

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

## ANDERSON COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2017



**DIVISION OF LOCAL GOVERNMENT AUDIT**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**ANDERSON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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

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

***MARK TREECE, CPA, CGFM***  
***Audit Manager***

***AMY SOSVILLE, CPA***  
***Auditor 4***

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***JACOB ROGERS***  
***GREG BRUSH, CISA***  
***State Auditors***

**Natalie Erb, CPA, CTP, Finance Director**

**This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov)**

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## ANDERSON COUNTY, TENNESSEE

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# ***Summary of Audit Findings***

Comprehensive Annual Financial Report  
Anderson County, Tennessee  
For the Year Ended June 30, 2017

## ***Scope***

We have audited the basic financial statements of Anderson County as of and for the year ended June 30, 2017.

## ***Results***

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

Our audit resulted in two findings and recommendations, which we have reviewed with Anderson County's management. Details of the findings, recommendations, and management's responses are included in the Single Audit section of this report.

## ***Findings***

The following is a summary of the audit findings:

### **OFFICE OF FINANCE DIRECTOR**

- ◆ The office had deficiencies in computer system backup procedures.

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### **OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

- ◆ The computer software application did not generate a report of outside direct payments.
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## INTRODUCTORY SECTION

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## ANDERSON COUNTY, TENNESSEE

### Letter of Transmittal

November 29, 2017

To the Honorable Terry Frank, County Mayor,  
Board of County Commissioners, and  
Citizens of Anderson County, Tennessee

The Comprehensive Annual Financial Report of Anderson County, Tennessee, for the year ended June 30, 2017, is hereby submitted as required by state statutes. These statutes require that all local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by the State of Tennessee's Comptroller of the Treasury, Division of Local Government Audit, or by independent public accountants within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the comprehensive annual financial report for Anderson County, Tennessee. This report was prepared by the county's Finance Department in conjunction with the above state agency.

Management assumes full responsibility for the completeness and reliability of all the information contained in this report based upon a comprehensive internal control framework that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The State of Tennessee's Comptroller of the Treasury, Division of Local Government Audit has issued an unmodified ("clean") opinion on the financial statements of Anderson County, Tennessee, for the fiscal year ended June 30, 2017. The independent auditor's report is presented at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the report of the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## Profile of the Government

Anderson County was established on November 6, 1801, by Private Act of the State of Tennessee. The county is named after Joseph Anderson, who was the U.S. senator from Tennessee at the time. The county is located in the eastern portion of the state. The bordering counties are Campbell (north), Union (northeast), Knox (southeast), Roane (southwest), Morgan (west), and Scott (northwest). Anderson County occupies a land area of approximately 345 square miles and serves a population of 75,936.

Anderson County operates as a political subdivision of the state as provided by the Tennessee Constitution. Anderson County, as a political subdivision of the state, is subject to control by the Tennessee General Assembly, and the county has no authority except that expressly given by state statutes. Anderson County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Anderson County operates under a County Mayor – County Commission form of government since September 1, 1980. The Anderson County Commission consists of a 16-member board elected in eight districts within the county. Policymaking and legislative authority is vested in the Anderson County Commission. The County Commission is responsible for various tasks, including but not limited to, adopting the annual budget, setting the property tax levy, appointing various board and committees, and passing local ordinances. The County Mayor is popularly elected for a four-year term and is the county's chief executive officer. The County Mayor is responsible for carrying out policies and ordinances of the County Commission, overseeing the day-to-day operations of the government, appointing or recommending for appointment various department heads. In addition, the County Mayor serves as an ex-officio member of the County Commission and as a member of several boards, committees and commissions.

Anderson County provides a full range of essential services, including police and fire protection; solid waste disposal; emergency medical services, emergency management planning; and construction and maintenance of highways, streets, and other infrastructure. Anderson County also is financially responsible 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.

Anderson County is required to adopt an annual budget in compliance with state statutes. The annual budget serves as the foundation for Anderson County's financial planning and control. As required, each department submits an itemized statement of appropriations needed for the upcoming year to the Director of Finance. Each fiscal year, the Director of Finance submits a consolidated budget to the Budget Committee. According to the *Tennessee Code Annotated §§ 5-21-110 & 111*, the Budget Committee shall vote to approve or reject the proposed budgets for all departments, offices and agencies. After approval by the Budget Committee, the recommended budget is published in a paper of general circulation and holds a public hearing, including the budget appropriation resolution and

the tax levy resolution. The proposed budget and resolutions are presented to County Commission for adoption before seeking approval from the state.

## **Local Economy**

Anderson County is centrally located 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.

The county's largest employers are U.S. Department of Energy (DOE)/Consolidated Nuclear Security (CNS), Anderson County Government, and Tennessee Department of Human Services. The 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. Over 50% 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 unemployment rate in Anderson County fell to a ten-year low of 4.6%. The median household income is \$42,880 in the county compared to \$45,219 for the state. 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.

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 60% of Anderson County's population is in the labor work force age group of 18 to 64.

## **Long-term Financial Planning and Major Initiatives**

Anderson County continues to work hard to keep new debt issues to a minimum. During fiscal year 2017, the county did an advanced bond refinancing on \$8,030,000 existing debt with savings exceeding 6%, \$500,000, over the life of the bonds, but will not extend the maturity dates of the debt. The county also issued a \$1,400,000 capital outlay note for the purchase of a building for the senior citizen's center; renovations to the Daniel Arthur building for the relocation of the General Sessions Court II in Oak Ridge; and other capital needs with a useful life exceeding 12 years.

With growing economic concerns around the nation and globally, Anderson County is closely monitoring the unassigned fund balances and open to long-term financing options for large capital projects if conditions warrant. The county's minimum fund balance policy to require a two-thirds approval vote by the County Commission to spend down the fund balance below \$4 million. Anderson County maintains a credit rating of Aa2 from Moody's Investor Service, which was last upgraded in 2013. The county has a strong capacity to meet its financial commitments.

For the year ended June 30, 2017, the county drew down the unassigned fund balance of the General Fund by \$719,947 for unforeseen contingencies to a total of \$3,791,841. To draw the unassigned fund balance below \$4,000,000 required two-thirds (2/3) affirmative vote by County Commission.

Anderson County adopted the County Financial Management System of 1981 in February 2016. This local option law created a county financial management office. In May 2017, the county hired a certified public accountant as its director of finance. Financial Management Policies and Procedures were adopted by County Commission.

## **Awards and Acknowledgments**

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 for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2016. This was the twenty-first consecutive year that Anderson County has achieved this prestigious award. To be awarded a Certificate of Achievement, the county had to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current CAFR continues to conform to the Certificate of Achievement for Excellence in Financial Reporting 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 (PAFR) for its annual condensed financial report. To receive this award, a government unit must publish a PAFR, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

The preparation of this report could not have been possible without the skill, effort and dedication of the entire Department of Finance. I would like to extend my sincerest gratitude to Robby Holbrook, Katherine Ajmeri, Randy Walters, Lydia Beckwith, Kevin Bowling, Royden Crocker, Sheila Davis, Zach Foster, Karen Holbrook, Paul Richardson, and Libby Smith. I would also like to thank the staff of the county's Information Technology Department for keeping our accounting system secure and operational. We also express our

appreciation to the County Mayor and County Commission for their interest, support, and leadership in the financial operations of the county.

Sincerely,

A handwritten signature in black ink, reading "Natalie Erb". The signature is written in a cursive style, with the first name "Natalie" and the last name "Erb" clearly visible. A large, sweeping loop is at the end of the signature.

