$ | 480,000 | |
| Principal on Capital Leases | | 103,892 | |
| Principal on Other Loans | | 261,000 | |
| Total General Government | | | \$ 844,892 |

Interest on DebtGeneral Government

| | | | |
|----------------------------|----|---------|---------|
| Interest on Bonds | \$ | 668,688 | |
| Interest on Capital Leases | | 5,944 | |
| Interest on Other Loans | | 6,571 | |
| Total General Government | | | 681,203 |

Other Debt ServiceGeneral Government

| | | | |
|--------------------------|----|--------|--------|
| Accounting Services | \$ | 250 | |
| Fiscal Agent Charges | | 18,320 | |
| Trustee's Commission | | 34,323 | |
| Total General Government | | | 52,893 |

Total General Debt Service Fund 1,578,988

Rural Debt Service FundPrincipal on DebtEducation

| | | | |
|-----------------------------|----|---------|--------------|
| Principal on Bonds | \$ | 735,000 | |
| Principal on Notes | | 155,207 | |
| Principal on Capital Leases | | 69,523 | |
| Principal on Other Loans | | 175,000 | |
| Total Education | | | \$ 1,134,730 |

(Continued)

Exhibit L-8

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

Rural Debt Service Fund (Cont.)Interest on DebtEducation

| | | |
|----------------------------|------------|------------|
| Interest on Bonds | \$ 345,094 | |
| Interest on Capital Leases | 51,700 | |
| Interest on Other Loans | 124,688 | |
| Total Education | | \$ 521,482 |

Other Debt ServiceEducation

| | | |
|----------------------|----------|-------|
| Fiscal Agent Charges | \$ 2,369 | |
| Trustee's Commission | 3,898 | |
| Total Education | | 6,267 |

Total Rural Debt Service Fund \$ 1,662,479

Education Debt Service FundPrincipal on DebtEducation

| | | |
|--------------------------|------------|------------|
| Principal on Bonds | \$ 770,000 | |
| Principal on Other Loans | 225,000 | |
| Total Education | | \$ 995,000 |

Interest on DebtEducation

| | | |
|-------------------------|------------|---------|
| Interest on Bonds | \$ 497,600 | |
| Interest on Other Loans | 142,785 | |
| Total Education | | 640,385 |

Other Debt ServiceEducation

| | | |
|----------------------|----------|--------|
| Fiscal Agent Charges | \$ 1,663 | |
| Trustee's Commission | 31,588 | |
| Total Education | | 33,251 |

Total Education Debt Service Fund 1,668,636

General Capital Projects FundCapital ProjectsGeneral Administration Projects

| | | |
|---------------------------------------|--------|-----------|
| Trustee's Commission | \$ 500 | |
| Building Construction | 30,377 | |
| Communication Equipment | 6,524 | |
| Data Processing Equipment | 8,604 | |
| Total General Administration Projects | | \$ 46,005 |

Public Health and Welfare Projects

| | | |
|--|----------|-------|
| Building Construction | \$ 5,780 | |
| Site Development | 300 | |
| Total Public Health and Welfare Projects | | 6,080 |

(Continued)

Exhibit L-8

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Social, Cultural, and Recreation Projects

| | | |
|---|----------|----------|
| Contributions | \$ 5,000 | |
| Total Social, Cultural, and Recreation Projects | | \$ 5,000 |

Education Capital Projects

| | | |
|----------------------------------|--------------|------------------|
| Contributions | \$ 1,200,000 | |
| Total Education Capital Projects | | <u>1,200,000</u> |

| | | |
|-------------------------------------|--|---------------------|
| Total General Capital Projects Fund | | <u>\$ 1,257,085</u> |
|-------------------------------------|--|---------------------|

| | | |
|---|--|-----------------------------|
| Total Governmental Funds - Primary Government | | <u><u>\$ 35,592,969</u></u> |
|---|--|-----------------------------|

Exhibit L-9

Anderson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2016

General Purpose School Fund

Instruction

Regular Instruction Program

| | | |
|--|---------------|---------------|
| Teachers | \$ 15,885,020 | |
| Career Ladder Program | 82,670 | |
| Career Ladder Extended Contracts | 35,645 | |
| Homebound Teachers | 70,053 | |
| Educational Assistants | 701,674 | |
| Bonus Payments | 194,839 | |
| Certified Substitute Teachers | 34,563 | |
| Non-certified Substitute Teachers | 139,134 | |
| Social Security | 1,000,396 | |
| Pensions | 1,485,381 | |
| Life Insurance | 19,076 | |
| Medical Insurance | 1,761,298 | |
| Unemployment Compensation | 27,360 | |
| Employer Medicare | 236,698 | |
| Payments to Retirees | 201,521 | |
| Other Contracted Services | 39,037 | |
| Instructional Supplies and Materials | 447,688 | |
| Textbooks | 199,643 | |
| Other Supplies and Materials | 14,039 | |
| Refund to Applicant for Criminal Investigation | 5,412 | |
| Other Charges | 46,815 | |
| Regular Instruction Equipment | 99,447 | |
| Total Regular Instruction Program | | \$ 22,727,409 |

Special Education Program

| | | |
|--------------------------------------|--------------|-----------|
| Teachers | \$ 3,211,803 | |
| Career Ladder Program | 23,798 | |
| Homebound Teachers | 36,014 | |
| Educational Assistants | 651,908 | |
| Other Salaries and Wages | 34,848 | |
| Certified Substitute Teachers | 3,630 | |
| Non-certified Substitute Teachers | 20,620 | |
| Social Security | 235,230 | |
| Pensions | 344,087 | |
| Life Insurance | 5,652 | |
| Medical Insurance | 505,997 | |
| Unemployment Compensation | 6,059 | |
| Employer Medicare | 55,001 | |
| Payments to Retirees | 35,072 | |
| Dues and Memberships | 100 | |
| Other Contracted Services | 120,107 | |
| Instructional Supplies and Materials | 19,758 | |
| Other Supplies and Materials | 1,012 | |
| Special Education Equipment | 20,550 | |
| Total Special Education Program | | 5,331,246 |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Vocational Education Program

| | | |
|---|--------------|--------------|
| Teachers | \$ 2,101,959 | |
| Career Ladder Program | 9,500 | |
| Clerical Personnel | 76,526 | |
| Other Salaries and Wages | 9,087 | |
| Certified Substitute Teachers | 9,240 | |
| Non-certified Substitute Teachers | 22,055 | |
| Social Security | 128,111 | |
| Pensions | 195,779 | |
| Life Insurance | 2,362 | |
| Medical Insurance | 246,762 | |
| Unemployment Compensation | 2,430 | |
| Employer Medicare | 30,122 | |
| Payments to Retirees | 2,947 | |
| Maintenance and Repair Services - Equipment | 19,519 | |
| Instructional Supplies and Materials | 83,022 | |
| Other Supplies and Materials | 7,087 | |
| Vocational Instruction Equipment | 72,937 | |
| Other Equipment | 5,988 | |
| Total Vocational Education Program | | \$ 3,025,433 |

Student Body Education Program

| | | |
|--------------------------------------|-----------|--------|
| Teachers | \$ 58,030 | |
| Career Ladder Program | 1,000 | |
| Social Security | 3,482 | |
| Pensions | 5,336 | |
| Life Insurance | 50 | |
| Medical Insurance | 5,220 | |
| Unemployment Compensation | 53 | |
| Employer Medicare | 814 | |
| Instructional Supplies and Materials | 24,962 | |
| Total Student Body Education Program | | 98,947 |

Support Services

Attendance

| | | |
|------------------------------|-----------|---------|
| Supervisor/Director | \$ 88,867 | |
| Career Ladder Program | 3,000 | |
| Clerical Personnel | 34,242 | |
| Other Salaries and Wages | 168,142 | |
| Social Security | 16,904 | |
| Pensions | 21,335 | |
| Life Insurance | 259 | |
| Medical Insurance | 15,202 | |
| Unemployment Compensation | 557 | |
| Employer Medicare | 4,391 | |
| Payments to Retirees | 21,580 | |
| Travel | 733 | |
| Other Supplies and Materials | 464 | |
| Total Attendance | | 375,676 |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

| | | | |
|------------------------------|----|---------|------------|
| Supervisor/Director | \$ | 64,575 | |
| Medical Personnel | | 384,488 | |
| Other Salaries and Wages | | 4,856 | |
| Social Security | | 25,012 | |
| Pensions | | 37,693 | |
| Life Insurance | | 680 | |
| Medical Insurance | | 72,048 | |
| Unemployment Compensation | | 690 | |
| Employer Medicare | | 5,856 | |
| Communication | | 959 | |
| Postal Charges | | 33 | |
| Travel | | 13,241 | |
| Drugs and Medical Supplies | | 19,981 | |
| Other Supplies and Materials | | 19,658 | |
| Other Charges | | 6,300 | |
| Other Equipment | | 1,975 | |
| Total Health Services | | | \$ 658,045 |

Other Student Support

| | | | |
|------------------------------------|----|---------|-----------|
| Career Ladder Program | \$ | 3,000 | |
| Guidance Personnel | | 922,085 | |
| Other Salaries and Wages | | 66,847 | |
| Social Security | | 58,020 | |
| Pensions | | 88,486 | |
| Life Insurance | | 1,013 | |
| Medical Insurance | | 91,955 | |
| Unemployment Compensation | | 1,424 | |
| Employer Medicare | | 13,569 | |
| Communication | | 360 | |
| Contracts with Government Agencies | | 229,524 | |
| Printing, Stationery, and Forms | | 368 | |
| Travel | | 2,141 | |
| Other Contracted Services | | 1,050 | |
| Other Supplies and Materials | | 6,154 | |
| Total Other Student Support | | | 1,485,996 |

Regular Instruction Program

| | | |
|--------------------------|----|---------|
| Supervisor/Director | \$ | 98,700 |
| Career Ladder Program | | 8,000 |
| Librarians | | 520,713 |
| Secretary(ies) | | 36,659 |
| Other Salaries and Wages | | 61,875 |
| Social Security | | 43,619 |
| Pensions | | 65,460 |
| Life Insurance | | 796 |
| Medical Insurance | | 81,039 |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Regular Instruction Program (Cont.)

| | | | |
|-----------------------------------|----|--------|--------------|
| Unemployment Compensation | \$ | 1,733 | |
| Employer Medicare | | 10,201 | |
| Payments to Retirees | | 10,689 | |
| Travel | | 3,117 | |
| Library Books/Media | | 37,137 | |
| Other Supplies and Materials | | 37,936 | |
| In Service/Staff Development | | 38,772 | |
| Total Regular Instruction Program | | | \$ 1,056,446 |

Special Education Program

| | | | |
|---------------------------------|----|---------|-----------|
| Supervisor/Director | \$ | 94,321 | |
| Career Ladder Program | | 1,700 | |
| Psychological Personnel | | 200,585 | |
| Clerical Personnel | | 85,665 | |
| Other Salaries and Wages | | 721,027 | |
| Social Security | | 65,617 | |
| Pensions | | 96,288 | |
| Life Insurance | | 1,160 | |
| Medical Insurance | | 73,702 | |
| Unemployment Compensation | | 619 | |
| Employer Medicare | | 15,346 | |
| Payments to Retirees | | 27,463 | |
| Consultants | | 32,298 | |
| Travel | | 73 | |
| Other Contracted Services | | 1,000 | |
| Total Special Education Program | | | 1,416,864 |

Vocational Education Program

| | | | |
|------------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 100,591 | |
| Career Ladder Program | | 1,000 | |
| Other Salaries and Wages | | 73,955 | |
| Social Security | | 10,019 | |
| Pensions | | 14,656 | |
| Life Insurance | | 200 | |
| Medical Insurance | | 25,919 | |
| Unemployment Compensation | | 247 | |
| Employer Medicare | | 2,343 | |
| Travel | | 46,322 | |
| In Service/Staff Development | | 937 | |
| Total Vocational Education Program | | | 276,189 |

Other Programs

| | | | |
|----------------------------|----|---------|---------|
| On-behalf Payments to OPEB | \$ | 206,337 | |
| Total Other Programs | | | 206,337 |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Board of Education

| | | | |
|----------------------------------|----|---------|--------------|
| Secretary to Board | \$ | 6,120 | |
| Board and Committee Members Fees | | 58,100 | |
| Social Security | | 3,257 | |
| Pensions | | 1,556 | |
| Life Insurance | | 404 | |
| Unemployment Compensation | | 6,802 | |
| Employer Medicare | | 866 | |
| Advertising | | 504 | |
| Audit Services | | 22,775 | |
| Consultants | | 3,250 | |
| Contributions | | 25,000 | |
| Dues and Memberships | | 8,645 | |
| Legal Services | | 22,098 | |
| Travel | | 9,222 | |
| Liability Insurance | | 163,130 | |
| Trustee's Commission | | 465,751 | |
| Workers' Compensation Insurance | | 328,760 | |
| Other Charges | | 9,563 | |
| Total Board of Education | | | \$ 1,135,803 |

Director of Schools

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 148,745 | |
| Career Ladder Program | | 1,000 | |
| Secretary(ies) | | 38,328 | |
| Social Security | | 11,774 | |
| Pensions | | 14,620 | |
| Life Insurance | | 100 | |
| Medical Insurance | | 13,439 | |
| Unemployment Compensation | | 119 | |
| Employer Medicare | | 2,759 | |
| Payments to Retirees | | 15,030 | |
| Communication | | 66,942 | |
| Dues and Memberships | | 3,234 | |
| Postal Charges | | 3,837 | |
| Travel | | 2,728 | |
| Office Supplies | | 2,386 | |
| Other Charges | | 12,750 | |
| Total Director of Schools | | | 337,791 |

Office of the Principal

| | | | |
|-----------------------|----|-----------|--|
| Principals | \$ | 1,384,553 | |
| Career Ladder Program | | 10,000 | |
| Assistant Principals | | 704,872 | |
| Secretary(ies) | | 591,916 | |
| Social Security | | 155,631 | |
| Pensions | | 233,161 | |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Office of the Principal (Cont.)

| | | | |
|-------------------------------|----|---------|--------------|
| Life Insurance | \$ | 2,748 | |
| Medical Insurance | | 294,550 | |
| Unemployment Compensation | | 3,528 | |
| Employer Medicare | | 36,408 | |
| Payments to Retirees | | 13,000 | |
| Communication | | 30,514 | |
| Travel | | 7,032 | |
| In Service/Staff Development | | 9,428 | |
| Other Charges | | 2,860 | |
| Total Office of the Principal | | | \$ 3,480,201 |

Fiscal Services

| | | | |
|------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 85,417 | |
| Accountants/Bookkeepers | | 260,497 | |
| Social Security | | 18,694 | |
| Pensions | | 24,080 | |
| Life Insurance | | 350 | |
| Medical Insurance | | 38,457 | |
| Unemployment Compensation | | 595 | |
| Employer Medicare | | 4,669 | |
| Travel | | 2,456 | |
| Other Contracted Services | | 7,877 | |
| Office Supplies | | 4,133 | |
| Other Supplies and Materials | | 16,800 | |
| In Service/Staff Development | | 190 | |
| Other Capital Outlay | | 35,500 | |
| Total Fiscal Services | | | 499,715 |