Natalie Erb, CPA, CTP  
Director of Finance



Government Finance Officers Association

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

Presented to

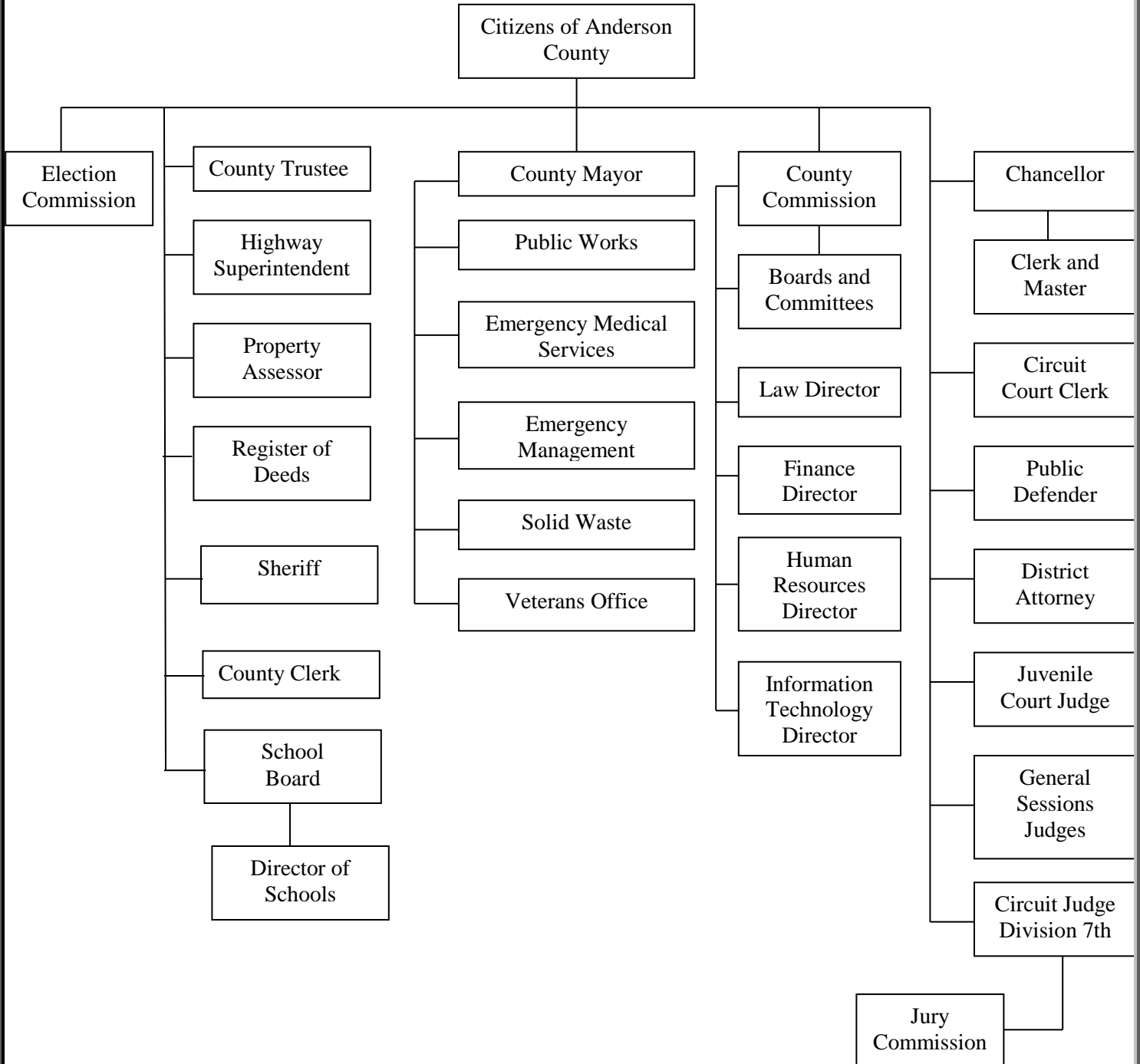
**Anderson County  
Tennessee**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

**Anderson County, Tennessee  
Organization Chart**



## Anderson County Officials

June 30, 2017

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### **Officials**

Theresa Frank, County Mayor  
Gary Long, Highway Superintendent  
Tim Parrott, Director of Schools  
Rodney Archer, Trustee  
Johnny Alley, Assessor of Property  
Jeff Cole, County Clerk  
William Jones, Circuit, General Sessions, and Juvenile Courts Clerk  
Harold Cousins, Jr., Clerk and Master  
Tim Shelton, Register of Deeds  
Paul White, Sheriff  
Natalie Erb, CPA, CTP, Finance Director

### **Board of County Commissioners**

Steve Emert, Chairman	Steve Mead
Mark Alderson	Rick Meredith
Jerry Creasey	Theresa Scott
Chuck Fritts	Shain Vowell
Whitey Hitchcock	Tracy Wandell
Tim Isbel	Phil Warfield
Myron Iwanski	Jerry White
Robert McKamey	Phil Yager

### **Financial Management Committee**

Myron Iwanski, Chairman	Chuck Fritts
Theresa Frank, County Mayor	Tim Isbel
Gary Long, Highway Superintendent	Phil Warfield
Tim Parrott, Director of Schools	



## Anderson County Officials (Cont.)

### **Board of Education**

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

Glenda Langenberg  
Andy McKamey  
Teresa Portwood  
Jo Williams

### **Audit Committee**

Myron Iwanski, Chairman  
Gail Cook  
Steve Emert  
Chuck Fritts

Steve Mead  
Whitey Hitchcock  
Phil Warfield

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## FINANCIAL SECTION

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

Independent Auditor's Report

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, 2017, 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 3.1 percent, 4.4 percent, and .7 percent, respectively, of the assets, net position, and revenues of 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 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, 2017, 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.

### ***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 through 36 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 133 through 140 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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), miscellaneous schedules, and schedule of expenditures of federal awards 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 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), miscellaneous schedules, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

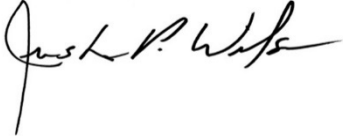
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with Government Auditing Standards, we have also issued our report dated November 29, 2017, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Anderson County's 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 a long vertical line extending downwards from the end.

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

November 29, 2017

JPW/sb

**Anderson County, Tennessee  
Management's Discussion and Analysis  
For the Year Ended June 30, 2017**

As management for Anderson County, Tennessee, we offer readers of Anderson County's financial statements, this narrative overview and analysis of financial activities of Anderson County for the year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of Anderson County Primary Government exceeded liabilities and deferred inflows at the end of the fiscal year by \$2,964,173 (net position). Of this amount, a negative \$20,134,415 represents unrestricted net position.
- Anderson County's total net position increased by \$2,948,277.
- At the end of the fiscal year, Anderson County's governmental funds reported combined fund balances of \$21,232,181, an increase of \$93,436 in comparison with the prior year. Approximately 18% of this amount or \$3,791,841 is available for spending at the county's discretion (*unassigned fund balance*).
- At the end of the fiscal year, unrestricted fund balance (the total of the *committed*, *assigned* and *unassigned* components of *fund balance*) for the General Fund was \$6,765,239, or approximately 26% of total General Fund expenditures.
- Anderson County's total outstanding long-term debt for governmental activities decreased \$1,288,560 or approximately 2% during the current fiscal year.

**OVERVIEW OF THE FINANCIAL REPORT**

The discussion and analysis provided here are intended to serve as an introduction to Anderson County's basic financial statements. Anderson County's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents information on the all of Anderson County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator

of whether the financial position of Anderson County is improving or deteriorating.

The *statement of activities* presents information showing how Anderson County'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 Anderson County 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 Anderson County include general government, finance; administration of justice; public safety; public health and welfare; social, cultural and recreational services; agricultural and natural resources; highway/public works; education; and interest on long-term debt.

The government-wide financial statements include not only Anderson County government itself (known as the *primary government*), but also a legally separate school system for which the Anderson County government is financially accountable. These statements also include a legally separate E-911 district. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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

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

**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*.

Anderson County maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Highway/Public Works, and General Debt Service funds, 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 form of combining statements in the combining and individual fund financial statements and schedules of this report.

Anderson County adopts an annual appropriated budget for the primary government's General Fund, Highway/Public Works Fund, General Debt Service Fund, the discretely presented component unit (DPCU) School Department's General Purpose School Fund.

The DPCU School Department maintains five individual governmental funds. The General Purpose School 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.

Budgetary comparison statements have been provided for these funds to demonstrate compliance with their budgets.

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

***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, the 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 on Exhibits D-1 through D-3 and I-1 through I-3 of this report.

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

The basic fiduciary funds financial statement can be found on Exhibit E-1 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the table of contents.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report presents required supplementary information concerning pension information and other postemployment benefits information. This required information has been presented in the required supplementary information section of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the required supplementary information. Combining and individual fund statements and schedules can be found in the table of contents.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position (surplus or deficit) may serve as a useful indicator of a government's financial position. In the case of Anderson County, assets and deferred outflows exceeded its liabilities and deferred inflows by \$2,964,173 at the close of the most recent fiscal year. The Constitution for the State of Tennessee only allows the local legislative body authorization to issue debt. Therefore, whenever the Anderson County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the Anderson County Government. As of June 30, 2017 Anderson County had outstanding debt totaling \$54,527,185. Of the county's total outstanding debt, \$33,196,724 is for capital purposes of the Anderson County Board of Education.

### Anderson County's Statement of Net Position – Primary Government

	Governmental Activities	
	2017	2016
Current and Other Assets	\$ 43,361,180	\$ 42,296,004
Capital Assets	33,111,231	33,313,680
Total Assets	<u>\$ 76,472,411</u>	<u>\$ 75,609,684</u>
Total Deferred Outflows of Resources	\$ 2,820,754	\$ 957,732
Long-term Liabilities	\$ 55,840,289	\$ 57,047,600
Other Liabilities	2,489,298	1,858,155
Total Liabilities	<u>\$ 58,329,587</u>	<u>\$ 58,905,755</u>
Total Deferred Inflows of Resources	\$ 18,559,015	\$ 18,554,099
Net Position:		
Net Investment in Capital Assets	\$ 13,178,548	\$ 13,682,164
Restricted	9,408,283	10,375,713
Unrestricted	(20,182,268)	(24,950,315)
Total Net Position	<u>\$ 2,404,563</u>	<u>\$ (892,438)</u>

### Anderson County's Statement of Net Position – DPCU School Department

	Governmental Activities	
	2017	2016
Current and Other Assets	\$ 25,182,001	\$ 23,985,231
Capital Assets	45,191,349	46,675,277
Total Assets	<u>\$ 70,373,350</u>	<u>\$ 70,660,508</u>
Total Deferred Outflows of Resources	\$ 9,652,645	\$ 3,517,707
Long-term Liabilities	\$ 6,575,780	\$ 2,044,486
Other Liabilities	2,700,113	2,423,754
Total Liabilities	<u>\$ 9,275,893</u>	<u>\$ 4,468,240</u>
Total Deferred Inflows of Resources	\$ 21,370,038	\$ 22,857,136
Net Position:		
Net Investment in Capital Assets	\$ 45,191,349	\$ 46,675,277
Restricted	1,923,646	2,629,942
Unrestricted	2,265,069	(2,452,380)
Total Net Position	<u>\$ 49,380,064</u>	<u>\$ 46,852,839</u>

## Anderson County's Statement of Net Position – Ambulance Service Fund

	Business-Type Activities	
	2017	2016
Current and Other Assets	\$ (9,194)	\$ 671,173
Capital Assets	661,143	829,561
Total Assets	<u>\$ 651,949</u>	<u>\$ 1,500,734</u>
Total Deferred Outflows of Resources	\$ 478,150	\$ 210,985
Long-term Liabilities	\$ 284,140	\$ 279,998
Other Liabilities	123,530	205,911
Total Liabilities	<u>\$ 407,670</u>	<u>\$ 485,909</u>
Total Deferred Inflows of Resources	\$ 162,819	\$ 317,476
Net Position:		
Net Investment in Capital Assets	\$ 511,757	\$ 687,200
Restricted	0	265,079
Unrestricted	47,853	(43,945)
Total Net Position	<u>\$ 559,610</u>	<u>\$ 908,334</u>

By far, the largest portion of Anderson County's net position totaling \$13,178,548 for the Governmental Activities and \$661,143 for the Business-type Activities reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure) less any related outstanding debt used to acquire those assets; the total for the DPCU School Department is \$45,191,349. Anderson County uses these capital assets to provide a variety of services to citizens. Accordingly, these assets are not available for future spending. Although Anderson County's 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 these liabilities.

An additional portion of Anderson County's Governmental Activities net position totaling \$9,408,283 represents resources that are subject to external restrictions on how they may be used; the total for the DPCU School Department is \$1,923,646.

Anderson County's Governmental Activities unrestricted net position is a negative \$20,182,268; the DPCU School Department is \$2,265,069. The negative balance represents non-capital related asset net of Anderson County's Government Activities debt.

**Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$3,297,001 from the prior fiscal year for an ending balance of \$2,404,563.

Revenues on the government-wide Statement of Activities are broken into two major categories, program and general revenues.

Program revenues are composed of 3 types: charges for services (arise from charges to customers), operating grants and contributions (restricted for a specific purpose), and capital grants and contributions (restricted for a specific purpose).

General revenues are all revenues that do not qualify as program revenues and are the largest revenue source. The largest single revenue sources within this major category are local taxes for the county and state and federal – unrestricted for the DPCU School Department.

### **Anderson County's Statement of Activities – Primary Government**

	Governmental Activities	
	2017	2016
Program Revenues:		
Charges for Services	\$ 7,946,373	\$ 8,215,104
Operating Grants and Contributions	3,163,801	3,099,104
Capital Grants and Contributions	1,882,756	717,325
General Revenues:		
Local Taxes	20,858,226	20,502,681
Grants and Contributions Not Restricted to Specific Programs	4,934,772	5,013,622
Unrestricted Investment Income	33,688	25,252
Miscellaneous	71,469	26,921
Total Revenues	\$ 38,891,085	\$ 37,600,009
Expenses:		
General Government	\$ 5,525,125	\$ 4,722,322
Finance	2,957,033	2,833,421
Administration of Justice	2,866,798	3,045,914
Public Safety	13,275,663	13,040,212
Public Health and Welfare	3,447,087	2,918,888
Social, Cultural and Recreational Services	1,254,501	1,145,163
Agricultural and Natural Resources	246,231	228,116
Highways	4,032,399	2,464,000
Education	0	1,200,000
Interest on Long-term Debt	2,006,374	1,892,076
Total Expenses	\$ 35,611,211	\$ 33,490,112
Increase (decrease) in Net Position Before Transfers	3,279,874	4,109,897
Transfers In (Out)	17,127	(172,312)
Increase (Decrease) in Net Position	\$ 3,297,001	\$ 3,937,585
Net Position, July 1	(892,438)	(4,830,023)
Net Position, June 30	\$ 2,404,563	\$ (892,438)

### Anderson County's Statement of Activities – DPCU School Department

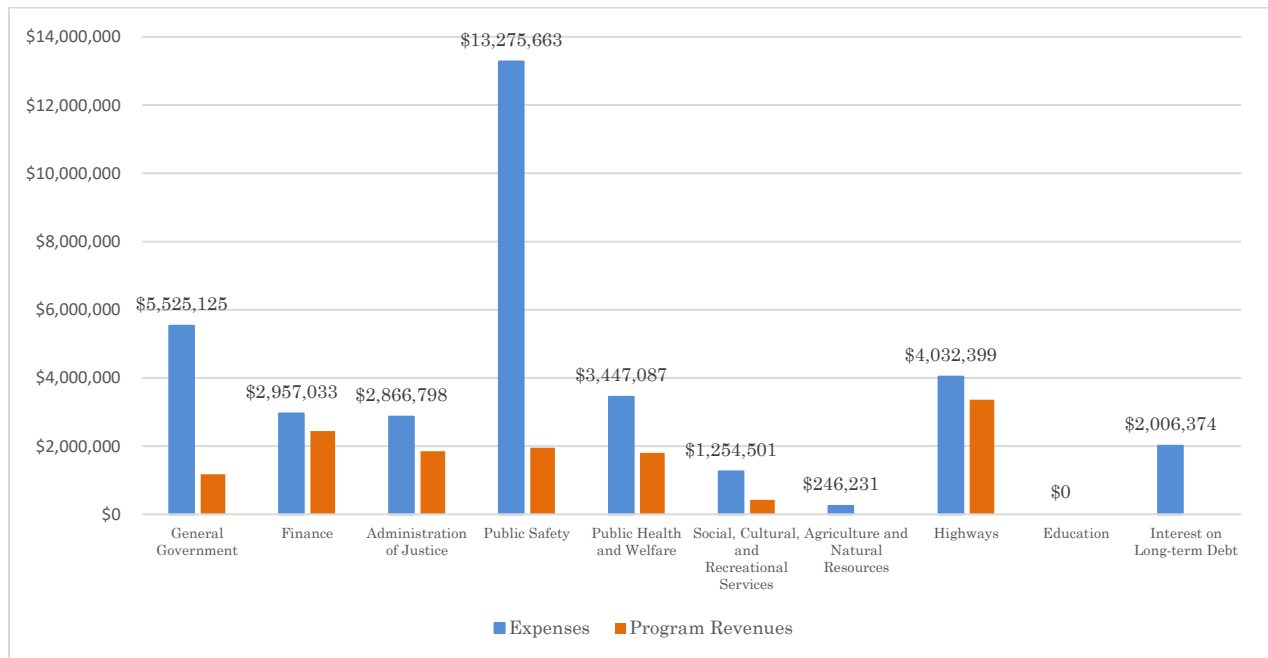
	Governmental Activities	
	2017	2016
Program Revenues:		
Charges for Services	\$ 905,991	\$ 850,109
Operating Grants and Contributions	12,041,535	11,501,429
Capital Grants and Contributions	176,553	1,355,263
General Revenues:		
Local Taxes	24,193,315	22,839,661
State and Federal – Unrestricted	31,360,868	30,038,500
Pension Income	0	0
Investment Income	9,159	7,288
Miscellaneous	241,857	163,312
Total Revenues	<u>\$ 68,929,278</u>	<u>\$ 66,755,562</u>
Expenses:		
Education	<u>\$ 66,402,053</u>	<u>\$ 63,384,567</u>
Total Expenses	<u>\$ 66,402,053</u>	<u>\$ 63,384,567</u>
Increase (Decrease) in Net Position	\$ 2,527,225	\$ 3,370,995
Net Position, July 1	46,852,839	43,481,844
Restatement – Pension Liability	0	0
Net Position, June 30	<u><u>\$ 49,380,064</u></u>	<u><u>\$ 46,852,839</u></u>

### Anderson County's Statement of Activities – Ambulance Service

	Business-Type Activities	
	2017	2016
Revenues:		
Charges for Services	\$ 5,243,281	\$ 4,912,868
Miscellaneous	2,416	0
Total Revenues	<u>\$ 5,245,697</u>	<u>\$ 4,912,868</u>
Expenses:		
Ambulance Service	<u>\$ 5,577,294</u>	<u>\$ 5,542,626</u>
Total Expenses	<u>\$ 5,577,294</u>	<u>\$ 5,542,626</u>
Income (Loss) Before Transfers	\$ (331,597)	\$ (629,758)
Transfers In (Out)	(17,127)	172,312
Increase (Decrease) in Net Position	\$ (348,724)	\$ (457,446)
Net Position, July 1	908,334	1,365,780
Net Position, June 30	<u><u>\$ 559,610</u></u>	<u><u>\$ 908,334</u></u>

The total net position for the Ambulance Service Fund is decreasing due to operating expenses exceeding operating revenues for the past several years.