Human Services/Personnel

| | | | |
|--------------------------------|----|--------|--------|
| Secretary(ies) | \$ | 42,279 | |
| Social Security | | 2,539 | |
| Pensions | | 3,129 | |
| Life Insurance | | 50 | |
| Medical Insurance | | 5,265 | |
| Unemployment Compensation | | 123 | |
| Employer Medicare | | 594 | |
| Advertising | | 483 | |
| Travel | | 1,714 | |
| Other Contracted Services | | 10,873 | |
| Office Supplies | | 1,020 | |
| Other Supplies and Materials | | 1,246 | |
| In Service/Staff Development | | 2,235 | |
| Total Human Services/Personnel | | | 71,550 |

Operation of Plant

| | | | |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 92,208 | |
|---------------------|----|--------|--|

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Operation of Plant (Cont.)

| | | |
|--|--------------|--------------|
| Custodial Personnel | \$ 1,457,547 | |
| Social Security | 89,522 | |
| Pensions | 113,692 | |
| Life Insurance | 3,030 | |
| Medical Insurance | 303,229 | |
| Unemployment Compensation | 2,820 | |
| Employer Medicare | 20,945 | |
| Payments to Retirees | 24,646 | |
| Maintenance and Repair Services - Vehicles | 14,722 | |
| Rentals | 55,938 | |
| Disposal Fees | 58,234 | |
| Other Contracted Services | 56,385 | |
| Custodial Supplies | 194,516 | |
| Electricity | 1,277,525 | |
| Natural Gas | 142,645 | |
| Water and Sewer | 185,539 | |
| Other Supplies and Materials | 10,185 | |
| Building and Contents Insurance | 249,484 | |
| Plant Operation Equipment | 28,504 | |
| Total Operation of Plant | | \$ 4,381,316 |

Maintenance of Plant

| | | |
|---|-----------|-----------|
| Supervisor/Director | \$ 72,973 | |
| Maintenance Personnel | 481,028 | |
| Social Security | 31,602 | |
| Pensions | 40,517 | |
| Life Insurance | 688 | |
| Medical Insurance | 71,992 | |
| Unemployment Compensation | 1,300 | |
| Employer Medicare | 7,396 | |
| Communication | 290,804 | |
| Maintenance and Repair Services - Buildings | 18,976 | |
| Maintenance and Repair Services - Equipment | 23,696 | |
| Other Contracted Services | 65,546 | |
| Custodial Supplies | 19,906 | |
| Gasoline | 41,878 | |
| Office Supplies | 1,446 | |
| Other Supplies and Materials | 192,036 | |
| Total Maintenance of Plant | | 1,361,784 |

Transportation

| | | |
|-----------------------|------------|--|
| Supervisor/Director | \$ 100,523 | |
| Career Ladder Program | 1,000 | |
| Social Security | 7,032 | |
| Pensions | 8,308 | |
| Life Insurance | 50 | |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Transportation (Cont.)

| | | | |
|-------------------------------|----|-----------|--------------|
| Medical Insurance | \$ | 8,084 | |
| Unemployment Compensation | | 119 | |
| Employer Medicare | | 1,645 | |
| Payments to Retirees | | 18,635 | |
| Contracts with Vehicle Owners | | 2,993,018 | |
| Travel | | 3,321 | |
| Other Contracted Services | | 8,387 | |
| Other Supplies and Materials | | 2,272 | |
| Administration Equipment | | 25,991 | |
| Total Transportation | | | \$ 3,178,385 |

Central and Other

| | | | |
|------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 90,908 | |
| Career Ladder Program | | 3,000 | |
| Secretary(ies) | | 32,427 | |
| Other Salaries and Wages | | 327,437 | |
| Social Security | | 26,856 | |
| Pensions | | 36,503 | |
| Life Insurance | | 425 | |
| Medical Insurance | | 38,593 | |
| Unemployment Compensation | | 465 | |
| Employer Medicare | | 6,281 | |
| Travel | | 6,453 | |
| Other Contracted Services | | 176,309 | |
| Other Supplies and Materials | | 51,893 | |
| In Service/Staff Development | | 705 | |
| Administration Equipment | | 9,424 | |
| Data Processing Equipment | | 89,976 | |
| Total Central and Other | | | 897,655 |

Operation of Non-Instructional ServicesCommunity Services

| | | | |
|------------------------------|----|-------|--------|
| Other Salaries and Wages | \$ | 6,660 | |
| Social Security | | 412 | |
| Pensions | | 746 | |
| Life Insurance | | 12 | |
| Medical Insurance | | 1,969 | |
| Employer Medicare | | 96 | |
| Communication | | 695 | |
| Other Contracted Services | | 1,120 | |
| Utilities | | 3,037 | |
| Other Supplies and Materials | | 293 | |
| Total Community Services | | | 15,040 |

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)Capital OutlayRegular Capital Outlay

| | | |
|------------------------------|------------|------------|
| Building Improvements | \$ 613,785 | |
| Total Regular Capital Outlay | | \$ 613,785 |

Other Debt ServiceEducation

| | | |
|---|--------------|-----------|
| Debt Service Contribution to Primary Government | \$ 1,378,065 | |
| Total Education | | 1,378,065 |

| | | |
|-----------------------------------|--|---------------|
| Total General Purpose School Fund | | \$ 54,009,678 |
|-----------------------------------|--|---------------|

School Federal Projects FundInstructionRegular Instruction Program

| | | |
|--------------------------------------|------------|--------------|
| Teachers | \$ 731,125 | |
| Other Salaries and Wages | 12,260 | |
| Certified Substitute Teachers | 2,835 | |
| Social Security | 40,163 | |
| Pensions | 63,024 | |
| Life Insurance | 705 | |
| Medical Insurance | 78,933 | |
| Unemployment Compensation | 991 | |
| Employer Medicare | 10,063 | |
| Other Fringe Benefits | 3,467 | |
| Instructional Supplies and Materials | 123,248 | |
| Regular Instruction Equipment | 39,552 | |
| Total Regular Instruction Program | | \$ 1,106,366 |

Special Education Program

| | | |
|--------------------------------------|------------|-----------|
| Teachers | \$ 422,348 | |
| Educational Assistants | 276,914 | |
| Other Salaries and Wages | 82,527 | |
| Certified Substitute Teachers | 600 | |
| Non-certified Substitute Teachers | 856 | |
| Social Security | 42,240 | |
| Pensions | 62,079 | |
| Life Insurance | 1,376 | |
| Medical Insurance | 126,086 | |
| Unemployment Compensation | 2,045 | |
| Employer Medicare | 10,196 | |
| Instructional Supplies and Materials | 131,168 | |
| Workers' Compensation Insurance | 4,175 | |
| Special Education Equipment | 7,585 | |
| Total Special Education Program | | 1,170,195 |

Vocational Education Program

| | | |
|------------------------------------|-----------|--------|
| Other Supplies and Materials | \$ 23,656 | |
| Vocational Instruction Equipment | 74,726 | |
| Total Vocational Education Program | | 98,382 |

(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)Support ServicesOther Student Support

| | | | |
|---------------------------------|----|---------|------------|
| Supervisor/Director | \$ | 75,350 | |
| Other Salaries and Wages | | 47,541 | |
| Social Security | | 6,853 | |
| Pensions | | 10,246 | |
| Life Insurance | | 138 | |
| Medical Insurance | | 17,433 | |
| Unemployment Compensation | | 132 | |
| Employer Medicare | | 1,603 | |
| Communication | | 1,416 | |
| Consultants | | 1,487 | |
| Travel | | 38,276 | |
| Other Supplies and Materials | | 117,362 | |
| Workers' Compensation Insurance | | 1,554 | |
| In Service/Staff Development | | 8,340 | |
| Other Equipment | | 52,116 | |
| Total Other Student Support | | | \$ 379,847 |

Regular Instruction Program

| | | | |
|-----------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 123,744 | |
| Secretary(ies) | | 32,423 | |
| Other Salaries and Wages | | 419,644 | |
| Social Security | | 33,163 | |
| Pensions | | 51,522 | |
| Life Insurance | | 531 | |
| Medical Insurance | | 62,600 | |
| Unemployment Compensation | | 372 | |
| Employer Medicare | | 7,684 | |
| Other Fringe Benefits | | 2,701 | |
| Communication | | 1,813 | |
| Postal Charges | | 2,618 | |
| Printing, Stationery, and Forms | | 1,486 | |
| Travel | | 42,865 | |
| Other Contracted Services | | 6,281 | |
| Other Supplies and Materials | | 63,395 | |
| In Service/Staff Development | | 62,954 | |
| Other Charges | | 7,976 | |
| Other Equipment | | 10,186 | |
| Total Regular Instruction Program | | | 933,958 |

Special Education Program

| | | | |
|---------------------------|----|--------|--|
| Clerical Personnel | \$ | 71,326 | |
| Social Security | | 3,802 | |
| Pensions | | 5,278 | |
| Life Insurance | | 105 | |
| Medical Insurance | | 17,261 | |
| Unemployment Compensation | | 124 | |

(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Special Education Program (Cont.)

| | | | |
|---------------------------------|----|--------|------------|
| Employer Medicare | \$ | 889 | |
| Postal Charges | | 713 | |
| Travel | | 25,031 | |
| Other Contracted Services | | 69,744 | |
| Other Supplies and Materials | | 8,676 | |
| Workers' Compensation Insurance | | 312 | |
| In Service/Staff Development | | 20,416 | |
| Other Equipment | | 13,081 | |
| Total Special Education Program | | | \$ 236,758 |

Board of Education

| | | | |
|---------------------------------|----|-----|-----|
| Workers' Compensation Insurance | \$ | 378 | |
| Total Board of Education | | | 378 |

Transportation

| | | | |
|--|----|--------|---------|
| Contracts with Private Agencies | \$ | 93,350 | |
| Contracts with Parents | | 4,135 | |
| Maintenance and Repair Services - Vehicles | | 10,204 | |
| Gasoline | | 21,057 | |
| Tires and Tubes | | 1,650 | |
| Total Transportation | | | 130,396 |

Operation of Non-Instructional ServicesCommunity Services

| | | | |
|--------------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 22,740 | |
| Teachers | | 105,825 | |
| Clerical Personnel | | 9,398 | |
| Educational Assistants | | 12,230 | |
| Other Salaries and Wages | | 63,039 | |
| Certified Substitute Teachers | | 11,465 | |
| Non-certified Substitute Teachers | | 5,555 | |
| Social Security | | 14,248 | |
| Pensions | | 18,271 | |
| Life Insurance | | 7 | |
| Medical Insurance | | 710 | |
| Employer Medicare | | 3,333 | |
| Postal Charges | | 588 | |
| Printing, Stationery, and Forms | | 24 | |
| Travel | | 660 | |
| Food Supplies | | 2,912 | |
| Instructional Supplies and Materials | | 14,592 | |
| Other Supplies and Materials | | 17,748 | |
| In Service/Staff Development | | 23,250 | |
| Other Equipment | | 8,524 | |
| Total Community Services | | | 335,119 |

Total School Federal Projects Fund \$ 4,391,399

(Continued)

Exhibit L-9

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

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

| | | | |
|---|----|-----------|--------------|
| Supervisor/Director | \$ | 68,984 | |
| Accountants/Bookkeepers | | 86,871 | |
| Clerical Personnel | | 452,583 | |
| Cafeteria Personnel | | 653,556 | |
| Other Salaries and Wages | | 5,617 | |
| Social Security | | 73,324 | |
| Pensions | | 68,715 | |
| Life Insurance | | 2,389 | |
| Medical Insurance | | 194,904 | |
| Unemployment Compensation | | 1,764 | |
| Employer Medicare | | 17,149 | |
| Payments to Retirees | | 6,042 | |
| Bank Charges | | 440 | |
| Communication | | 12,178 | |
| Dues and Memberships | | 1,164 | |
| Licenses | | 1,710 | |
| Maintenance and Repair Services - Buildings | | 6,701 | |
| Maintenance and Repair Services - Equipment | | 20,301 | |
| Maintenance and Repair Services - Vehicles | | 220 | |
| Postal Charges | | 2,068 | |
| Printing, Stationery, and Forms | | 1,893 | |
| Travel | | 9,332 | |
| Other Contracted Services | | 35,896 | |
| Food Supplies | | 1,233,121 | |
| Office Supplies | | 3,628 | |
| Uniforms | | 1,544 | |
| USDA - Commodities | | 145,289 | |
| Other Supplies and Materials | | 12,654 | |
| Workers' Compensation Insurance | | 29,000 | |
| In Service/Staff Development | | 5,377 | |
| Building Improvements | | 2,000 | |
| Data Processing Equipment | | 47,463 | |
| Food Service Equipment | | 27,288 | |
| Total Food Service | | | \$ 3,231,165 |

Total Central Cafeteria Fund \$ 3,231,165

Other Education Special Revenue FundOperation of Non-Instructional ServicesCommunity Services

| | | |
|------------------------|----|-----------|
| Supervisor/Director | \$ | 74,993 |
| Teachers | | 196,042 |
| Social Workers | | 4,800 |
| Medical Personnel | | 22,096 |
| Secretary(ies) | | 77,012 |
| Educational Assistants | | 1,057,545 |

(Continued)

Exhibit L-9

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

Other Education Special Revenue Fund (Cont.)Operation of Non-Instructional Services (Cont.)Community Services (Cont.)

| | | | |
|--|----|---------|--------------|
| Other Salaries and Wages | \$ | 60,125 | |
| Certified Substitute Teachers | | 300 | |
| Non-certified Substitute Teachers | | 2,090 | |
| Social Security | | 86,268 | |
| Pensions | | 107,442 | |
| Life Insurance | | 2,677 | |
| Medical Insurance | | 201,692 | |
| Unemployment Compensation | | 4,447 | |
| Employer Medicare | | 20,315 | |
| Advertising | | 161 | |
| Communication | | 10,647 | |
| Contracts with Other School Systems | | 726,590 | |
| Dues and Memberships | | 1,971 | |
| Maintenance and Repair Services - Office Equipment | | 2,696 | |
| Maintenance and Repair Services - Vehicles | | 1,810 | |
| Pest Control | | 720 | |
| Postal Charges | | 350 | |
| Rentals | | 6,720 | |
| Travel | | 8,890 | |
| Other Contracted Services | | 34,087 | |
| Drugs and Medical Supplies | | 1,293 | |
| Electricity | | 14,003 | |
| Food Supplies | | 45,696 | |
| Gasoline | | 2,058 | |
| General Construction Materials | | 3,638 | |
| Instructional Supplies and Materials | | 6,300 | |
| Natural Gas | | 2,081 | |
| Office Supplies | | 4,482 | |
| Water and Sewer | | 1,332 | |
| Other Supplies and Materials | | 21,462 | |
| Building and Contents Insurance | | 2,249 | |
| Vehicle and Equipment Insurance | | 4,500 | |
| Workers' Compensation Insurance | | 6,954 | |
| In Service/Staff Development | | 28,770 | |
| Other Charges | | 26,196 | |
| Data Processing Equipment | | 16,260 | |
| Furniture and Fixtures | | 8,695 | |
| Other Equipment | | 3,283 | |
| Other Construction | | 8,759 | |
| Total Community Services | | | \$ 2,920,497 |