## Anderson County Expense and Program Revenue for Governmental Activities



Program expenses exceed program revenues for governmental activities by (\$22,618,281). Expenses for Public Safety, General Government, and Highways are the largest expenses of Anderson County, which when combined total \$22,833,187 and are 64% of total expenses.

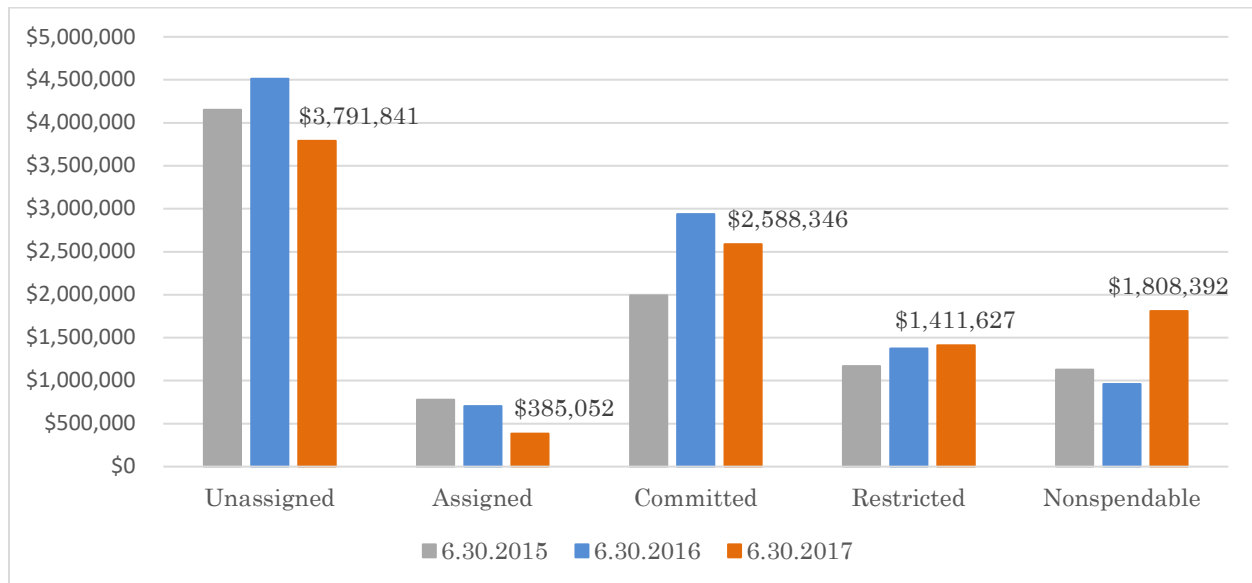
## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

The focus of Anderson County's *governmental funds* is to provide information on the near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing Anderson County government's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, Anderson County Government itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes.

At June 30, 2017, Anderson County's governmental funds reported combined ending fund balances of \$21,232,181, an increase of \$93,436, in comparison with the prior year. Approximately 18% of this amount or \$3,791,841 constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder or fund balance is either restricted, committed, or assigned to indicate that it is (1) nonspendable, \$2,038,931; (2) restricted for particular purposes, \$11,548,307; (3) committed for particular purposes, \$3,468,050; or (4) assigned for particular purposes, \$385,052.

## Anderson County General Fund Components of Fund Balance



The General Fund is the chief operating fund of Anderson County. At the end of the current fiscal year, unassigned fund balance decreased to \$3,791,841 and the total fund balance decreased to \$9,985,258. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. The General Fund's liquidity decreased in the current fiscal year due to the increase in total General Fund expenditures.

### Anderson County's General Fund Liquidity

	2017	2016
Total General Fund Expenditures	\$ 26,389,287	\$ 24,198,665
Unassigned Fund Balance to	14%	19%
Total General Fund Expenditures		
Total Fund Balance to	38%	43%
Total General Fund Expenditures		

The Highway/Public Works Fund balance was \$3,107,083, which is a decrease of \$401,572 from 2016. This decrease resulted from an increase in expenditures for capital outlay of highway construction. This fund balance represents 70% of current year expenditures.

The General Debt Service Fund balance was \$3,306,294, which is an increase of \$172,758 from 2016. This balance represents 188% 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 the close of fiscal year, the fund balance of this fund was \$4,891,016, with an unassigned balance of \$3,673,308. The balance in this fund increased \$1,013,095 during the fiscal year. The unassigned balance represents 7% of current year expenditures.



## BUDGETARY HIGHLIGHTS

**Original budget compared to final budget.** During the fiscal year, appropriations from the original budget increased in the General Fund. These differences are summarized in the following table:

General Fund Appropriations	Original	Amended	Increase (Decrease)
General Government	\$ 3,867,942	\$ 4,287,480	\$ 419,538
Finance	3,009,925	3,280,196	270,271
Administration of Justice	3,208,881	3,232,249	23,368
Public Safety	13,059,117	13,795,742	736,625
Public Health and Welfare	1,453,731	1,665,716	211,985
Social, Cultural and Recreational Services	78,828	112,421	33,593
Agricultural and Natural Resources	258,715	261,715	3,000
Other Operations	866,342	1,525,198	658,856
Capital Projects	263,392	1,268,214	1,004,822
Total Net Position	\$ 26,066,873	\$ 29,428,931	\$ 3,362,058

The increase in the Capital Projects budget was primarily due to several additional public safety and public utility projects. These grants are funded through federal and state programs, such as community block development grants, safe routes to school grant, and office of surface mining.

The increase in the Other Operations budget was due to Industrial Development projects that included contributions for the Tennessee College of Applied Technology facility and repaving roads at an industrial park.

The increase in Public Safety budget was due to sheriff's operations and civil defense. The budget for sheriff operations increased to purchase law enforcement vehicles and equipment and for the increase in inmate medical claims. The budget for civil defense increased federal grants for hazard mitigation and emergency management programs.

For the DPCU Schools Department's General Purpose School Fund, the differences in the original and final budget's appropriations increased by \$2,005,329 compared to an original budget of \$55,748,498.

Additional details on revenue and expenditures differences can be found on Exhibits C-5 and K-8 of this report.

**Final budget compared to actual results.** The most significant differences between estimated revenues and actual revenues in the General Fund were from the State of Tennessee for \$876,064 less than anticipated.

At the close of the fiscal year, General Fund actual expenditures and encumbrances were \$2,772,784 less than budgetary estimates. A review of actual expenditures compared with the appropriations in the final budget resulted in the following significant variances:

- In the Public Safety function, the Sheriff's Department and Jail expenditures were \$5,181,104 and \$5,948,446, respectively, which required increased appropriations. Of the increased appropriations as previously discussed, 60% of the variance was attributable to overtime payments due to vacant positions and payments for unspent compensation, payroll tax and fringe benefits.
- In the Public Health and Welfare function, the appropriations for Local Health Center and Other Local Health Services were increased during the fiscal year, but the actual expenses were not incurred. For the Local Health Center, funds were appropriated for reimbursement grant projects for \$75,000 in building improvements and \$21,000 in other grant-related activities, but the expenses were not incurred prior to the end of the fiscal year. For Other Local Health Services, 90% of the variance was attributable to unspent compensation, payroll tax and fringe benefits.
- In the Capital Projects, the appropriations for Public Safety Projects and Public Utilities Projects were increased during the fiscal year, but the actual expenses were not incurred. As previously discussed, several grant-related projects were approved and appropriated for, but the actual expenses were not incurred prior to the end of the fiscal year.

It should be noted that the Data Processing department was created in the Finance Function during the fiscal year. With actual expenses of \$187,941, this department is composed of 2 full-time staff, who serve the information technology needs across the various departments, offices and agencies throughout the county.

For the General Purpose Schools Department, revenues from Local Taxes were \$1,381,122 more than anticipated and the State of Tennessee were \$988,615 less than anticipated.

At the close of the fiscal year, the General Purpose Schools Department expenditures were \$2,541,603 less than budgetary estimates.

**Proprietary Funds.** Anderson County's proprietary funds provide the same type of information found in the government-wide financial statements.

#### **Net Position of Internal Service Funds**

	Proprietary Funds	
	2017	2016
Employee Health Insurance Fund	\$ 253,925	\$ (97,386)
Channel 95	206,618	133,464

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

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** Anderson County's investment in capital assets for its governmental activities as of June 30, 2017, totals \$33,111,231 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, other capital assets (includes equipment), and infrastructure (roads, highways, and bridges). The total decrease in capital assets for the current fiscal year was approximately .6%.

### Anderson County's Capital Assets (net of depreciation)

	Governmental Activities	
	2017	2016
Land	\$ 1,715,743	\$ 1,715,743
Construction in Progress	19,000	14,000
Buildings and Improvements	21,746,267	22,433,700
Other Capital Assets	3,780,254	3,321,836
Infrastructure	5,849,967	5,828,401
Total	<u>\$ 33,111,231</u>	<u>\$ 33,313,680</u>

Additional information on Anderson County's capital assets can be found in Note IV.B. of the notes to the financial statements.

**Long-term Debt.** At the end of the 2017 fiscal year, Anderson County government had total debt outstanding of \$54,527,185. All debt is backed by the full faith and credit of the government.

### Anderson County's Outstanding Debt

	Governmental Activities	
	2017	2016
Notes Payable	\$ 2,630,562	\$ 1,682,802
Other Loans Payable	10,663,455	11,350,279
Bonds Payable	40,500,000	41,865,000
Capital Lease Payable	570,168	754,664
Business-Type Notes Payable	163,000	194,000
Total	<u>\$ 54,527,185</u>	<u>\$ 55,846,745</u>

Anderson County's total debt decreased \$1,319,560 or approximately 2% during the current fiscal year.

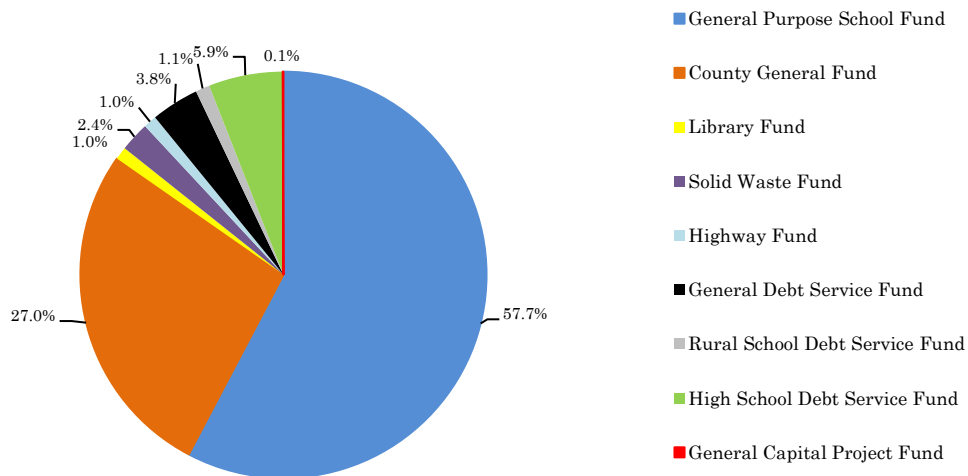
Currently state statutes do not limit the amount of general obligation debt a government entity may issue. Anderson County's bond rating from Moody's Investor Services was affirmed at Aa2 in April 2017.

Additional information on Anderson County government's long-term debt can be found in Exhibits L-1, L-2, and Note IV.G. of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors currently affect Anderson County and were considered in developing the 2017-18 fiscal year budget:

- The unemployment rate for Anderson County is currently 4.6%, which is 0.5% less than the rate a year ago.
- County Commission approved the same total tax rate of \$2.7903 for the last three tax years; however, allocation of this rate changed between funds.



- The county plans to utilize \$292,135 of unassigned fund balance to balance the General Fund budget. This amount decreased 48% from \$557,749 for the previous fiscal year's budget.
- Interest rates are expected to remain at low levels throughout the fiscal year.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Anderson County's finances for all those with an interest in the government's financial information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Anderson County Director of Finance, 100 North Main Street, Room 210, Clinton, Tennessee 37716-3625.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

Anderson County, Tennessee  
Statement of Net Position  
June 30, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Anderson County School Department	Emergency Communica- tions District
<u>ASSETS</u>					
Cash	\$ 190,348	\$ 0	\$ 190,348	\$ 9,984	\$ 1,535,703
Equity in Pooled Cash and Investments	19,380,060	272,407	19,652,467	6,412,019	0
Inventories	32,389	0	32,389	89,994	0
Investments	18,733	0	18,733	0	0
Accounts Receivable	366,835	1,868,239	2,235,074	13,557	0
Allowance for Uncollectible	0	(1,119,626)	(1,119,626)	0	0
Due from Other Governments	2,356,611	0	2,356,611	2,267,754	0
Due from Primary Government	0	0	0	24,159	0
Internal Balances	1,185,508	(1,185,508)	0	0	0
Due from Component Units	478,497	0	478,497	0	0
Property Taxes Receivable	19,057,488	0	19,057,488	16,118,699	0
Allowance for Uncollectible Property Taxes	(699,537)	0	(699,537)	(603,145)	0
Prepaid Items	994,248	155,294	1,149,542	807,810	37,850
Net Pension Asset - Teacher Retirement Plan	0	0	0	41,170	0
Capital Assets:					
Assets Not Depreciated:					
Land	1,715,743	82,950	1,798,693	865,214	0
Construction in Progress	19,000	0	19,000	0	0
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	21,746,267	281,897	22,028,164	42,001,018	0
Other Capital Assets	3,780,254	296,296	4,076,550	2,325,117	686,377
Infrastructure	5,849,967	0	5,849,967	0	0
Total Assets	<u>\$ 76,472,411</u>	<u>\$ 651,949</u>	<u>\$ 77,124,360</u>	<u>\$ 70,373,350</u>	<u>\$ 2,259,930</u>

(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	\$ 550,709	\$ 0	\$ 550,709	\$ 0	\$ 0
Pension Changes in Experience	77,500	16,326	93,826	254,620	0
Net Pension Changes in Investment Earnings	1,254,406	264,245	1,518,651	6,159,526	0
Pension Contributions After Measurement Date	938,139	197,579	1,135,718	3,133,329	0
Other Pension Deferrals	0	0	0	105,170	0
Total Deferred Outflows of Resources	\$ 2,820,754	\$ 478,150	\$ 3,298,904	\$ 9,652,645	\$ 0
<u>LIABILITIES</u>					
Accounts Payable	\$ 532,990	\$ 67,441	\$ 600,431	\$ 1,342,269	\$ 8,386
Accrued Payroll	259,133	53,401	312,534	3,993	0
Accrued Interest Payable	295,486	0	295,486	0	0
Payroll Deductions Payable	22,457	2,688	25,145	875,306	0
Contracts Payable	1,167,714	0	1,167,714	0	0
Due to Primary Government	0	0	0	478,497	0
Due to Component Units	24,159	0	24,159	0	0
Due to State of Tennessee	1,115	0	1,115	17	0
Other Current Liabilities	186,244	0	186,244	31	0
Noncurrent Liabilities:					
Due Within One Year	4,198,267	96,798	4,295,065	315,111	0
Due in More Than One Year	51,642,022	187,342	51,829,364	6,260,669	0
Total Liabilities	\$ 58,329,587	\$ 407,670	\$ 58,737,257	\$ 9,275,893	\$ 8,386
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 17,786,090	\$ 0	\$ 17,786,090	\$ 15,008,449	\$ 0
Pension Changes in Experience	772,925	162,819	935,744	6,312,577	0
Pension Other Deferrals	0	0	0	49,012	0
Total Deferred Inflows of Resources	\$ 18,559,015	\$ 162,819	\$ 18,721,834	\$ 21,370,038	\$ 0

(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>NET POSITION</u>					
Net Investment in Capital Assets	\$ 13,178,548	\$ 511,757	\$ 13,690,305	\$ 45,191,349	\$ 686,377
Restricted for:					
General Government	88,864	0	88,864	0	0
Finance	55,224	0	55,224	0	0
Administration of Justice	724,192	0	724,192	0	0
Public Safety	714,484	0	714,484	0	0
Public Health and Welfare	525,220	0	525,220	0	0
Social, Cultural, and Recreational Services	580,214	0	580,214	0	0
Highway/Public Works	3,677,601	0	3,677,601	0	0
Debt Service	3,001,213	0	3,001,213	0	0
Capital Projects	41,271	0	41,271	398,713	0
Education	0	0	0	1,483,763	0
Pensions	0	0	0	41,170	0
Unrestricted	(20,182,268)	47,853	(20,134,415)	2,265,069	1,565,167
Total Net Position	\$ 2,404,563	\$ 559,610	\$ 2,964,173	\$ 49,380,064	\$ 2,251,544