Early Childhood Education

| | | |
|---------------------|----|---------|
| Supervisor/Director | \$ | 13,234 |
| Teachers | | 248,402 |
| Medical Personnel | | 19,951 |
| Secretary(ies) | | 22,277 |

(Continued)

Exhibit L-9

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

Other Education Special Revenue Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

| | | | |
|--|----|---------|------------|
| Educational Assistants | \$ | 123,313 | |
| Other Salaries and Wages | | 1,662 | |
| Certified Substitute Teachers | | 180 | |
| Non-certified Substitute Teachers | | 3,025 | |
| Social Security | | 25,474 | |
| Pensions | | 36,212 | |
| Life Insurance | | 736 | |
| Medical Insurance | | 55,383 | |
| Unemployment Compensation | | 1,323 | |
| Employer Medicare | | 5,958 | |
| Communication | | 788 | |
| Consultants | | 220 | |
| Maintenance and Repair Services - Office Equipment | | 374 | |
| Postal Charges | | 100 | |
| Travel | | 450 | |
| Other Contracted Services | | 3,640 | |
| Drugs and Medical Supplies | | 376 | |
| Food Supplies | | 291 | |
| General Construction Materials | | 1,191 | |
| Instructional Supplies and Materials | | 3,779 | |
| Natural Gas | | 3,205 | |
| Office Supplies | | 1,488 | |
| Other Supplies and Materials | | 204 | |
| Building and Contents Insurance | | 40 | |
| Workers' Compensation Insurance | | 2,788 | |
| Other Charges | | 6,485 | |
| Data Processing Equipment | | 8,118 | |
| Total Early Childhood Education | | | \$ 590,667 |

Other Debt Service

Education

| | | | |
|---|----|---------|---------|
| Debt Service Contribution to Primary Government | \$ | 121,223 | |
| Total Education | | | 121,223 |

Total Other Education Special Revenue Fund \$ 3,632,387

Education Capital Projects Fund

Capital Outlay

Regular Capital Outlay

| | | | |
|------------------------------|----|-------|----------|
| Bank Charges | \$ | 25 | |
| Building Improvements | | 7,885 | |
| Total Regular Capital Outlay | | | \$ 7,910 |

Total Education Capital Projects Fund 7,910

Total Governmental Funds - Anderson County School Department \$ 65,272,539

Exhibit L-10

Anderson County, Tennessee

Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balances - City Agency Funds

For the Year Ended June 30, 2016

| | Cities - Sales Tax Fund | City School ADA - Clinton Fund | City School ADA - Oak Ridge Fund | Total |
|--|-------------------------------|--|---|----------------------|
| <u>Cash Receipts</u> | | | | |
| Current Property Taxes | \$ 0 | \$ 1,785,353 | \$ 8,589,320 | \$ 10,374,673 |
| Trustee's Collections - Prior Years | 0 | 80,082 | 385,271 | 465,353 |
| Trustee's Collections - Bankruptcy | 0 | 635 | 3,038 | 3,673 |
| Circuit/Clerk and Master Collections - Prior Years | 0 | 21,995 | 106,750 | 128,745 |
| Interest and Penalty | 0 | 19,218 | 90,773 | 109,991 |
| Local Option Sales Tax | 12,241,355 | 976,052 | 4,191,118 | 17,408,525 |
| Coal Severance Tax | 0 | 0 | 0 | 0 |
| Interstate Telecommunications Tax | 0 | 445 | 2,133 | 2,578 |
| Cities - Local Option Sales Tax | 0 | 0 | 486,866 | 486,866 |
| Marriage Licenses | 0 | 410 | 1,969 | 2,379 |
| Total Cash Receipts | <u>\$ 12,241,355</u> | <u>\$ 2,884,190</u> | <u>\$ 13,857,238</u> | <u>\$ 28,982,783</u> |
| <u>Cash Disbursements</u> | | | | |
| Remittance of Revenues Collected | \$ 12,118,941 | \$ 2,836,652 | \$ 13,626,338 | \$ 28,581,931 |
| Trustee's Commission | 122,414 | 47,488 | 230,677 | 400,579 |
| Total Cash Disbursements | <u>\$ 12,241,355</u> | <u>\$ 2,884,140</u> | <u>\$ 13,857,015</u> | <u>\$ 28,982,510</u> |
| Excess of Cash Receipts Over (Under) | | | | |
| Cash Disbursements | \$ 0 | \$ 50 | \$ 223 | \$ 273 |
| Cash Balance, July 1, 2015 | <u>0</u> | <u>3,761</u> | <u>17,367</u> | <u>21,128</u> |
| Cash Balance, June 30, 2016 | <u>\$ 0</u> | <u>\$ 3,811</u> | <u>\$ 17,590</u> | <u>\$ 21,401</u> |

STATISTICAL SECTION

This part of Anderson County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

| | Tables | Pages |
|--|--------|---------|
| Financial Trends: | | |
| These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. | 1-6 | 265-271 |
| Revenue Capacity: | | |
| These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax. | 7-10 | 272-275 |
| Debt Capacity: | | |
| These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. | 11-15 | 276-280 |
| Demographic and Economic Information: | | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place. | 16-17 | 281-282 |
| Operating Information: | | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. | 18-20 | 283-285 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

Anderson County, Tennessee
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|---------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Governmental Activities: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 9,187,426 | \$ 11,364,951 | \$ 15,163,056 | \$ 15,002,377 | \$ 15,962,344 | \$ 14,532,349 | \$ 14,886,641 | \$ 13,890,778 | \$ 13,852,050 | \$ 13,682,164 |
| Restricted for: | | | | | | | | | | |
| General Government | 0 | 0 | 0 | 0 | 22,823 | 164,343 | 233,741 | 37,233 | 57,168 | 77,455 |
| Finance | 0 | 0 | 0 | 0 | 15,002 | 20,668 | 26,352 | 44,712 | 49,711 | 56,626 |
| Administration of Justice | 0 | 0 | 0 | 0 | 323,830 | 357,587 | 376,066 | 462,167 | 559,449 | 663,791 |
| Public Safety | 0 | 0 | 0 | 0 | 504,844 | 366,463 | 474,254 | 594,554 | 608,305 | 692,038 |
| Public Health and Welfare | 0 | 0 | 0 | 0 | 101,338 | 223,471 | 220,066 | 531,472 | 459,276 | 493,754 |
| Social, Cultural, and Recreational Services | 0 | 0 | 0 | 0 | 341,130 | 331,713 | 289,789 | 573,936 | 557,773 | 613,050 |
| Other Operations | 303,040 | 195,536 | 347,467 | 387,877 | 8,000 | 4,826 | 0 | 0 | 0 | 0 |
| Highway/Public Works | 971,846 | 870,595 | 961,417 | 972,780 | 1,286,623 | 1,496,633 | 1,939,581 | 2,605,860 | 2,466,945 | 3,678,033 |
| Debt Service | 1,084,976 | 1,465,266 | 2,061,209 | 2,653,340 | 2,861,253 | 2,661,622 | 2,338,760 | 2,555,580 | 2,700,050 | 2,839,152 |
| Capital Projects | 0 | 0 | 0 | 0 | 0 | 65,443 | 0 | 0 | 75,534 | 26,729 |
| Other Purposes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,017,993 | 1,235,085 |
| Courthouse and Jail (1) | 57,551 | 86,728 | 93,109 | 93,109 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Library (1) | 109,136 | 109,059 | 223,052 | 249,191 | 0 | 0 | 0 | 0 | 0 | 0 |
| Solid Waste (1) | 198,665 | 183,051 | 385,169 | 241,030 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drug Control (1) | 99,497 | 82,630 | 91,807 | 165,820 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tourism (1) | 0 | 100,279 | 61,626 | 88,919 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unrestricted | (9,992,846) | (6,996,196) | (7,484,171) | (7,666,758) | (7,588,444) | (22,981,735) | (21,919,871) | (28,572,192) | (27,234,277) | (24,950,315) |
| Subtotal Governmental Activities Net Position | \$ 2,019,291 | \$ 7,461,899 | \$ 11,903,741 | \$ 12,187,685 | \$ 13,838,743 | \$ (2,756,617) | \$ (1,134,621) | \$ (7,275,900) | \$ (4,830,023) | \$ (892,438) |
| Business-type Activities: (3) (4) | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 10,592,256 | \$ 10,518,405 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 916,480 | \$ 687,200 |
| Invested in Capital Assets | 0 | 0 | 0 | 1,526,540 | 1,370,128 | 1,403,609 | 1,139,613 | 12,506,797 | 0 | 0 |
| Other Purposes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 223,462 | 265,079 |
| Unrestricted | 1,393,488 | 1,544,982 | 0 | 1,398,449 | 1,173,406 | 1,155,461 | 1,119,672 | 194,526 | 225,838 | (43,945) |
| Subtotal Business-type Activities Net Position | \$ 11,985,744 | \$ 12,063,387 | \$ 0 | \$ 2,924,989 | \$ 2,543,534 | \$ 2,559,070 | \$ 2,259,285 | \$ 12,701,323 | \$ 1,365,780 | \$ 908,334 |
| Primary Government: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 19,779,682 | \$ 21,883,356 | \$ 15,163,056 | \$ 15,002,377 | \$ 15,962,344 | \$ 14,532,349 | \$ 14,886,641 | \$ 13,890,778 | \$ 14,768,530 | \$ 14,369,364 |
| Investment in Capital Assets | 0 | 0 | 0 | 1,526,540 | 1,370,128 | 1,403,609 | 1,139,613 | 12,506,797 | 0 | 0 |
| Restricted for: | | | | | | | | | | |
| General Government | 0 | 0 | 0 | 0 | 22,823 | 164,343 | 233,741 | 37,233 | 57,168 | 77,455 |
| Finance | 0 | 0 | 0 | 0 | 15,002 | 20,668 | 26,352 | 44,712 | 49,711 | 56,626 |
| Administration of Justice | 0 | 0 | 0 | 0 | 323,830 | 357,587 | 376,066 | 462,167 | 559,449 | 663,791 |
| Public Safety | 0 | 0 | 0 | 0 | 504,844 | 366,463 | 474,254 | 594,554 | 608,305 | 692,038 |
| Public Health and Welfare | 0 | 0 | 0 | 0 | 101,338 | 223,471 | 220,066 | 531,472 | 459,276 | 493,754 |
| Social, Cultural, and Recreational Services | 0 | 0 | 0 | 0 | 341,130 | 331,713 | 289,789 | 573,936 | 557,773 | 613,050 |
| Other Operations | 0 | 0 | 0 | 0 | 8,000 | 4,826 | 0 | 0 | 0 | 0 |
| Highway/Public Works | 971,846 | 870,595 | 961,417 | 972,780 | 1,286,623 | 1,496,633 | 1,939,581 | 2,605,860 | 2,466,945 | 3,678,033 |
| Debt Service | 1,084,976 | 1,465,266 | 2,061,209 | 2,653,340 | 2,861,253 | 2,661,622 | 2,338,760 | 2,555,580 | 2,700,050 | 2,839,152 |
| Capital Projects | 0 | 0 | 0 | 0 | 0 | 65,443 | 0 | 0 | 75,534 | 26,729 |
| Other Purposes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,241,455 | 1,500,164 |
| Courthouse and Jail (1) | 57,551 | 86,728 | 93,109 | 93,109 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Library (1) | 109,136 | 109,059 | 223,052 | 249,191 | 0 | 0 | 0 | 0 | 0 | 0 |
| Solid Waste (1) | 198,665 | 183,051 | 385,169 | 241,030 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drug Control (1) | 99,497 | 82,630 | 91,807 | 165,820 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tourism (1) | 0 | 100,279 | 61,626 | 88,919 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Purposes | 303,040 | 195,536 | 347,467 | 387,877 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unrestricted | (8,599,358) | (5,451,214) | (7,484,171) | (6,268,309) | (6,415,038) | (21,826,274) | (20,800,199) | (28,377,666) | (27,008,439) | (24,994,260) |
| Sub-Total Primary Government Net Position (2) | \$ 14,005,035 | \$ 19,525,286 | \$ 11,903,741 | \$ 15,112,674 | \$ 16,382,277 | \$ (197,547) | \$ 1,124,664 | \$ 5,425,423 | \$ (3,464,243) | \$ 15,896 |

(1) Prior to fiscal years 2007 and 2008, amounts were included in Other Purposes. Since GASB No. 54 they are now included in the appropriate functions.

(2) See Table 2 for changes in net position from year to year.

(3) On December 31, 2008, Anderson County Utility Board merged with Anderson County Water Authority.

(4) At the beginning of July 1, 2010, the Business-type Activity is now Anderson County Emergency Medical Services.