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, 2017

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	\$ 5,525,125	\$ 992,532	\$ 180,021	\$ 0	\$ (4,352,572)	\$ 0	\$ (4,352,572)	\$ 0	\$ 0
Finance	2,957,033	2,438,941	0	0	(518,092)	0	(518,092)	0	0
Administration of Justice	2,866,798	1,751,231	95,237	0	(1,020,330)	0	(1,020,330)	0	0
Public Safety	13,275,663	1,513,344	418,703	18,985	(11,324,631)	0	(11,324,631)	0	0
Public Health and Welfare	3,447,087	782,134	196,140	821,436	(1,647,377)	0	(1,647,377)	0	0
Social, Cultural, and Recreational Services	1,254,501	315,728	104,758	0	(834,015)	0	(834,015)	0	0
Agriculture and Natural Resources	246,231	0	0	0	(246,231)	0	(246,231)	0	0
Highways	4,032,399	152,463	2,168,942	1,042,335	(668,659)	0	(668,659)	0	0
Debt Service:									
Interest on Long-term Debt	2,006,374	0	0	0	(2,006,374)	0	(2,006,374)	0	0
Total Governmental Activities	\$ 35,611,211	\$ 7,946,373	\$ 3,163,801	\$ 1,882,756	\$ (22,618,281)	\$ 0	\$ (22,618,281)	\$ 0	\$ 0
Business-type Activities:									
Ambulance Service	\$ 5,577,294	\$ 5,243,281	\$ 0	\$ 0	\$ 0	\$ (334,013)	\$ (334,013)	\$ 0	\$ 0
Total Business-type Activities	\$ 5,577,294	\$ 5,243,281	\$ 0	\$ 0	\$ 0	\$ (334,013)	\$ (334,013)	\$ 0	\$ 0
Total Primary Government	\$ 41,188,505	\$ 13,189,654	\$ 3,163,801	\$ 1,882,756	\$ (22,618,281)	\$ (334,013)	\$ (22,952,294)	\$ 0	\$ 0
Component Units:									
Anderson County School Department	\$ 66,402,053	\$ 905,991	\$ 12,041,535	\$ 176,553	\$ 0	\$ 0	\$ 0	\$ (53,277,974)	\$ 0
Emergency Communications District	416,886	432,045	50,000	0	0	0	0	0	65,159
Total Component Units	\$ 66,818,939	\$ 1,338,036	\$ 12,091,535	\$ 176,553	\$ 0	\$ 0	\$ 0	\$ (53,277,974)	\$ 65,159

(Continued)

Exhibit B

Anderson County, Tennessee  
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position				
								Component Units	
								Anderson	Emergency
								County	Communica-
								School	tions
Functions/Programs	Expenses	Charges for	Operating	Capital	Governmental	Business-type	Total	Department	District
		Services	Grants and	Grants and	Activities	Activities			
			Contributions	Contributions					
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 14,203,111	\$ 0	\$ 14,203,111	\$ 16,099,266	\$ 0
Property Taxes Levied for Debt Service					3,550,249	0	3,550,249	0	0
Property Taxes Levied for Capital Projects					30,712	0	30,712	0	0
Local Option Sales Taxes					954,828	0	954,828	8,087,321	0
Hotel/Motel Tax					364,465	0	364,465	0	0
Litigation Tax					366,881	0	366,881	0	0
Business Tax					1,024,707	0	1,024,707	0	0
Wholesale Beer Tax					152,116	0	152,116	0	0
Mineral and Coal Severance Tax					115,696	0	115,696	0	0
Gas and Oil Severance Tax					53,666	0	53,666	0	0
Other Local Taxes					41,795	0	41,795	6,728	0
Grants and Contributions Not Restricted to Specific Programs					4,934,772	0	4,934,772	31,360,868	0
Unrestricted Investment Income					33,688	0	33,688	9,159	8,210
Miscellaneous					71,469	2,416	73,885	241,857	0
Total General Revenues					\$ 25,898,155	\$ 2,416	\$ 25,900,571	\$ 55,805,199	\$ 8,210
Transfers In (Out)					\$ 17,127	\$ (17,127)	\$ 0	\$ 0	\$ 0
Change in Net Position					\$ 3,297,001	\$ (348,724)	\$ 2,948,277	\$ 2,527,225	\$ 73,369
Net Position, July 1, 2016					(892,438)	908,334	15,896	46,852,839	2,178,175
Net Position, June 30, 2017					\$ 2,404,563	\$ 559,610	\$ 2,964,173	\$ 49,380,064	\$ 2,251,544

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, 2017

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 52,323	\$ 0	\$ 0	\$ 2,227	\$ 54,550
Equity in Pooled Cash and Investments	7,671,402	3,547,555	3,342,665	4,761,982	19,323,604
Inventories	0	32,389	0	0	32,389
Accounts Receivable	113,286	3,012	5,136	130,515	251,949
Due from Other Governments	819,442	1,516,294	0	20,875	2,356,611
Due from Other Funds	1,390,769	17,188	0	23,801	1,431,758
Due from Component Units	109,556	15,923	0	16,856	142,335
Property Taxes Receivable	13,085,163	506,815	1,851,352	3,614,158	19,057,488
Allowance for Uncollectible Property Taxes	(477,757)	(18,819)	(68,741)	(134,220)	(699,537)
Prepaid Items	781,605	174,600	0	23,550	979,755
Total Assets	<u>\$ 23,545,789</u>	<u>\$ 5,794,957</u>	<u>\$ 5,130,412</u>	<u>\$ 8,459,744</u>	<u>\$ 42,930,902</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 168,277	\$ 194,921	\$ 9,153	\$ 122,519	\$ 494,870
Accrued Payroll	230,327	17,041	0	10,879	258,247
Payroll Deductions Payable	20,842	1,006	0	540	22,388
Contracts Payable	46,974	1,120,740	0	0	1,167,714
Due to Other Funds	175,124	178,331	27,686	22,221	403,362
Due to Component Units	15,000	0	9,159	0	24,159
Other Current Liabilities	22,200	0	0	0	22,200
Sales Tax	1,115	0	0	0	1,115
Total Liabilities	<u>\$ 679,859</u>	<u>\$ 1,512,039</u>	<u>\$ 45,998</u>	<u>\$ 156,159</u>	<u>\$ 2,394,055</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	\$ 12,216,773	\$ 472,310	\$ 1,725,313	\$ 3,371,694	\$ 17,786,090
Deferred Delinquent Property Taxes	360,028	14,472	52,807	98,345	525,652
Other Deferred/Unavailable Revenue	303,871	689,053	0	0	992,924
Total Deferred Inflows of Resources	<u>\$ 12,880,672</u>	<u>\$ 1,175,835</u>	<u>\$ 1,778,120</u>	<u>\$ 3,470,039</u>	<u>\$ 19,304,666</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 0	\$ 32,389	\$ 0	\$ 0	\$ 32,389
Long-term Receivable	1,026,787	0	0	0	1,026,787
Prepaid Items	781,605	174,600	0	23,550	979,755
Restricted:					
Restricted for General Government	88,864	0	0	0	88,864
Restricted for Finance	55,224	0	0	0	55,224
Restricted for Administration of Justice	724,192	0	0	500,000	1,224,192
Restricted for Public Safety	352,428	0	0	359,056	711,484
Restricted for Public Health and Welfare	190,919	0	0	293,637	484,556
Restricted for Social, Cultural, and Recreational Services	0	0	0	1,162,005	1,162,005
Restricted for Highways/Public Works	0	2,900,094	0	0	2,900,094
Restricted for Capital Outlay	0	0	0	40,328	40,328
Restricted for Debt Service	0	0	3,040,589	1,487,971	4,528,560
Restricted for Capital Projects	0	0	0	353,000	353,000
Committed:					
Committed for General Government	270,356	0	0	0	270,356
Committed for Finance	163,708	0	0	0	163,708
Committed for Public Safety	255,750	0	0	2,104	257,854

(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	\$ 66,895	\$ 0	\$ 0	\$ 0	\$ 66,895
Committed for Social, Cultural, and Recreational Services	50,000	0	0	0	50,000
Committed for Highways/Public Works	284,608	0	0	0	284,608
Committed for Capital Outlay	4,623	0	0	0	4,623
Committed for Debt Service	0	0	265,705	114,995	380,700
Committed for Capital Projects	996,012	0	0	496,900	1,492,912
Committed for Other Purposes	496,394	0	0	0	496,394
Assigned:					
Assigned for General Government	381,552	0	0	0	381,552
Assigned for Administration of Justice	3,500	0	0	0	3,500
Unassigned	3,791,841	0	0	0	3,791,841
Total Fund Balances	<u>\$ 9,985,258</u>	<u>\$ 3,107,083</u>	<u>\$ 3,306,294</u>	<u>\$ 4,833,546</u>	<u>\$ 21,232,181</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 23,545,789</u>	<u>\$ 5,794,957</u>	<u>\$ 5,130,412</u>	<u>\$ 8,459,744</u>	<u>\$ 42,930,902</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, 2017

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)		\$ 21,232,181
(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	19,000	
Add: infrastructure net of accumulated depreciation	5,849,967	
Add: buildings and improvements net of accumulated depreciation	21,697,379	
Add: other capital assets net of accumulated depreciation	<u>3,662,958</u>	32,945,047
(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	\$ 166,184	
Add: current assets	497,628	
Less: liabilities	<u>(203,269)</u>	460,543
(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	\$ (2,630,562)	
Less: other loans payable	(10,663,455)	
Less: bonds payable	(40,500,000)	
Less: capital lease payable	(570,168)	
Add: deferred amount on refunding	550,709	
Add: debt to be contributed by the School Department	336,162	
Less: unamortized premium on debt	(584,387)	
Less: other postemployment benefits liability	(213,183)	
Less: compensated absences payable	(591,999)	
Less: accrued interest on bonds, notes, and other loans	(295,486)	
Less: net pension liability	<u>(86,535)</u>	(55,248,904)
(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	\$ 2,270,045	
Less: deferred inflows of resources related to pensions	<u>(772,925)</u>	1,497,120
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,518,576</u>
Net position of governmental activities (Exhibit A)		<u>\$ 2,404,563</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, 2017

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 17,131,579	\$ 942,347	\$ 1,755,163	\$ 3,737,360	\$ 23,566,449
Licenses and Permits	352,987	0	0	0	352,987
Fines, Forfeitures, and Penalties	438,440	0	0	67,647	506,087
Charges for Current Services	580,808	0	0	531,212	1,112,020
Other Local Revenues	564,349	152,379	5,866	46,334	768,928
Fees Received From County Officials	3,935,125	0	0	0	3,935,125
State of Tennessee	2,220,400	2,711,676	0	68,649	5,000,725
Federal Government	895,730	0	26,958	24,944	947,632
Other Governments and Citizens Groups	120,256	6,942	0	1,813,930	1,941,128
Total Revenues	\$ 26,239,674	\$ 3,813,344	\$ 1,787,987	\$ 6,290,076	\$ 38,131,081
<u>Expenditures</u>					
Current:					
General Government	\$ 3,878,980	\$ 0	\$ 0	\$ 0	\$ 3,878,980
Finance	3,044,210	0	0	0	3,044,210
Administration of Justice	2,941,456	0	0	3,500	2,944,956
Public Safety	12,964,072	0	0	103,456	13,067,528
Public Health and Welfare	1,138,713	0	0	1,564,284	2,702,997
Social, Cultural, and Recreational Services	103,005	0	0	577,205	680,210
Agriculture and Natural Resources	243,121	0	0	0	243,121
Other Operations	1,377,228	0	0	460,962	1,838,190
Highways	0	4,453,512	0	0	4,453,512
Debt Service:					
Principal on Debt	0	0	875,463	2,493,097	3,368,560
Interest on Debt	0	0	677,606	1,126,549	1,804,155
Other Debt Service	0	0	203,228	47,984	251,212

(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	\$ 698,502	\$ 0	\$ 0	\$ 225,792	\$ 924,294
Total Expenditures	\$ 26,389,287	\$ 4,453,512	\$ 1,756,297	\$ 6,602,829	\$ 39,201,925
Excess (Deficiency) of Revenues Over Expenditures	\$ (149,613)	\$ (640,168)	\$ 31,690	\$ (312,753)	\$ (1,070,844)
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 1,400,000	\$ 1,400,000
Refunding Debt Issued	0	0	8,030,000	0	8,030,000
Premiums on Debt Sold	0	0	3,157	0	3,157
Proceeds from Sale of Capital Assets	12,775	15,300	0	1,668	29,743
Insurance Recovery	6,704	7,215	0	0	13,919
Transfers In	0	253,591	0	16,100	269,691
Transfers Out	(370,592)	(37,510)	0	(282,039)	(690,141)
Payments to Refunded Debt Escrow Agent	0	0	(7,892,089)	0	(7,892,089)
Total Other Financing Sources (Uses)	\$ (351,113)	\$ 238,596	\$ 141,068	\$ 1,135,729	\$ 1,164,280
Net Change in Fund Balances	\$ (500,726)	\$ (401,572)	\$ 172,758	\$ 822,976	\$ 93,436
Fund Balance, July 1, 2016	10,485,984	3,508,655	3,133,536	4,010,570	21,138,745
Fund Balance, June 30, 2017	\$ 9,985,258	\$ 3,107,083	\$ 3,306,294	\$ 4,833,546	\$ 21,232,181

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, 2017

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)		\$	93,436
(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. These amounts do not include assets capitalized (\$119,175) and depreciated (\$4,498) in the Internal Service funds.			
Add: capital assets purchased in the current period	\$	1,275,934	
Less: current-year depreciation expense		(1,598,234)	(322,300)
(2) The effect of various miscellaneous transactions involving capital assets (sales, trades-ins, and donations) is to increase (decrease) net position:			
Add: assets donated and capitalized			5,174
(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, 2017	\$	1,518,576	
Less: deferred delinquent property taxes and other deferred June 30, 2016		(884,134)	634,442
(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 notes	\$	452,240	
Add: principal payments on other loans		686,824	
Add: principal payments on bonds		2,045,000	
Add: principal amount of bonds refunded		7,350,000	
Add: principal payments on capital leases		184,496	
Add: change in premium on debt issuances		69,930	
Less: issuance of notes		(1,400,000)	
Less: bond proceeds		(8,030,000)	
Less: contributions from the School Department for capital leases		(79,033)	
Add: change in deferred amount on refunding debt		518,725	1,798,182
(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	\$	(730)	
Change in other postemployment benefits liability		(20,530)	
Change in net pension asset/liability		(1,321,620)	
Change in deferred outflows related to pensions		1,344,297	
Change in deferred inflows related to pensions		706,299	
Change in compensated absences payable		(44,114)	663,602
(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.			424,465
Change in net position of governmental activities (Exhibit B)		\$	<u>3,297,001</u>

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, 2017

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2016	Add: Encumbrances 6/30/2017	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 17,131,579	\$ 0	\$ 0	\$ 17,131,579	\$ 16,544,092	\$ 16,544,092	\$ 587,487
Licenses and Permits	352,987	0	0	352,987	271,500	271,500	81,487
Fines, Forfeitures, and Penalties	438,440	0	0	438,440	352,050	352,050	86,390
Charges for Current Services	580,808	0	0	580,808	592,975	608,382	(27,574)
Other Local Revenues	564,349	0	0	564,349	472,963	472,963	91,386
Fees Received From County Officials	3,935,125	0	0	3,935,125	3,917,000	3,929,000	6,125
State of Tennessee	2,220,400	0	0	2,220,400	2,873,183	3,096,464	(876,064)
Federal Government	895,730	0	0	895,730	324,665	1,485,494	(589,764)
Other Governments and Citizens Groups	120,256	0	0	120,256	76,796	172,601	(52,345)
Total Revenues	\$ 26,239,674	\$ 0	\$ 0	\$ 26,239,674	\$ 25,425,224	\$ 26,932,546	\$ (692,872)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 309,071	\$ 0	\$ 0	\$ 309,071	\$ 313,224	\$ 320,717	\$ 11,646
Board of Equalization	1,370	0	0	1,370	7,393	7,393	6,023
Other Boards and Committees	332,867	0	0	332,867	378,303	371,808	38,941
County Mayor/Executive	263,419	0	0	263,419	267,052	277,640	14,221
Personnel Office	233,330	0	0	233,330	213,252	263,602	30,272
County Attorney	515,874	0	0	515,874	321,174	519,091	3,217
Election Commission	414,512	0	0	414,512	488,726	466,014	51,502
Register of Deeds	419,527	0	0	419,527	413,192	422,302	2,775
Planning	162,924	0	0	162,924	237,573	229,059	66,135
Building	76,005	0	0	76,005	50,000	98,100	22,095
County Buildings	885,324	0	0	885,324	916,761	943,930	58,606
Other General Administration	188,952	0	74,000	262,952	223,306	284,400	21,448
Preservation of Records	75,805	0	0	75,805	37,986	83,424	7,619
<u>Finance</u>							
Accounting and Budgeting	634,542	(13,155)	0	621,387	678,352	695,140	73,753
Purchasing	212,809	0	0	212,809	255,580	240,492	27,683
Property Assessor's Office	355,768	0	0	355,768	377,325	381,533	25,765