Table 2

Anderson County, Tennessee
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 3,382,567 | \$ 3,825,776 | \$ 3,678,421 | \$ 3,806,607 | \$ 3,685,858 | \$ 3,548,769 | \$ 3,716,551 | \$ 4,811,254 | \$ 4,525,344 | \$ 4,722,322 |
| Finance | 2,500,844 | 2,582,694 | 2,772,399 | 2,795,163 | 2,791,197 | 2,710,791 | 2,719,335 | 2,668,619 | 2,708,370 | 2,833,421 |
| Administration of Justice | 2,354,901 | 2,227,931 | 2,601,237 | 2,867,590 | 2,912,864 | 3,122,189 | 3,336,291 | 3,034,235 | 2,856,117 | 3,045,914 |
| Public Safety | 7,634,445 | 9,474,855 | 10,629,849 | 11,073,910 | 11,594,279 | 11,914,342 | 12,297,181 | 12,567,081 | 12,363,564 | 13,040,212 |
| Public Health and Welfare | 5,847,219 | 6,087,420 | 6,830,198 | 2,847,206 | 2,677,855 | 4,308,053 | 2,985,437 | 3,127,945 | 2,854,886 | 2,918,888 |
| Social, Cultural, and Recreational Services | 395,711 | 363,662 | 543,805 | 606,085 | 672,862 | 686,748 | 593,389 | 938,544 | 1,414,105 | 1,145,163 |
| Agriculture and Natural Resources | 259,270 | 194,110 | 191,929 | 198,699 | 279,392 | 286,919 | 191,813 | 209,714 | 209,378 | 228,116 |
| Other Operations | 1,168,858 | 1,814,950 | 1,393,097 | 1,252,748 | 1,211,879 | 1,577,100 | 1,428,085 | 0 | 0 | 0 |
| Highways | 4,355,441 | 3,744,401 | 3,777,430 | 3,887,060 | 3,405,748 | 3,974,540 | 4,271,823 | 3,000,386 | 3,189,101 | 2,464,000 |
| Education | 0 | 0 | 0 | 0 | 0 | 18,622,722 | 0 | 9,676,315 | 400,000 | 1,200,000 |
| Interest on Long-term Debt | 1,787,493 | 1,561,094 | 1,056,082 | 758,747 | 861,452 | 1,603,475 | 1,738,298 | 2,099,727 | 1,877,096 | 1,892,076 |
| Other Debt Service | 262,708 | 123,866 | 117,537 | 53,825 | 244,402 | 261,308 | 158,803 | 0 | 0 | 0 |
| Total Governmental Activities Expenses | \$ 29,949,457 | \$ 32,000,759 | \$ 33,591,984 | \$ 30,147,640 | \$ 30,337,788 | \$ 52,616,956 | \$ 33,437,006 | \$ 42,133,820 | \$ 32,397,961 | \$ 33,490,112 |
| Business-type Activities | | | | | | | | | | |
| Water and Sewer (1) | \$ 2,402,422 | \$ 2,368,759 | \$ 1,475,798 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Ambulance Service (2) | 0 | 0 | 0 | 4,411,487 | 5,189,348 | 5,523,704 | 5,629,430 | 5,565,910 | 5,477,030 | 5,542,626 |
| Total Business-type Activities Expenses | \$ 2,402,422 | \$ 2,368,759 | \$ 1,475,798 | \$ 4,411,487 | \$ 5,189,348 | \$ 5,523,704 | \$ 5,629,430 | \$ 5,565,910 | \$ 5,477,030 | \$ 5,542,626 |
| Total Primary Government Expenses | \$ 32,351,879 | \$ 34,369,518 | \$ 35,067,782 | \$ 34,559,127 | \$ 35,527,136 | \$ 58,140,660 | \$ 39,066,436 | \$ 47,699,730 | \$ 37,874,991 | \$ 39,032,738 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| General Government | \$ 1,211,133 | \$ 1,053,338 | \$ 1,160,416 | \$ 1,185,031 | \$ 866,276 | \$ 944,164 | \$ 1,113,133 | \$ 922,960 | \$ 902,897 | \$ 947,657 |
| Finance | 1,972,724 | 1,987,292 | 2,043,580 | 2,034,646 | 2,092,261 | 2,170,181 | 2,135,245 | 2,263,272 | 2,267,332 | 2,397,467 |
| Administration of Justice | 1,835,139 | 1,685,908 | 1,937,762 | 1,965,338 | 1,837,826 | 2,257,404 | 2,333,626 | 2,152,068 | 1,848,028 | 1,833,834 |
| Public Safety | 502,858 | 515,637 | 718,661 | 556,712 | 159,292 | 1,018,448 | 1,386,581 | 1,632,200 | 1,898,609 | 1,795,679 |
| Public Health and Welfare (3) | 4,832,207 | 5,142,663 | 5,849,858 | 128,311 | 662,670 | 622,962 | 617,232 | 687,545 | 702,688 | 778,187 |
| Social, Cultural, and Recreational Services | 61,976 | 190,913 | 68,771 | 71,417 | 78,901 | 90,886 | 143,668 | 269,892 | 281,406 | 296,552 |
| Other Operations | 0 | 0 | 140,187 | 0 | 661 | 434 | 0 | 0 | 0 | 0 |
| Highways | 406,180 | 560,649 | 522,822 | 513,164 | 602,453 | 868,539 | 383,810 | 363,280 | 273,039 | 165,728 |
| Debt Service: | | | | | | | | | | |
| Interest on Long-term Debt | 338,925 | 326,092 | 158,325 | 69,580 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Grants and Contributions | 2,852,540 | 3,257,888 | 3,061,445 | 3,457,014 | 4,137,178 | 3,603,825 | 3,644,441 | 3,076,558 | 3,450,460 | 3,099,104 |
| Capital Grants and Contributions | 897,373 | 893,945 | 985,527 | 1,556,900 | 880,110 | 1,426,256 | 817,300 | 786,509 | 293,852 | 717,325 |
| Total Governmental Activities Program Revenues | \$ 14,911,055 | \$ 15,614,325 | \$ 16,647,354 | \$ 11,538,113 | \$ 11,317,628 | \$ 13,003,099 | \$ 12,575,036 | \$ 12,154,284 | \$ 11,918,311 | \$ 12,031,533 |
| Business-type Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| Water and Sewer | \$ 2,279,290 | \$ 2,431,402 | \$ 1,247,504 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Ambulance Service | 0 | 0 | 0 | 5,534,480 | 4,805,793 | 5,536,443 | 5,329,645 | 4,691,709 | 5,033,696 | 4,912,868 |
| Capital Grants, and Contributions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Business-type Activities Program Revenues | \$ 2,279,290 | \$ 2,431,402 | \$ 1,247,504 | \$ 5,534,480 | \$ 4,805,793 | \$ 5,536,443 | \$ 5,329,645 | \$ 4,691,709 | \$ 5,033,696 | \$ 4,912,868 |
| Total Primary Government Program Revenues | \$ 17,190,345 | \$ 18,045,727 | \$ 17,894,858 | \$ 17,072,593 | \$ 16,123,421 | \$ 18,539,542 | \$ 17,904,681 | \$ 16,845,993 | \$ 16,952,007 | \$ 16,944,401 |

(Continued)

Table 2

Anderson County, Tennessee
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting) (cont.)

| | Fiscal Year | | | | | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2016 | 2016 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental Activities | \$ (15,038,402) | \$ (16,386,434) | \$ (16,944,630) | \$ (18,609,527) | \$ (19,020,160) | \$ (39,613,857) | \$ (20,861,970) | \$ (29,979,536) | \$ (20,479,650) | \$ (21,458,579) |
| Business-type Activities | (123,132) | 62,643 | (228,294) | 1,122,993 | (383,555) | 12,739 | (299,785) | (874,201) | (443,334) | (629,758) |
| Total Primary Government Net Expense | \$ (15,161,534) | \$ (16,323,791) | \$ (17,172,924) | \$ (17,486,534) | \$ (19,403,715) | \$ (39,601,118) | \$ (21,161,755) | \$ (30,853,737) | \$ (20,922,984) | \$ (22,088,337) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property Taxes | \$ 13,117,940 | \$ 13,464,967 | \$ 14,075,895 | \$ 13,839,528 | \$ 14,156,678 | \$ 16,408,402 | \$ 16,530,753 | \$ 16,803,070 | \$ 16,720,379 | \$ 17,603,970 |
| Sales Taxes | 985,038 | 1,016,987 | 926,173 | 934,132 | 910,270 | 673,151 | 806,190 | 772,057 | 841,454 | 974,149 |
| Other Taxes | 1,983,801 | 1,683,405 | 1,984,125 | 1,852,972 | 2,069,023 | 2,402,726 | 1,927,167 | 2,185,010 | 2,053,486 | 1,924,562 |
| Grants and Contributions not Restricted to Specific Programs | 4,140,252 | 5,150,780 | 4,198,585 | 3,959,502 | 3,429,501 | 3,625,716 | 4,067,113 | 4,027,520 | 4,870,251 | 5,013,622 |
| Unrestricted Investment Income | 559,351 | 484,487 | 160,454 | 50,899 | 37,857 | 67,991 | 62,758 | 25,187 | 28,659 | 25,252 |
| Gain (Loss) on Sale of Capital Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Miscellaneous | 70,568 | 43,416 | 41,240 | 58,435 | 67,889 | 40,182 | 54,387 | 25,413 | 44,590 | 26,921 |
| Transfers | (35,000) | (15,000) | 0 | (1,801,996) | 0 | (1,812) | 0 | 0 | (628,381) | (172,312) |
| Total Governmental Activities | \$ 20,821,950 | \$ 21,829,042 | \$ 21,386,472 | \$ 18,893,472 | \$ 20,671,218 | \$ 23,216,356 | \$ 23,448,368 | \$ 23,838,257 | \$ 23,930,438 | \$ 25,396,164 |
| Business-type Activities: | | | | | | | | | | |
| Unrestricted Investment Income | \$ 36,280 | \$ 0 | \$ 4,190 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Gain on Disposal of Property | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,239 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 2,100 | 985 | 0 | 0 | 0 | 0 |
| Transfers | 35,000 | 15,000 | 0 | 1,801,996 | 0 | 1,812 | 0 | 0 | 628,381 | 172,312 |
| Total Business-type Activities | \$ 71,280 | \$ 15,000 | \$ 4,190 | \$ 1,801,996 | \$ 2,100 | \$ 2,797 | \$ 0 | \$ 16,239 | \$ 628,381 | \$ 172,312 |
| Total Primary Government | \$ 20,893,230 | \$ 21,844,042 | \$ 21,390,662 | \$ 20,695,468 | \$ 20,673,318 | \$ 23,219,153 | \$ 23,448,368 | \$ 23,854,496 | \$ 24,558,819 | \$ 25,568,476 |
| Change in Net Position | | | | | | | | | | |
| Governmental Activities | \$ 5,783,548 | \$ 5,442,608 | \$ 4,441,842 | \$ 283,945 | \$ 1,651,058 | \$ (16,397,501) | \$ 2,586,398 | \$ (6,141,279) | \$ 3,450,788 | \$ 3,937,585 |
| Business-type Activities | (51,852) | 77,643 | (224,104) | 2,924,989 | (381,455) | 15,536 | (299,785) | (857,962) | 185,047 | (457,446) |
| Total Primary Government (4,5) | \$ 5,731,696 | \$ 5,520,251 | \$ 4,217,738 | \$ 3,208,934 | \$ 1,269,603 | \$ (16,381,965) | \$ 2,286,613 | \$ (6,999,241) | \$ 3,635,835 | \$ 3,480,139 |

(1) On December 31, 2008, Anderson County Utility Board merged with Anderson County Water Authority.

(2) The Business-type Activity is now Anderson County Emergency Medical Services.

(3) The decline in 2010 is a result of the ambulance service being classified as a Business-type Activity.

(4) The fiscal year ending 2012 has a negative change in the Net Position primarily due to the issuance of \$14,750,000 of bonds.

(5) The fiscal year ending 2014 has a negative change in the Net Position primarily due to the issuance of \$9,810,215 of bonds.

Table 3

Anderson County, Tennessee
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

| Fiscal Year | Property Tax (1) | Local Option Sales Tax | Hotel Motel Tax | Local Litigation Tax | Business Tax | Wholesale Beer Tax | Interstate Telecommuni- cations Tax | Mineral and Coal Gas & Oil Severance Taxes | Other Local Taxes | Total |
|-------------|---------------------|---------------------------------|-----------------------|----------------------------|-----------------|--------------------------|--|---|-------------------------|---------------|
| 2007 | \$ 13,117,940 | \$ 985,038 | \$ 177,196 | \$ 289,691 | \$ 1,307,583 | \$ - | \$ 5,125 | \$ 181,814 | \$ 22,392 | \$ 16,086,779 |
| 2008 | 13,464,967 | 1,016,987 | 180,233 | 296,065 | 1,028,801 | - | 4,084 | 149,665 | 24,557 | 16,165,359 |
| 2009 | 14,075,895 | 926,173 | 168,321 | 297,034 | 1,045,622 | - | 3,753 | 466,144 (3) | 3,251 | 16,986,193 |
| 2010 | 13,839,528 | 934,132 | 178,023 | 290,851 | 1,008,018 | - | 5,735 | 350,342 | 20,003 | 16,626,632 |
| 2011 | 14,156,678 | 910,270 | 324,673 | 356,430 | 1,120,438 | - | 3,746 | 257,521 | 6,215 | 17,135,971 |
| 2012 | 16,408,402 | 673,151 | 267,425 | 329,676 | 1,314,279 | 165,027 (4) | 2,061 | 322,140 | 2,118 | 19,484,279 |
| 2013 | 16,530,753 | 806,190 | 275,561 | 304,544 | 996,687 | 143,170 | 2,848 | 201,211 | 3,146 | 19,264,110 |
| 2014 | 16,803,070 | 772,057 | 310,285 | 299,742 | 1,176,518 | 141,643 | 5,620 | 248,785 | 2,417 | 19,760,137 |
| 2015 | 16,720,379 | 841,454 | 340,344 | 324,034 | 1,011,454 | 140,146 | 3,698 | 231,280 | 2,530 | 19,615,319 |
| 2016 | 17,603,970 | 974,149 | 354,431 | 322,021 | 932,049 | 153,951 | 3,401 | 147,222 | 14,888 | 20,506,082 |

(1) Includes current year, prior year, interest and penalty, and in-lieu-of property taxes.

(2) Prior to fiscal year 2005, business tax was distributed based on property tax distribution, which included the Discretely Presented Anderson County School Department.

(3) This is the first year that Gas and Oil Severance Tax was collected and included in this figure.

(4) Wholesale Beer Tax was reallocated to the primary government for fiscal year 2012.

Table 4

Anderson County, Tennessee
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | 2007 | 2008 | 2009 | 2010 | 2011 (4) | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Fund: | | | | | | | | | | |
| Nonspendable (1) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 560,530 | \$ 405,685 | \$ 274,773 | \$ 154,483 | \$ 1,126,488 | \$ 960,146 |
| Restricted (1) | 0 | 0 | 0 | 0 | 608,426 | 1,276,846 | 1,033,728 | 1,219,876 | 1,167,992 | 1,375,295 |
| Committed (1) | 0 | 0 | 0 | 0 | 1,289,938 | 1,543,171 | 1,421,797 | 1,810,878 | 1,992,850 | 2,936,535 |
| Assigned (1) | 0 | 0 | 0 | 0 | 1,800 | 9,250 | 515,449 | 389,914 | 777,967 | 702,220 |
| Reserved | 324,579 | 618,661 | 759,326 | 1,165,325 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unassigned(2) | 7,019,488 | 7,715,751 | 4,360,374 | 3,064,517 | 1,388,910 | 2,500,862 | 2,895,154 | 4,283,011 | 4,152,389 | 4,511,788 |
| Total General Fund | \$ 7,344,067 | \$ 8,334,412 | \$ 5,119,700 | \$ 4,229,842 | \$ 3,849,604 | \$ 5,735,814 | \$ 6,140,901 | \$ 7,858,162 | \$ 9,217,686 | \$ 10,485,984 |
| All Other Governmental Funds: | | | | | | | | | | |
| Nonspendable (1) | | | | | | | | | | |
| Special Revenue Funds | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 57,433 | \$ 57,910 | \$ 45,565 | \$ 46,663 | \$ 41,366 | \$ 24,295 |
| Debt Service Funds | 0 | 0 | 0 | 0 | 0 | 0 | 7,020 | 7,020 | 7,020 | 102,630 |
| Restricted (1) | | | | | | | | | | |
| Special Revenue Funds | 0 | 0 | 0 | 0 | 1,574,076 | 1,798,331 | 2,390,140 | 3,554,605 | 3,351,031 | 4,684,213 |
| Debt Service Funds | 0 | 0 | 0 | 0 | 12,623,723 | 4,810,991 | 4,605,200 | 4,804,733 | 4,513,262 | 4,442,662 |
| Capital Projects Funds | 0 | 0 | 0 | 0 | 0 | 11,423,181 | 5,155,535 | 489,112 | 490,834 | 571,724 |
| Committed (1) | | | | | | | | | | |
| Special Revenue Funds | 0 | 0 | 0 | 0 | 497,673 | 819,227 | 558,071 | 497,182 | 841 | 497,741 |
| Debt Service Funds | 0 | 0 | 0 | 0 | 47,657 | 112,511 | 166,973 | 212,632 | 277,246 | 329,496 |
| Capital Projects Funds | 0 | 0 | 0 | 0 | 25,427 | 0 | 0 | 0 | 496,900 | 0 |
| Reserved | 9,729,622 | 9,468,991 | 8,776,515 | 8,855,295 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unreserved, Reported in: | | | | | | | | | | |
| Special Revenue Funds | 1,320,239 | 1,213,829 | 1,608,528 | 1,476,166 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt Service Funds | 3,048,646 | 3,648,132 | 4,523,342 | 4,815,007 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Projects Funds | (190,806) | 0 | 0 | 194,427 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Governmental Funds | \$ 13,907,701 | \$ 14,330,952 | \$ 14,908,385 | \$ 15,340,895 | \$ 14,825,989 | \$ 19,022,151 | \$ 12,928,504 | \$ 9,611,947 | \$ 9,178,500 | \$ 10,652,761 |
| Total Governmental Funds (3) | \$ 21,251,768 | \$ 22,665,364 | \$ 20,028,085 | \$ 19,570,737 | \$ 18,675,593 | \$ 24,757,965 | \$ 19,069,405 | \$ 17,470,109 | \$ 18,396,186 | \$ 21,138,745 |

(1) See Exhibit C-1 for details of fund balances.

(2) Prior to fiscal year 2011, Unassigned was known as Unreserved.

(3) See Table 5 for changes in fund balances from year to year.

(4) GASB No. 54 was implemented in the fiscal year 2011.

Table 5

Anderson County, Tennessee
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|----------------------|----------------------|
| Revenues: | | | | | | | | | | |
| Local Taxes | \$ 17,453,374 | \$ 17,758,428 | \$ 17,931,124 | \$ 18,702,680 | \$ 19,492,053 | \$ 21,646,045 | \$ 21,680,172 | \$ 22,425,886 | \$ 22,711,166 | \$ 23,279,676 |
| Licenses and Permits | 435,207 | 334,781 | 364,232 | 426,596 | 298,821 | 362,401 | 284,283 | 443,118 | 398,036 | 304,082 |
| Fines, Forfeitures, and Penalties | 472,529 | 416,581 | 504,416 | 632,630 | 567,429 | 575,999 | 764,021 | 573,211 | 436,889 | 460,034 |
| Charges for Current Services | 4,984,369 | 5,453,574 | 5,951,297 | 810,065 | 849,905 | 833,953 | 792,791 | 997,164 | 977,045 | 1,130,186 |
| Other Local Revenues | 1,747,527 | 2,069,933 | 1,620,956 | 1,349,716 | 1,215,914 | 1,840,992 | 1,237,769 | 1,269,758 | 896,288 | 771,711 |
| Fees Received from County Officials | 3,693,734 | 3,677,288 | 3,862,048 | 3,692,571 | 3,667,789 | 4,156,362 | 4,046,489 | 4,059,132 | 3,919,202 | 3,979,478 |
| State of Tennessee | 3,686,942 | 4,035,130 | 3,869,497 | 3,840,768 | 4,417,699 | 3,903,351 | 4,923,306 | 4,574,843 | 5,045,929 | 5,153,509 |
| Federal Government | 642,244 | 600,570 | 523,594 | 537,182 | 451,533 | 1,850,041 | 834,212 | 980,468 | 597,890 | 708,870 |
| Other Governments and Citizens Groups | 2,382,651 | 3,317,542 | 2,491,489 | 1,782,115 | 530,604 | 1,091,979 | 1,490,362 | 1,167,135 | 1,705,985 | 1,782,793 |
| Total Revenues | \$ 35,498,577 | \$ 37,663,827 | \$ 37,118,653 | \$ 31,774,323 | \$ 31,491,747 | \$ 36,261,123 | \$ 36,053,405 | \$ 36,490,715 | \$ 36,688,430 | \$ 37,570,339 |
| Expenditures: | | | | | | | | | | |
| General Government | \$ 3,290,754 | \$ 3,444,613 | \$ 3,478,014 | \$ 3,530,085 | \$ 4,072,604 | \$ 3,179,117 | \$ 3,515,206 | \$ 3,362,978 | \$ 3,856,931 | \$ 3,482,482 |
| Finance | 2,495,518 | 2,602,777 | 2,757,148 | 2,778,596 | 2,755,700 | 2,679,473 | 2,720,118 | 2,710,236 | 2,752,456 | 2,909,850 |
| Administration of Justice | 2,355,187 | 2,429,489 | 2,710,219 | 2,795,870 | 2,913,006 | 3,135,634 | 3,380,293 | 3,027,074 | 2,888,972 | 3,090,897 |
| Public Safety | 7,809,510 | 9,450,720 | 10,710,833 | 10,627,558 | 11,328,197 | 11,643,265 | 11,906,184 | 12,043,745 | 12,135,006 | 12,257,379 |
| Public Health and Welfare | 5,742,633 | 6,280,097 | 7,702,019 | 2,688,777 | 2,494,491 | 2,523,813 | 2,615,637 | 2,628,607 | 2,731,600 | 2,713,778 |
| Social, Cultural, and Recreational Services | 318,068 | 359,240 | 538,636 | 598,734 | 694,235 | 673,710 | 966,599 | 579,672 | 655,898 | 644,560 |
| Agricultural and Natural Resources | 257,428 | 189,683 | 196,294 | 197,427 | 275,149 | 283,632 | 194,312 | 210,497 | 209,216 | 231,371 |
| Other Operations | 1,157,513 | 1,587,847 | 1,378,998 | 1,244,342 | 1,293,053 | 1,597,043 | 1,411,235 | 1,336,855 | 1,152,466 | 1,230,479 |
| Highways | 3,897,183 | 3,591,901 | 3,393,640 | 3,501,270 | 3,378,288 | 3,556,381 | 3,833,371 | 2,841,991 | 3,432,702 | 2,664,137 |
| Debt Service: | | | | | | | | | | |
| Principal on Debt | 4,215,281 | 4,195,683 | 4,316,371 | 4,405,900 | 1,081,000 | 2,502,553 | 2,894,015 | 2,291,914 | 3,147,167 | 2,976,386 |
| Interest on Debt | 1,700,799 | 1,480,507 | 1,006,019 | 717,066 | 880,081 | 1,482,214 | 1,822,681 | 1,695,882 | 1,985,781 | 1,847,162 |
| Other Debt Service | 221,390 | 83,246 | 76,568 | 78,513 | 389,779 | 635,401 | 74,321 | 180,407 | 88,571 | 92,411 |
| Capital Projects | 3,949,006 | 650,169 | 1,534,296 | 1,570,112 | 1,191,527 | 22,062,520 | 6,395,314 | 14,806,461 | 829,709 | 1,452,077 |
| Total Expenditures | \$ 37,410,270 | \$ 36,345,972 | \$ 39,799,055 | \$ 34,734,250 | \$ 32,747,110 | \$ 55,954,756 | \$ 41,729,286 | \$ 47,716,319 | \$ 35,866,475 | \$ 35,592,969 |
| Excess of Revenues Over (Under) Expenditures | \$ (1,911,693) | \$ 1,317,855 | \$ (2,680,402) | \$ (2,959,927) | \$ (1,255,363) | \$ (19,693,633) | \$ (5,675,881) | \$ (11,225,604) | \$ 821,955 | \$ 1,977,370 |
| Other Financing Sources (Uses): | | | | | | | | | | |
| Bonds Issued | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 24,750,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Notes Issued | 0 | 0 | 0 | 2,450,000 | 0 | 644,574 | 0 | 0 | 400,000 | 1,200,000 |
| Capital Leases Issued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 501,365 | 0 |
| Refunding Debt Issued | 0 | 0 | 0 | 0 | 19,055,000 | 0 | 0 | 3,100,000 | 0 | 0 |
| Other Loans Issued | 5,499,975 | 81,245 | 0 | 0 | 0 | 0 | 0 | 9,810,215 | 0 | 0 |
| Proceeds from Sale of Capital Assets | 0 | 0 | 0 | 13,115 | 11,220 | 1,100 | 7,307 | 2,993 | 1,650 | 9,705 |
| Premiums on Bonds Sold | 0 | 29,496 | 0 | 0 | 359,660 | 578,835 | 0 | 74,022 | 0 | 0 |
| Insurance Recovery | 41,685 | 0 | 43,123 | 19,525 | 2,648 | 1,496 | 8,135 | 10,289 | 19,300 | 19,389 |
| Transfers In | 2,100,128 | 1,497,380 | 1,955,218 | 1,869,414 | 467,150 | 16,107 | 922,068 | 676,667 | 216,100 | 49,100 |
| Transfers Out | (2,235,128) | (1,512,380) | (1,955,218) | (1,849,475) | (467,150) | (216,107) | (926,444) | (936,807) | (1,034,293) | (513,005) |
| Redemption of Refunded Debt | 0 | 0 | 0 | 0 | (19,068,309) | 0 | 0 | (3,111,071) | 0 | 0 |
| Total Other Financing Sources (Uses) | \$ 5,406,660 | \$ 95,741 | \$ 43,123 | \$ 2,502,579 | \$ 360,219 | \$ 25,776,005 | \$ 11,066 | \$ 9,626,308 | \$ 104,122 | \$ 765,189 |
| Net Change in Fund Balances | \$ 3,494,967 | \$ 1,413,596 | \$ (2,637,279) | \$ (457,348) | \$ (895,144) | \$ 6,082,372 | \$ (5,664,815) | \$ (1,599,296) | \$ 926,077 | \$ 2,742,559 |
| Debt Service as a Percentage of Noncapital Expenditures | 17.7% | 15.9% | 14.8% | 16.2% | 6.5% | 7.6% | 13.6% | 9.3% | 15.0% | 14.2% |

Table 6

Anderson County, Tennessee
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

| Fiscal Year | Property Tax | Local Option Sales Tax | Interstate Communi- cations Tax | Hotel Motel Tax | Local Litigation Tax | Business Tax | Mineral Severance Taxes | Coal Severance Taxes | Wholesale Beer Tax | Other Local Tax | Total |
|-------------|-----------------|---------------------------------|--|-----------------------|----------------------------|-----------------|-------------------------------|----------------------------|--------------------------|-----------------------|---------------|
| 2007 | \$ 13,118,321 | \$ 964,365 | \$ 5,248 | \$ 177,196 | \$ 289,691 | \$1,307,583 | \$ 181,814 | \$ 20,092 | \$ - | \$ 2,300 | \$ 16,066,610 |
| 2008 | 13,604,976 | 1,016,987 | 4,084 | 180,233 | 296,065 | 1,028,801 | 149,665 | 21,827 | - | 2,730 | 16,305,368 |
| 2009 | 13,737,972 | 942,886 | 3,852 | 168,321 | 297,034 | 1,045,622 | 126,280 | 40,612 | - | 2,284 | 16,364,863 |
| 2010 | 13,920,827 | 940,492 | 5,735 | 178,023 | 290,851 | 1,008,018 | 138,958 | 68,597 | - | 10,571 | 16,562,072 |
| 2011 | 14,202,539 | 927,865 | 3,746 | 325,250 | 356,430 | 1,120,438 | 149,196 | 112,071 | - | 1,979 | 17,199,514 |
| 2012 | 16,225,512 | 655,449 | 2,061 | 267,425 | 329,676 | 1,314,279 | 117,727 | 95,216 | 165,027 (1) | 17,356 | 19,189,728 |
| 2013 | 16,564,768 | 819,924 | 2,848 | 275,561 | 304,544 | 996,687 | 104,421 | 15,572 (2) | 143,170 | 27,860 | 19,255,355 |
| 2014 | 16,732,170 | 771,814 | 5,620 | 310,285 | 299,742 | 1,176,518 | 118,949 | - | 141,643 | 51,869 | 19,608,610 |
| 2015 | 17,103,773 | 840,009 | 3,698 | 340,344 | 324,034 | 1,011,454 | 101,273 | 171 | 140,146 | 31,769 | 19,896,671 |
| 2016 | 17,413,442 | 972,142 | 3,401 | 354,431 | 322,021 | 932,049 | 93,556 | - | 153,951 | 11,623 | 20,256,616 |

(1) Wholesale Beer Tax has been allocated to the primary government starting fiscal year 2012.

(2) Errors had been made in the past as a mining company had its office and entrance to the mine in Anderson County. This resulted in the severance tax being remitted to Anderson County;

Table 7

Anderson County, Tennessee
Appraised and Assessed Value of Taxable Property
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Tax Year | (1a) Real Property | | (1b) Personal Property | | (1c) Public Utility Property | | Total | | Total Direct Tax Rate | Ratio of Total Assessed to Total Appraised Value |
|------------------------------------|-------------|-----------------------|-------------------|---------------------------|-------------------|---------------------------------|-------------------|--------------------|-------------------|--------------------------------|---|
| | | Appraised Value | Assessed Value | Appraised Value | Assessed Value | Appraised Value | Assessed Value | Appraised Value | Assessed Value | | |
| 2007 | 2006 | \$ 3,904,492,300 | \$ 1,102,774,960 | \$ 353,263,679 | \$ 105,979,217 | \$ 72,689,618 | \$ 39,979,290 | \$ 4,330,445,597 | \$ 1,248,733,467 | \$ 2.8200 | 28.84% |
| 2008 | 2007 | 4,043,862,400 | 1,149,011,110 | 389,371,776 | 100,002,700 | 64,086,782 | 35,247,730 | 4,497,320,958 | 1,284,261,540 | 2.8200 | 28.56% |
| 2009 | 2008 | 4,134,408,100 | 1,177,967,050 | 389,765,798 | 100,456,659 | 65,417,775 | 35,979,776 | 4,589,591,673 | 1,314,403,485 | 2.8200 | 28.64% |
| 2010 | 2009 | 4,203,971,000 | 1,198,159,565 | 413,123,786 | 103,947,656 | 60,168,982 | 33,092,940 | 4,677,263,768 | 1,335,200,161 | 2.8200 | 28.55% |
| 2011 | 2010 (2) | 5,072,033,400 | 1,438,571,130 | 420,909,761 | 126,273,011 | 40,289,379 | 22,159,158 | 5,533,232,540 | 1,587,003,299 | 2.3700 | 28.68% |
| 2012 | 2011 | 5,103,304,200 | 1,447,259,535 | 405,505,830 | 121,651,846 | 61,665,568 | 33,916,062 | 5,570,475,598 | 1,602,827,443 | 2.5320 | 28.77% |
| 2013 | 2012 | 5,112,843,800 | 1,449,714,920 | 430,114,371 | 129,034,404 | 41,628,886 | 22,895,887 | 5,584,587,057 | 1,601,645,211 | 2.5320 | 28.68% |
| 2014 | 2013 | 5,158,438,800 | 1,466,353,110 | 467,797,674 | 140,339,403 | 40,871,190 | 22,479,155 | 5,667,107,664 | 1,629,171,668 | 2.5290 | 28.75% |
| 2015 | 2014 | 5,163,144,200 | 1,468,938,710 | 451,860,673 | 135,558,295 | 43,766,615 | 24,071,638 | 5,658,771,488 | 1,628,568,643 | 2.7090 | 28.78% |
| 2016 | 2015 (2) | 4,983,179,900 | 1,432,911,060 | 523,996,186 | 157,198,953 | 46,079,094 | 25,343,502 | 5,553,255,180 | 1,615,453,515 | 2.7903 | 29.09% |

(1) Assessment rates are set by Tennessee State Law as follows:

(a) Real Property: Residential and Farm at 25 percent of value.
Commercial and Industrial at 40 percent of value.

(b) Personal Property at 30 percent of value.

(c) Railroads at 40 percent of value and other Public Utilities at 55 percent of value.

(2) In fiscal years 2010 and 2015, county-wide reappraisals of real property were conducted by the State of Tennessee, Division of Property Assessments.
Also, the county-wide reappraisals of real property were completed during tax years 2010 and 2015.

Table 8

Anderson County, Tennessee
Property Tax Rates - Direct and Overlapping Governments (1)
Last Ten Fiscal Years

| | | County Direct Rates | | | | | | | | | | Overlapping Rates | | | | | | |
|-------------|----------|---------------------|---------------------|---------------------|--------------------|-------------------------|-----------------------------|---------------------------|--------------------|------------------------|-----------------------|-----------------------------|-------------------------------|---|------------------------|------------------|-----------------------|--------------------------|
| Fiscal Year | Tax Year | General Fund | (4) Library Fund | (4) Highway Dept | (5) Solid Waste | (6) Capital Projects | General Purpose School Fund | General Debt Service Fund | Rural Debt Service | Education Debt Service | Total Direct Tax Rate | Total Direct Inside Clinton | Total Direct Inside Oak Ridge | Total Direct Remainder of Anderson County | (2) City of Clinton | (2) Oak Ridge | (2) City of Norris | (2) City of Rocky Top |
| 2007 | 2006 | \$0.7800 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1.7100 | \$0.1900 | \$0.0100 | \$0.130 | \$2.8200 | \$2.8100 | \$2.6800 | \$2.8200 | \$0.73 | \$2.55 | \$1.53 | \$1.60 |
| 2008 | 2007 | 0.7800 | 0.00 | 0.00 | 0.00 | 0.00 | 1.7100 | 0.1900 | 0.0100 | 0.130 | 2.8200 | 2.8100 | 2.6800 | 2.8200 | 0.73 | 2.65 | 1.53 | 1.60 |
| 2009 | 2008 | 0.7900 | 0.00 | 0.00 | 0.00 | 0.00 | 1.7100 | 0.1800 | 0.0100 | 0.130 | 2.8200 | 2.8100 | 2.6800 | 2.8200 | 0.78 | 2.77 | 1.98 | 1.60 |
| 2010 | (3) 2009 | 0.7900 | 0.00 | 0.00 | 0.00 | 0.00 | 1.7100 | 0.1800 | 0.0100 | 0.130 | 2.8200 | 2.8100 | 2.6800 | 2.8200 | 0.76 | 2.39 | 1.55 | 1.60 |
| 2011 | 2010 | 0.7163 | 0.0262 | 0.0275 | 0.00 | 0.00 | 1.4400 | 0.0500 | 0.0100 | 0.100 | 2.3700 | 2.3600 | 2.2600 | 2.3700 | 0.76 | 2.39 | 1.55 | 1.60 |
| 2012 | 2011 | 0.7563 | 0.0262 | 0.0275 | 0.00 | 0.00 | 1.4400 | 0.1000 | 0.0290 | 0.153 | 2.5320 | 2.5030 | 2.3500 | 2.5320 | 0.76 | 2.39 | 1.55 | 1.60 |
| 2013 | 2012 | 0.6944 | 0.0262 | 0.0275 | 0.0619 | 0.00 | 1.4400 | 0.1000 | 0.0290 | 0.153 | 2.5320 | 2.5030 | 2.3500 | 2.5320 | 0.76 | 2.39 | 1.55 | 1.60 |
| 2014 | 2013 | 0.6914 | 0.0262 | 0.0275 | 0.0619 | 0.00 | 1.4400 | 0.1000 | 0.0290 | 0.153 | 2.5290 | 2.5000 | 2.3470 | 2.5290 | 0.76 | 2.39 | 1.55 | 1.60 |
| 2015 | (3) 2014 | 0.6900 | 0.2062 | 0.0275 | 0.0619 | 0.0014 | 1.4400 | 0.1000 | 0.0290 | 0.153 | 2.7090 | 2.6800 | 2.5270 | 2.7090 | 0.76 | 2.39 | 1.55 | 1.60 |
| 2016 | 2015 | 0.7373 | 0.0282 | 0.0448 | 0.0658 | 0.0016 | 1.6105 | 0.1063 | 0.0314 | 0.164 | 2.7903 | 2.7589 | 2.5945 | 2.7903 | 0.94 | 2.52 | 1.67 | 2.00 |

(1) Tax rates are in dollars per \$100 of assessed value.

(2) City residents pay county taxes in addition to city taxes.

(3) In fiscal years 2010 and 2015, county-wide reappraisals of real property were conducted by the State of Tennessee, Division of Property Assessments.

Also, the county-wide reappraisals of real property were completed during tax years 2005 and 2010.

(4) Since the implementation of GASB No. 54, the Library and Highway Department had to receive property taxes instead of transfers from the General Fund to remain Special Revenue Funds.

(5) The Solid Waste/Sanitation Fund was added to the property tax distribution in 2013 in order to comply with GASB No. 54.

(6) The Capital Project Fund was added to the property tax distribution in 2015 to help fund our Capital Projects.

Table 9

Anderson County, Tennessee
Principal Property Taxpayers (1)
Current Year and Nine Years Ago

| Taxpayer | 2016 | | | 2007 | | |
|--------------------------|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value (2) | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value (3) |
| Lawler-Wood LLC (4) | \$ 36,006,346 | 1 | 2.23% | | | |
| SL Corp | 27,555,453 | 2 | 1.71% | | | |
| Magna International | 13,009,706 | 3 | 0.81% | \$ 9,191,471 | 4 | 0.54% |
| Methodist Medical Center | 11,308,320 | 4 | 0.70% | 11,722,880 | 3 | 0.97% |
| Summit Properties | 10,091,600 | 5 | 0.62% | 7,554,200 | 7 | 0.62% |
| Bell South | 10,020,869 | 6 | 0.62% | 13,402,190 | 1 | 1.17% |
| Wal-Mart | 9,328,131 | 7 | 0.58% | | | 1.43% |
| CTP Trans. Products | 8,702,720 | 8 | 0.54% | | | |
| Norfolk Southern | 8,677,958 | 9 | 0.54% | | | |
| General Motors LLC | 7,160,265 | 10 | 0.44% | | | |
| Food Lion | | | | 8,263,344 | 6 | 0.64% |
| Boeing, Incorporated | | | | 13,118,715 | 2 | 0.94% |
| Carlisle Tire, Inc. | | | | 7,375,085 | 8 | 0.68% |
| Richard Chinn | | | | 8,263,344 | 5 | 0.64% |
| D H Compound | | | | 6,363,262 | 10 | 0.56% |
| Invenergy TN LLC | | | | 6,699,895 | 9 | 0.55% |
| Totals (5) | <u>\$ 141,861,368</u> | | <u>8.78%</u> | <u>\$ 91,954,386</u> | | <u>7.34%</u> |

(1) Taken from the records of the Anderson County Trustee's Office.

(2) Total taxable value including real, personal, and public utility property for tax year 2015 (fiscal year 2016) is \$1,615,453,515.

(3) Total taxable value including real, personal, and public utility property for tax year 2006 (fiscal year 2007) is \$1,248,733,467.

(4) Prior to fiscal year 2013, Lawler-Wood LLC was known as Oak Ridge Project LLC.

(5) Other significant sources of revenue that should be considered include in-lieu of taxes:

Aisin Automotive \$1,188,836; U.S. Department of Energy \$632,620; and Eagle Bend MFG \$294,873.

Table 10

Anderson County, Tennessee
Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Tax Year | Total Tax Levy for Fiscal Year (1) | Collected within the Fiscal Year of the Levy | | Activity in Subsequent Years (2) | Total Collections to Date | | Uncollected Taxes to Date | |
|------------------------------------|-------------|--|---|--------------------|--|---------------------------|--------------------|---------------------------|--------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy | Amount | Percentage of Levy |
| 2007 | 2006 | \$ 34,484,834 | \$ 32,724,486 | 94.90% | \$ 1,744,548 | \$ 34,469,034 | 99.95% | \$ 15,800 | 0.05% |
| 2008 | 2007 | 34,479,582 | 33,772,795 | 97.95% | 686,402 | 34,459,197 | 99.94% | 20,385 | 0.06% |
| 2009 | 2008 | 35,271,646 | 34,150,225 | 96.82% | 1,096,470 | 35,246,695 | 99.93% | 24,951 | 0.07% |
| 2010 | 2009 | 35,939,486 | 34,723,573 | 96.62% | 1,178,976 | 35,902,549 | 99.90% | 36,937 | 0.10% |
| 2011 | 2010 | 36,336,767 | 35,100,300 | 96.60% | 1,218,076 | 36,318,376 | 99.95% | 18,391 | 0.05% |
| 2012 | 2011 | 39,418,410 (3) | 36,853,130 | 93.49% | 2,534,023 | 39,387,153 | 99.92% | 31,257 | 0.08% |
| 2013 | 2012 | 39,767,690 | 37,296,389 | 93.79% | 2,319,345 | 39,615,734 | 99.62% | 151,956 | 0.38% |
| 2014 | 2013 | 40,226,997 | 37,697,807 | 93.71% | 2,111,423 | 39,809,230 | 98.96% | 417,767 | 1.04% |
| 2015 | 2014 | 40,044,880 | 37,953,500 | 94.78% | 1,388,085 | 39,341,585 | 98.24% | 703,295 | 1.76% |
| 2016 | 2015 | 42,877,374 (3) | 40,768,406 | 95.08% | - | 40,768,406 | | 2,108,968 | 4.92% |

- (1) Tax Levy consists of Real and Personal Taxes, Pick Up Taxes, Public Utility Taxes and corrections made before June 30th of the fiscal year.
- (2) Activity in subsequent years includes amounts collected and additional corrections by the Trustee's prior to submitting the uncollected taxes to the Clerk and Master. Also included are collections and corrections made in the Clerk and Master's that relate to each individual tax levy prior to June 30, 2016.
- (3) Increases in the total direct tax rates from the prior rates was the primary cause of the tax levy increases for these years. See Table 8.

Table 11

Anderson County, Tennessee
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year | Governmental Activities | | | | | | Business-type Activities | | | | | |
|-------------|--------------------------|-----------------|----------------------|-----------------------------|-----------------------------------|----------------|--------------------------|-------------------------------|----------------------|--------------------------|-----------------------------------|----------------|
| | General Obligation Bonds | Other Loans (1) | Capital Outlay Notes | Unamortized Premium on Debt | Less Deferred Amount on Refunding | Capital Leases | Total | Water and Sewer Revenue Bonds | Capital Outlay Notes | Total Primary Government | Percentage of Personal Income (4) | Per Capita (2) |
| 2007 | \$19,677,206 | \$22,281,743 | \$335,000 | \$0 | (\$590,609) | \$0 | \$ 41,703,340 | \$1,102,755 | \$0 | \$42,806,095 | 1.95% | \$582 |
| 2008 | 17,065,773 | 20,833,738 | 280,000 | 0 | (473,855) | 0 | 37,705,656 | 1,022,723 | 0 | 38,728,379 | 1.75% | 520 |
| 2009 | 14,470,000 | 19,168,141 | 225,000 | 0 | (394,124) | 0 | 33,469,017 | 0 (2) | 0 | 33,469,017 | 1.48% | 448 |
| 2010 | 14,345,000 | 17,382,241 | 180,000 | 0 | (320,871) | 0 | 31,586,370 | 0 | 0 | 31,586,370 | 1.47% | 422 |
| 2011 | 27,320,000 | 3,456,000 | 140,000 | 341,830 | (370,471) | 0 | 30,887,359 | 0 | 0 | 30,887,359 | 1.43% | 411 |
| 2012 | 49,860,000 | 3,232,000 | 913,880 | 862,553 | (262,802) | 645,896 (3) | 55,251,527 | 0 | 0 | 55,251,527 | 2.17% | 735 |
| 2013 | 47,505,000 | 2,999,000 | 1,008,425 | 798,991 | 0 | 599,207 | 52,910,623 | 0 | 0 | 52,910,623 | 2.89% | 702 |
| 2014 | 45,740,000 | 12,565,964 | 823,217 | 800,455 | 0 | 545,752 | 60,475,388 | 0 | 0 | 60,475,388 | 3.11% | 801 |
| 2015 | 43,850,000 | 12,013,043 | 638,009 | 727,386 | 0 | 928,079 | 58,156,517 | 0 | 223,225 | 58,379,742 | 1.97% | 773 |
| 2016 | 41,865,000 | 11,350,279 | 1,682,802 | 654,317 | 0 | 754,664 | 56,307,062 | 0 | 194,000 | 56,501,062 | 1.72% | 746 |

(1) Includes long-term loans payable financed by PBA loan agreements and USDA loan agreements for Briceville Library.

(2) As of December 31, 2008, Anderson County Utility Board merged with Anderson County Water Authority, which assumed all outstanding Water and Sewer Revenue Bonds.

(3) Prior to the 2012 fiscal year, the capital lease relating to the Headstart Facility was reflected as an obligation of Anderson County School Department.

(4) See Table 16 for personal income and population data.

Table 12

Anderson County, Tennessee
Ratios of General Bonded Debt Outstanding (1)
Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Estimated Population</u> | <u>Assessed Property Value</u> | <u>General Obligation Bonds (2)</u> | <u>Less: Amounts Available in Debt Service Funds</u> | <u>Net Bonded Debt (3)</u> | <u>Ratio of Net Bonded Debt to Assessed Value</u> | <u>Net Bonded Debt Per Capita</u> |
|--------------------|---------------------------------|--|---|--|------------------------------------|---|---|
| 2007 | 73,579 | \$ 1,248,733,467 | \$ 41,368,340 | \$ 3,048,646 | \$ 38,319,694 | 3.07% | \$ 521 |
| 2008 | 74,446 | 1,284,261,540 | 37,425,656 | 3,648,132 | 33,777,524 | 2.63% | 454 |
| 2009 | 74,738 | 1,314,403,485 | 33,244,017 | 4,523,342 | 28,720,675 | 2.19% | 384 |
| 2010 | 74,849 | 1,335,200,161 | 31,406,370 | 4,815,007 | 26,591,363 | 1.99% | 355 |
| 2011 | 75,129 | 1,587,003,299 | 30,747,359 | 4,778,380 | 25,968,979 | 1.64% | 346 |
| 2012 | 75,129 | 1,602,827,443 | 53,691,751 | 4,923,502 | 48,768,249 | 3.04% | 649 |
| 2013 | 75,411 | 1,601,645,211 | 51,302,991 | 4,779,193 | 46,523,798 | 2.90% | 617 |
| 2014 | 75,468 | 1,629,171,668 | 59,106,419 | 5,024,385 | 54,082,034 | 3.32% | 717 |
| 2015 | 75,528 | 1,628,568,643 | 56,590,429 | 2,839,152 | 53,751,277 | 3.30% | 712 |
| 2016 | 75,749 | 1,615,453,515 | 53,869,596 | 4,874,788 | 48,994,808 | 3.03% | 647 |

(1) Includes long-term loans payable financed by PBA loan agreements and USDA loan agreements as these instruments are in substance the same as bonded debt and also primarily funded by local property taxes.

(2) Includes the effect of Deferred Amounts on Refunds and Unamortized Premiums on Debt.

(3) Net Bonded Debt is the effect of only the bonded debt for the county less the funds available in each one of the debt service funds.

Table 13

Anderson County, Tennessee
Direct and Overlapping Governmental Activities Debt
As of June 30, 2016

| | |
|---|------------------------------|
| Direct General Bonded Debt, Loans, Notes, and Capital Leases Payable: | Total |
| Anderson County (Amount from Table 11 Debt Ratios) | \$ 56,307,062 (1) |
| Less Debt Issued for the Benefit of School Department | \$ (35,687,997) |
| Less: Amount Restrictied for Debt Service | (2,839,152) (2) |
| Total Direct General Bonded Debt, Loans, Notes, and Capital Leases Payable - Net | <u>\$ 17,779,913</u> |
| Overlapping General Bonded Debt: | |
| City of Oak Ridge | \$ 76,279,879 (2) |
| City of Clinton | 10,349,726 (2) |
| City of Rocky Top | 174,340 (2) |
| Total Overlapping General Bonded Debt | <u>\$ 86,803,945</u> |
| TOTAL DIRECT GENERAL BONDED DEBT AND LOANS PAYABLE AND OVERLAPPING GENERAL BONDED DEBT | <u>\$ 104,583,858</u> |

Method used to calculate overlapping debt:

- (1) Information on the county's bonded debt and loans payable is taken from information on Table 11 under the Statistical Schedules section of this audit.
- (2) The amount Restrictied for Debt Service is taken from Exhibit A.

The overlapping General Bonded Debt is obtained from each individual city in Anderson County. Their totals are then added to the county's direct general bonded debt and loans payable - net to obtain Total Direct General Bonded Debt and Loans Payable and Overlapping General Bonded Debt.

Table 14

Anderson County, Tennessee
Legal Debt Margin Information
June 30, 2016

Not Applicable to Anderson County, Tennessee

NOTE:

Section 9-21-103 of the laws of the State of Tennessee provides that bonds or notes may be issued without regard to any limit on indebtedness for Tennessee counties.

Table 15

Anderson County, Tennessee
Pledged Revenue Coverage
Last Ten Fiscal Years

| Fiscal Year | Total Revenues (1) | Less Operating Expenses (2) | Net Available Revenue | Debt Service Requirements (3) | | | Coverage |
|----------------|-----------------------|-----------------------------------|-----------------------------|-------------------------------|-----------|------------|----------|
| | | | | Bonds (4) | Notes | Total | |
| 2007 | \$ 2,350,570 | \$ 1,858,103 | \$ 492,467 | \$ 130,277 | \$ 10,382 | \$ 140,659 | 3.50 |
| 2008 | 2,444,516 | 1,819,125 | 625,391 | 131,294 | 0 | 131,294 | 4.76 |
| 2009 (5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

This table only includes the Water and Revenue Bonds of the Public Utility Fund (Enterprise Fund).

- Notes:
- (1) Includes operating revenues and nonoperating revenues excluding capital grants and contributions from developers.
 - (2) Does not include depreciation expense.
 - (3) Includes principal and interest amounts.
 - (4) Includes other loans payable.
 - (5) On December 31, 2008, Anderson County Utility Board (ACUB) merged with Anderson County Water Authority Board. All debt requirements transferred with ACUB.

Table 16

Anderson County, Tennessee
Demographic and Economic Statistics
Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Population (1)</u> | <u>Personal Income (amounts expressed in thousands) (1)</u> | <u>Per Capita Personal Income (1)</u> | <u>Median Age (1)</u> | <u>School Attendance (2)</u> | <u>Unemployment Rate (3)</u> |
|--------------------|-----------------------|---|---|---------------------------|----------------------------------|----------------------------------|
| 2007 | 73,579 | \$ 2,191,183 | \$ 29,780 | 41.4 | 8,528 | 3.6% |
| 2008 | 74,446 | 2,217,002 | 29,780 | 41.4 | 8,694 | 5.4% |
| 2009 | 74,738 | 2,258,433 | 30,218 | 41.4 | 8,541 | 10.8% |
| 2010 | 74,849 | 2,154,154 | 28,780 | 39.2 | 8,117 | 9.4% |
| 2011 | 75,129 | 2,162,213 | 28,780 | 39.9 | 8,186 | 9.4% |
| 2012 | 75,129 | 2,543,192 | 33,851 | 39.5 | 8,141 | 8.6% |
| 2013 | 75,411 | 1,828,113 | 24,242 | 40.5 | 8,081 | 8.6% |
| 2014 | 75,468 | 1,943,905 | 25,758 | 43.1 | 8,096 | 7.0% |
| 2015 | 75,528 | 2,956,770 | 39,148 | 42.4 | 8,053 | 6.4% |
| 2016 | 75,749 | 3,276,220 | 43,251 | 43.1 | 8,022 | 5.1% |

Data Sources:

(1) Tennessee Demographics by Cubit and Fred Economic Data.

(2) Anderson County Schools.

(3) Tennessee Department of Labor and Workforce Development.

Table 17

Anderson County, Tennessee
Principal Employers
Current Year and Nine Years Ago

| Employer | 2016 | | | 2007 | | |
|-----------------------------------|---------------|------|---|---------------|------|---|
| | Employees | Rank | Percentage of County Work Force (1) | Employees | Rank | Percentage of County Work Force (2) |
| BWXT - Y12 | 7,000 | | 20.13% | 4,600 | 1 | 12.84% |
| UT Battelle | 4,600 | | 13.23% | 4,045 | 2 | 11.29% |
| Anderson County Government | 1,466 | | 4.22% | 1,399 | 3 | 3.91% |
| UCOR (Bechtel Jacobs) | 1,400 | | 4.03% | 1,337 | 4 | 3.73% |
| Methodist Medical Center | 1,026 | | 2.95% | 1,300 | 5 | 3.63% |
| Oak Ridge Associated Universities | 1,017 | | 2.92% | 600 | 9 | 1.68% |
| SiTel | 1,001 | | 2.88% | | | 0.00% |
| Eagle Bend Manufacturing | 850 | | 2.44% | | | 0.00% |
| Oak Ridge City Schools | 838 | | 2.41% | 1,062 | 6 | 2.97% |
| SAIC | 600 | | 1.73% | 1,000 | 7 | 2.79% |
| Bechtel Jacobs Co., LLC | - | | 0.00% | | | 0.00% |
| Wackenhut-Oak Ridge Team | - | | - | 900 | 8 | 2.51% |
| Carlisle Tire & Wheel Company | - | | - | 580 | 10 | 1.62% |
| Total | <u>19,798</u> | | <u>56.92%</u> | <u>16,823</u> | | <u>46.97%</u> |

Source(s): Tennessee Department of Economic and Community Development,
Tennessee Department of Labor and Workforce Development, and Human Resource
Offices of the employer.

(1) The total County Work Force for 2016 is 34,780.

(2) The total County Work Force for 2007 was 35,816.

Table 18

Anderson County, Tennessee
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

| Function | Full-time Equivalent Employees as of June 30 | | | | | | | | | |
|---|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| General Government | 42.3 | 42.0 | 40.0 | 39.0 | 51.0 | 48.0 | 50.0 | 48.0 | 50.0 | 39.0 |
| Finance | 50.3 | 45.4 | 48.0 | 47.0 | 44.0 | 44.0 | 43.0 | 42.0 | 46.0 | 44.0 |
| Administration of Justice | 43.7 | 47.6 | 46.0 | 46.0 | 47.0 | 49.0 | 49.0 | 40.0 | 46.0 | 42.0 |
| Public Safety | 131.8 | 147.6 | 159.0 | 167.0 | 164.0 | 171.0 | 177.0 | 179.0 | 167.0 | 172.0 |
| Public Health and Welfare | 93.8 | 105.1 | 87.0 | 75.0 | 85.0 | 86.0 | 76.0 | 90.0 | 91.0 | 77.0 |
| Social, Cultural, and Recreational Services | 13.7 | 12.8 | 8.0 | 6.0 | 7.0 | 8.0 | 5.0 | 7.0 | 7.0 | 8.0 |
| Agriculture and Natural Resources | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2.0 | 2.0 | 1.0 |
| Other Operations | 6.1 | 6.1 | 6.0 | 4.0 | 4.0 | 4.0 | 3.0 | 4.0 | 6.0 | 5.0 |
| Solid Waste | 2.4 | 3.0 | 3.0 | 3.0 | 1.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Highways | 33.0 | 33.8 | 34.0 | 30.0 | 33.0 | 35.0 | 31.0 | 28.0 | 26.0 | 25.0 |
| Water and Sewer (1) | 18.2 | 21.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | <u>438.3</u> | <u>467.7</u> | <u>434.0</u> | <u>420.0</u> | <u>439.0</u> | <u>451.0</u> | <u>439.0</u> | <u>443.0</u> | <u>444.0</u> | <u>416.0</u> |

- (1) On December 31, 2008, Anderson County Utility Board (ACUB) merged with Anderson County Water Authority; therefore, ACUB employees will not be reflected on this report subsequent to 2008.

Table 19

Anderson County, Tennessee
Operating Indicators by Function
Last Ten Fiscal Years

| Function: | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
| Register of Deeds | | | | | | | | | | |
| Documents Filed | 16,100 | 14,708 | 14,042 | 12,793 | 11,114 | 11,341 | 14,824 | 10,969 | 10,157 | 10,881 |
| Chancery Court | | | | | | | | | | |
| Cases Filed | 1,655 | 2,121 | 2,396 | 2,215 | 2,167 | 2,102 | 2,066 | 2,029 | 1,753 | 1,617 |
| Case Dispositions | 1,564 | 1,704 | 2,146 | 1,889 | 1,951 | 1,744 | 2,293 | 2,076 | 1,629 | 2,292 |
| General Sessions Court I | | | | | | | | | | |
| Civil Cases Filed | 1,679 | 2,087 | 2,185 | 2,138 | 2,062 | 1,959 | 1,369 | 2,019 | 1,761 | 1,531 |
| Criminal Cases Files | 7,478 | 7,887 | 7,671 | 7,825 | 7,491 | 7,462 | 5,131 | 3,120 | 5,524 | 5,883 |
| General Sessions Court II | | | | | | | | | | |
| Civil Cases Filed | 560 | 519 | 700 | 615 | 607 | 748 | 979 | 1,146 | 772 | 984 |
| Criminal Cases Files | 5,182 | 4,584 | 5,442 | 5,104 | 5,121 | 5,158 | 3,540 | 3,770 | 3,982 | 4,014 |
| Circuit Court | | | | | | | | | | |
| Cases Filed | 750 | 713 | 638 | 606 | 571 | 455 | 337 | 458 | 271 | 273 |
| Case Dispositions | 926 | 880 | 741 | 664 | 655 | 566 | 391 | 325 | 255 | 270 |
| Criminal Court | | | | | | | | | | |
| Cases Filed | 911 | 1,729 | 1,640 | 2,441 | 2,651 | 2,609 | 1,084 | 708 | 761 | 1,124 |
| Case Dispositions | 617 | 519 | 1,411 | 1,691 | 1,289 | 1,337 | 1,275 | 1,034 | 947 | 1,434 |
| Sheriff's Department | | | | | | | | | | |
| Physical Arrests | 2,363 | 2,717 | 3,157 | 2,779 | 3,551 | 3,323 | 2,371 | 2,172 | 2,165 | 2,027 |
| Traffic Violations | 274 | 406 | 702 | 674 | 950 | 979 | 790 | 895 | 528 | 441 |
| Back-Up Units Required | 5,974 | 7,985 | 9,836 | 9,357 | 9,234 | 7,680 | 8,296 | 7,442 | 7,819 | 8,811 |
| Emergency Dispatch | | | | | | | | | | |
| Calls for Service | | | | | | | | | | |
| Sherriff | 24,795 | 28,645 | 34,016 | 36,115 | 34,357 | 29,925 | 27,387 | 26,558 | 24,845 | 26,322 |
| Ambulance | 22,446 | 22,101 | 25,440 | 29,373 | 29,982 | 22,313 | 32,908 | 31,882 | 29,774 | 29,831 |
| Fire and Rescue Calls | 5,121 | 4,152 | 4,992 | 4,490 | 4,158 | 4,152 | 5,383 | 4,894 | 7,495 | 4,894 |
| Ambulance Service | | | | | | | | | | |
| Transports (1) | 15,797 | 15,244 | 16,372 | 15,420 | 17,568 | 19,209 | 17,777 | 17,210 | 16,250 | 17,243 |
| Highway Department | | | | | | | | | | |
| Road Resurfacing (miles) | 28 | 17 | 14 | 14 | 4 | 9.3 | 13.8 | 0 | 8.2 | 3.1 |
| Water | | | | | | | | | | |
| New Connections | 125 | 209 | (2) | (2) | (2) | (2) | (2) | (2) | (2) | (2) |
| Gallons Produced and Purchased | 439,240 | 476,752 | (2) | (2) | (2) | (2) | (2) | (2) | (2) | (2) |
| Gallons Sold | 360,308 | 376,930 | (2) | (2) | (2) | (2) | (2) | (2) | (2) | (2) |
| Wastewater | | | | | | | | | | |
| Average Daily Sewage Treatment (thousands of gallons) | 78 | 80 | (2) | (2) | (2) | (2) | (2) | (2) | (2) | (2) |

Sources: Various government departments.

NA Information not available.

(1) These numbers only represent actual transports of patients. They do not represent any calls that had no transports or a stand-by.
Fiscal years 2008 and 2009 include all responses.

(2) These numbers are not available due to the merger of Anderson County Water Authority and Anderson County Utility Board
on December 31, 2008.

Table 20

Anderson County, Tennessee
Capital Assets Statistics by Function
Last Ten Fiscal Years

| Function | Fiscal Year Ending | | | | | | | | | |
|------------------------------------|--------------------|------|------|------|------|------|------|------|------|------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| General Government | | | | | | | | | | |
| Buildings | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Vehicles | 5 | 6 | 6 | 8 | 9 | 9 | 11 | 13 | 10 | 10 |
| Administration of Justice | | | | | | | | | | |
| Vehicles | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public Safety | | | | | | | | | | |
| Buildings | 3 | 4 | 4 | 4 | 4 | 5 | 6 | 6 | 6 | 6 |
| Vehicles | 77 | 91 | 110 | 115 | 123 | 137 | 111 | 108 | 112 | 113 |
| Haz-mat Vehicle | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public Health and Welfare | | | | | | | | | | |
| Buildings | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 |
| Ambulances | 16 | 19 | 21 | 19 | 20 | 22 | 22 | 19 | 21 | 19 |
| Vehicles | 4 | 5 | 9 | 7 | 8 | 8 | 9 | 9 | 10 | 9 |
| Social, Cultural, and Recreational | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 |
| Parks | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Highway | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bridges | 65 | 66 | 66 | 67 | 68 | 68 | 69 | 69 | 69 | 69 |
| Roads (miles) | 535 | 536 | 538 | 504 | 530 | 506 | 506 | 507 | 507 | 507 |
| Water | | | | | | | | | | |
| Water Mains (miles) | 475 | 480 | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |
| Fire Hydrants | 205 | 220 | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |
| Sewer | | | | | | | | | | |
| Sanitary Sewers (miles) | 57 | 57 | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |

Sources: Various government departments.

(1) These assets were transferred to Anderson County Water Authority during the merger with Anderson County Utility Board on December 31, 2008.

SINGLE AUDIT SECTION



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

**Independent Auditor's Report 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***

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Anderson County's basic financial statements, and have issued our report thereon dated November 9, 2016. Our report includes a reference to other auditors who audited the financial statements of Anderson County Emergency Communications District, as described in our report on Anderson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Anderson County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Anderson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Anderson County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable

possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency: 2016-001.

Compliance and Other Matters

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

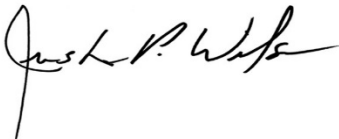
Anderson County's Response to the Finding

Anderson County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Anderson County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 9, 2016

JPW/kp



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
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NASHVILLE, TENNESSEE 37243-1402
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**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by Uniform Guidance**

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Anderson County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Anderson County's major federal programs for the year ended June 30, 2016. Anderson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Anderson County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Anderson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Anderson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of Anderson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Anderson County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Anderson County's internal control over compliance.

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

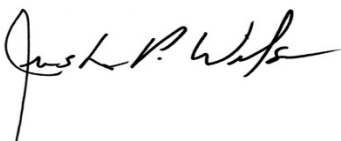
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Anderson County's basic financial statements. We issued our report thereon dated November 9, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 9, 2016

JPW/kp

Anderson County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1) (2)
For the Year-Ended June 30, 2016

| 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: | | | |
| Child Nutrition Cluster: | | | |
| National School Lunch Program (Commodities - Noncash Assistance) | 10.555 | N/A | \$ 145,289 (4) |
| Passed-through State Department of Education: | | | |
| Fresh Fruit and Vegetable Program | 10.582 | N/A | 5,875 |
| Child Nutrition Cluster: | | | |
| School Breakfast Program | 10.553 | N/A | 709,548 |
| National School Lunch Program | 10.555 | N/A | 1,762,123 (4) |
| State Administrative Expenses for Child Nutrition | 10.560 | N/A | 7,200 |
| Passed-through State Department of Human Services: | | | |
| Special Supplement Nutrition Program for Women, Infants, and Children | 10.557 | N/A | 53,731 |
| Child and Adult Care Food Program | 10.558 | N/A | 125,164 |
| Total U.S. Department of Agriculture | | | <u>\$ 2,808,930</u> |
| U.S. Department of Justice: | | | |
| Passed-through Tennessee Bureau of Investigation: | | | |
| Juvenile Justice and Delinquency Prevention_Allocation to States | 16.540 | N/A | \$ 2,000 |
| Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program | 16.580 | N/A | 9,946 |
| Direct Program: | | | |
| Equitable Sharing Program | 16.922 | (3) | 35,159 |
| Total U.S. Department of Justice | | | <u>\$ 47,105</u> |
| U.S. Department of Transportation: | | | |
| Passed-through State Department of Transportation: | | | |
| Highway Planning and Construction | 20.205 | (3) | \$ 148,540 |
| State and Community Highway Safety | 20.600 | (3) | 46,961 |
| Total U.S. Department of Transportation | | | <u>\$ 195,501</u> |
| U.S. Department of Energy: | | | |
| Passed-through Tennessee Department of Military: | | | |
| Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis | 81.214 | N/A | \$ 15,972 |
| Total U.S. Department of Energy | | | <u>\$ 15,972</u> |
| U.S. Department of Education: | | | |
| Passed-through State Department of Education: | | | |
| Title 1 Grants to Local Educational Agencies | 84.010 | N/A | \$ 1,653,440 |
| Special Education Cluster: | | | |
| Special Education - Grants to States | 84.027 | N/A | 1,400,625 |
| Special Education - Preschool Grants | 84.173 | N/A | 64,018 |
| Career and Technical Education - Basic Grants to States | 84.048 | N/A | 129,393 |
| Rehabilitation Services - Vocational Rehabilitation Grants to States | 84.126 | N/A | 75,358 |
| Safe and Drug-free Schools and Communities - Basic Grants to States | 84.184 | N/A | 58,137 |
| Gaining Early Awareness and Readiness for Undergraduate Programs | 84.334 | N/A | 199,481 |
| Improving Teacher Quality State Grants | 84.367 | N/A | 257,439 |
| Total U.S. Department of Education | | | <u>\$ 3,837,891</u> |

(Continued)

Anderson County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

| Federal/Pass-Through Agency/State Grantor Program Title | Federal CFDA Number | Pass-through Entity Identifying Number | Expenditures |
|---|---------------------------|--|----------------------|
| U.S. Department of Health and Human Services: | | | |
| Passed-through East Tennessee Human Resource Agency: | | | |
| Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers | 93.044 | N/A | \$ 49,978 |
| Passed-through State Department of Health and Human Services: | | | |
| Family Planning Services | 93.217 | N/A | 7,665 |
| Substance Abuse and Mental Health Services Projects of Regional and National Significance | 93.243 | N/A | 330,835 |
| Medical Assistance Program | 93.778 | N/A | 43,362 |
| HIV Prevention Activities Health Department Based | 93.940 | N/A | 2,540 |
| Maternal and Child Health Service Block Grant to States | 93.994 | N/A | 20,258 |
| Direct Program: | | | |
| Head Start | 93.600 | N/A | 2,846,410 |
| Total U.S. Department of Health and Human Services | | | <u>\$ 3,301,048</u> |
| Executive Office of the President: | | | |
| Direct Program: | | | |
| High Intensity Drug Trafficking Areas Program | 95.001 | N/A | \$ 17,595 |
| Total Executive Office of the President | | | <u>\$ 17,595</u> |
| U.S. Department of Homeland Security: | | | |
| Passed-through State Department of Military: | | | |
| Disaster Grants - Public Assistance Grants | 97.036 | N/A | \$ 66,962 |
| Emergency Management Performance Grants | 97.042 | N/A | 33,409 |
| Homeland Security Grant Program | 97.067 | N/A | 20,000 |
| Total U.S. Department of Homeland Security | | | <u>\$ 120,371</u> |
| Total Expenditures of Federal Grants | | | <u>\$ 10,344,413</u> |
| | | Contract Number | |
| State Grants | | | |
| Juvenile Services Program - State Children's Services Commission | N/A | (3) | \$ 9,000 |
| Litter Program - State Department of Transportation | N/A | (3) | 54,074 |
| Law Enforcement Training Program | N/A | (3) | 33,600 |
| Drug Court Grant - State Department of Finance and Administration | N/A | (3) | 67,473 |
| Health Department Grants - State Department of Health | N/A | (3) | 170,285 |
| Tobacco Cessation Grant - State Department of Health | N/A | (3) | 63,194 |
| Early Childhood Education- State Department of Education | N/A | (3) | 613,050 |
| Internet Connectivity Grant - State Department of Education | N/A | (3) | 17,204 |
| Coordinated School Health Program | N/A | (3) | 99,858 |
| Family Resource Centers - State Department of Education | N/A | (3) | 59,224 |
| Safe Schools Act - State Department of Education | N/A | (3) | 32,730 |
| Total State Grants | | | <u>\$ 1,219,692</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) Anderson County elected not to use the 10% de minimus cost rate permitted in the Uniform Guidance.
(3) Information not available.
(4) Total for CFDA No. 10.555 is \$1,907,412.

| SUBRECIPIENTS | Federal CFDA Number | Amount Provided to Subrecipient | Subrecipient |
|---------------|---------------------------|---------------------------------------|-------------------|
| Program Title | | | |
| Head Start | 93.600 | \$726,590 | City of Oak Ridge |

Anderson County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2016

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or uncorrected. Presented below are financial statement findings, along with their current status from the Comprehensive Annual Financial Report for Anderson County, Tennessee, for the year ended June 30, 2016.

Prior-year Financial Statement Findings

| Fiscal Year | Page Number | Finding Number | Title of Finding | CFDA Number | Current Status |
|----------------|----------------|-------------------|--|----------------|----------------|
| 2015 | 293 | 2015-001 | The Office of Circuit, General Sessions, and Juvenile Courts Clerk did not prepare adequate trial balances of the execution dockets. | N/A | Corrected |
| 2015 | 294 | 2015-002 | The Office of Circuit, General Sessions, and Juvenile Courts Clerk did not have adequate application controls. | N/A | Corrected |

Prior-year Federal Award Findings

There were no prior-year federal award findings to report.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

A finding and recommendation, as a result of our audit, is presented below. We reviewed this finding and recommendation with management to provide an opportunity for their response. A paraphrased written response for the finding is presented following the finding and recommendation. The finance director provided a corrective action plan, which is paraphrased in the Management's Corrective Action Plan section of this report.

Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICES OF MAYOR AND FINANCE DIRECTOR

FINDING 2016-001

TWO PROPRIETARY FUNDS HAD DEFICITS IN UNRESTRICTED NET POSITION

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Ambulance Service Fund and the Employee Health Insurance Fund had deficits in unrestricted net position at June 30, 2016. Generally accepted accounting principles dictate that proprietary funds charge sufficient fees to recover costs, and all costs associated with the operations of a proprietary fund be reflected in the financial statements. These deficiencies exist due to the failure of management to provide sufficient funding for these operations.

- A. The Ambulance Service Fund had a deficit in unrestricted net position of \$43,945 at June 30, 2016. This deficit was the result of operating expenses exceeding operating revenues for the fiscal years ended June 30, 2016, June 30, 2015, and June 30, 2014, totaling \$624,777, \$443,334, and \$874,201, respectively. These operating losses have resulted in the fund's unrestricted net position decreasing from \$1,119,672 at June 30, 2013, to the deficit unrestricted net position of \$43,945 at June 30, 2016, a decline of \$1,163,617, in three years.
- B. The Employee Health Insurance Fund had a deficit in unrestricted net position of \$148,893 at June 30, 2016. This deficit was the result of operating expenses exceeding operating revenues for the fiscal years ended June 30, 2016, and June 30, 2015, totaling \$601,945 and \$439,058, respectively. These operating losses have resulted in the fund's unrestricted net position decreasing from \$462,663 at June 30, 2014, to the deficit unrestricted net position of \$148,893 at June 30, 2016, a decline of \$611,556 in two years.

RECOMMENDATION

Management should closely monitor the operations of these funds and develop and implement plans that would fund the deficits in unrestricted net position.

MANAGEMENT'S RESPONSE – NATALIE ERB, FINANCE DIRECTOR

We concur with this finding.

- A. The Ambulance Service Fund revenues were not sufficient to cover expenses for the fiscal year, which was consistent with the previous fiscal year. In addition to insufficient revenue, revenues declined \$121K compared to the previous fiscal year while expenses increased \$60K. Revenue declined \$121K from insurance and patient billings. Revenue decreased due to the CAHABA pre-pay review, which was in effect for the entire fiscal year. The pre-pay review slowed the timeliness in receiving federal reimbursements and allowed CAHABA to retain a portion of the revenue. As of July 2016, the ambulance service is no longer under the pre-pay review. Other contracted services increased \$68K as a result of the services provided by the third party biller. The ambulance service changed to a different biller at the beginning of fiscal year 2017. The change in billers was due to several reasons, one of which is expected to have a favorable impact on future revenues. The new biller is expected to bring about higher collections at the same expense, since the lower rate will be applied to increased collections. Worker's compensation for the ambulance service increased as a percentage of salaries from 6% to 8%. In the previous fiscal year (2014/2015), management started addressing the financial issues by enacting spending restrictions, and initiating the review of the billing system.
- B. The Employee Health Insurance Fund did not collect revenues necessary to cover expenses for the fiscal year. At the beginning of the fiscal year, the insurance broker recommended that the county raise contributions by 8% to offset the costs. That recommendation was not accepted and contributions by the county were not increased. During the fiscal year, several factors changed and not all of the benefits of those changes have been fully realized; the most notable of which is the installation of the clinic. The clinic was operational in March 2016, thus, the anticipated cost savings have not been fully recognized. The excess risk policy was increased \$20K for a second year in a row, prescription provider and benefits changed, and claims experience was unusually high compared to recent previous years. Beginning fiscal year 2017, the county changed insurance providers and benefits in an effort to reduce costs. The long-term insurance policy became a voluntary policy, so the county is no longer responsible for the cost. The county also increased contributions made on behalf of the employer and the employee. The financial benefits from these changes will take effect during the 2017 fiscal year.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2016.

**Anderson County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2016**

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented below:

Corrective Action - Financial Statement Findings

OFFICE OF FINANCE DIRECTOR

**FINDING 2016-001 TWO PROPRIETARY FUNDS HAD DEFICITS IN
UNRESTRICTED NET POSITION**

| | |
|--|---|
| Response and Corrective Action Plan Prepared by: | Natalie Erb, Finance Director, Anderson County, Tennessee |
| Person Responsible for Implementing the Corrective Action: | Same |
| Anticipated Completion Date of Corrective Action: | June 30, 2017 |
| Repeat Finding: | No |
| Reason Why Corrective Action was Not Taken – PY | N/A |

Planned Corrective Action:

- A. For the Ambulance Fund, the commission is considering a performance audit of the operation from an independent examiner. Management will closely monitor the operation of this fund and develop and implement plans to fund the deficits.
- B. For the Employee Health Insurance Fund, management will closely monitor the operation of this fund. The performance, along with any recommendations that would fund the deficits, will be reviewed with the Board of Trustees and necessary recommendations will be taken to the commission for review and approval.

Corrective Action - Federal Award Findings

There were no current-year federal award findings to report.