(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 7/1/2016	Add: Encumbrances 6/30/2017	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	\$ 218,814	\$ 0	\$ 0	\$ 218,814	\$ 239,109	\$ 237,080	\$ 18,266
County Trustee's Office	630,474	0	0	630,474	641,325	656,483	26,009
County Clerk's Office	803,862	0	0	803,862	818,234	849,796	45,934
Data Processing	187,941	0	0	187,941	0	219,672	31,731
<u>Administration of Justice</u>							
Circuit Court	1,096,161	0	0	1,096,161	1,203,853	1,197,355	101,194
Criminal Court	1,453	0	0	1,453	2,058	2,058	605
General Sessions Judge	546,428	0	0	546,428	557,858	558,062	11,634
Drug Court	72,769	0	0	72,769	81,086	81,086	8,317
Chancery Court	474,862	0	0	474,862	465,801	478,351	3,489
Juvenile Court	524,882	0	0	524,882	598,957	571,336	46,454
District Attorney General	56,736	0	0	56,736	47,740	79,263	22,527
Office of Public Defender	37,018	0	0	37,018	32,965	37,025	7
Judicial Commissioners	392	0	0	392	2,154	2,154	1,762
Probate Court	3,009	0	0	3,009	4,000	3,150	141
Other Administration of Justice	90,268	0	0	90,268	110,159	120,159	29,891
Courtroom Security	14,294	0	0	14,294	75,500	75,500	61,206
Victim Assistance Programs	23,184	0	0	23,184	26,750	26,750	3,566
<u>Public Safety</u>							
Sheriff's Department	5,181,104	0	0	5,181,104	5,067,333	5,330,563	149,459
Jail	5,948,446	0	0	5,948,446	5,847,862	6,104,031	155,585
Correctional Incentive Program Improvements	67,677	0	0	67,677	150,696	73,580	5,903
Commissary	980	0	0	980	25,000	25,000	24,020
Civil Defense	444,646	0	235,250	679,896	464,571	786,074	106,178
Rescue Squad	27,500	0	0	27,500	27,500	27,500	0
Other Emergency Management	678,395	0	0	678,395	833,068	801,258	122,863
County Coroner/Medical Examiner	272,104	0	0	272,104	272,104	272,104	0
Other Public Safety	343,220	0	0	343,220	370,983	375,632	32,412

(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 7/1/2016	Add: Encumbrances 6/30/2017	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare</u>							
Local Health Center	\$ 277,389	\$ 0	\$ 0	\$ 277,389	\$ 324,849	\$ 463,315	\$ 185,926
Rabies and Animal Control	106,268	0	0	106,268	143,819	131,553	25,285
Dental Health Program	312,365	0	0	312,365	399,597	419,690	107,325
Alcohol and Drug Programs	0	0	0	0	10,000	10,000	10,000
Other Local Health Services	320,571	0	0	320,571	453,346	519,038	198,467
Appropriation to State	122,120	0	0	122,120	122,120	122,120	0
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	100,005	0	0	100,005	75,828	109,421	9,416
Parks and Fair Boards	3,000	0	0	3,000	3,000	3,000	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	162,360	0	0	162,360	167,712	170,712	8,352
Soil Conservation	54,815	0	0	54,815	56,003	56,003	1,188
Storm Water Management	25,946	0	0	25,946	35,000	35,000	9,054
<u>Other Operations</u>							
Industrial Development	705,922	0	0	705,922	162,000	812,000	106,078
Veterans' Services	104,314	0	0	104,314	105,904	105,654	1,340
Other Charges	445,297	0	0	445,297	456,600	463,206	17,909
Miscellaneous	121,695	0	0	121,695	141,838	144,338	22,643
<u>Capital Projects</u>							
Public Safety Projects	4,200	(20,000)	20,000	4,200	214,256	442,512	438,312
Public Utility Projects	694,302	(29,235)	0	665,067	49,136	825,702	160,635
Total Expenditures	\$ 26,389,287	\$ (62,390)	\$ 329,250	\$ 26,656,147	\$ 26,066,873	\$ 29,428,931	\$ 2,772,784
Excess (Deficiency) of Revenues Over Expenditures	\$ (149,613)	\$ 62,390	\$ (329,250)	\$ (416,473)	\$ (641,649)	\$ (2,496,385)	\$ 2,079,912
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 12,775	\$ 0	\$ 0	\$ 12,775	\$ 0	\$ 0	\$ 12,775
Insurance Recovery	6,704	0	0	6,704	0	6,704	0

(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 7/1/2016	Add: Encumbrances 6/30/2017	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100,000	\$ 100,000	\$ (100,000)
Transfers Out	(370,592)	0	0	(370,592)	(16,100)	(379,309)	8,717
Total Other Financing Sources	\$ (351,113)	\$ 0	\$ 0	\$ (351,113)	\$ 83,900	\$ (272,605)	\$ (78,508)
Net Change in Fund Balance	\$ (500,726)	\$ 62,390	\$ (329,250)	\$ (767,586)	\$ (557,749)	\$ (2,768,990)	\$ 2,001,404
Fund Balance, July 1, 2016	10,485,984	(62,390)	0	10,423,594	4,152,389	4,152,389	6,271,205
Fund Balance, June 30, 2017	<u>\$ 9,985,258</u>	<u>\$ 0</u>	<u>\$ (329,250)</u>	<u>\$ 9,656,008</u>	<u>\$ 3,594,640</u>	<u>\$ 1,383,399</u>	<u>\$ 8,272,609</u>

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, 2017

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2016	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 942,347	\$ 0	\$ 942,347	\$ 992,562	\$ 992,562	\$ (50,215)
Other Local Revenues	152,379	0	152,379	300,000	300,000	(147,621)
State of Tennessee	2,711,676	0	2,711,676	2,294,000	2,694,000	17,676
Federal Government	0	0	0	0	859,481	(859,481)
Other Governments and Citizens Groups	6,942	0	6,942	0	0	6,942
Total Revenues	\$ 3,813,344	\$ 0	\$ 3,813,344	\$ 3,586,562	\$ 4,846,043	\$ (1,032,699)
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 236,984	\$ 0	\$ 236,984	\$ 280,808	\$ 284,808	\$ 47,824
Highway and Bridge Maintenance	1,611,715	0	1,611,715	1,779,436	2,613,268	1,001,553
Operation and Maintenance of Equipment	498,655	0	498,655	795,015	1,135,623	636,968
Other Charges	233,328	0	233,328	226,000	246,000	12,672
Capital Outlay	1,872,830	(58,634)	1,814,196	585,000	2,814,852	1,000,656
Total Expenditures	\$ 4,453,512	\$ (58,634)	\$ 4,394,878	\$ 3,666,259	\$ 7,094,551	\$ 2,699,673
Excess (Deficiency) of Revenues Over Expenditures	\$ (640,168)	\$ 58,634	\$ (581,534)	\$ (79,697)	\$ (2,248,508)	\$ 1,666,974
<u>Other Financing Sources (Uses)</u>						
Proceeds from Sale of Capital Assets	\$ 15,300	\$ 0	\$ 15,300	\$ 0	\$ 0	\$ 15,300
Insurance Recovery	7,215	0	7,215	0	0	7,215
Transfers In	253,591	0	253,591	0	253,591	0
Transfers Out	(37,510)	0	(37,510)	0	(37,510)	0
Total Other Financing Sources	\$ 238,596	\$ 0	\$ 238,596	\$ 0	\$ 216,081	\$ 22,515

(Continued)

Exhibit C-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2016	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ (401,572)	\$ 58,634	\$ (342,938)	\$ (79,697)	\$ (2,032,427)	\$ 1,689,489
Fund Balance, July 1, 2016	3,508,655	(58,634)	3,450,021	2,686,018	2,686,018	764,003
Fund Balance, June 30, 2017	<u>\$ 3,107,083</u>	<u>\$ 0</u>	<u>\$ 3,107,083</u>	<u>\$ 2,606,321</u>	<u>\$ 653,591</u>	<u>\$ 2,453,492</u>

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, 2017

	Business-type Activities Major Enterprise Fund Ambulance Service Fund	Governmental Activities Internal Service Funds
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 0	\$ 135,798
Equity in Pooled Cash and Investments	272,407	56,456
Investments	0	18,733
Accounts Receivable	1,868,239	114,886
Allowance for Uncollectibles	(1,119,626)	0
Due from Other Funds	0	157,262
Prepaid Items	155,294	14,493
Total Current Assets	<u>\$ 1,176,314</u>	<u>\$ 497,628</u>
Noncurrent Assets:		
Capital Assets:		
Assets Not Depreciated:		
Land	\$ 82,950	\$ 0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	281,897	48,888
Other Capital Assets	296,296	117,296
Total Noncurrent Assets	<u>\$ 661,143</u>	<u>\$ 166,184</u>
Total Assets	<u>\$ 1,837,457</u>	<u>\$ 663,812</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Outflows of Resources:		
Pension Changes in Experience	\$ 16,326	\$ 0
Pension Changes in Investment Earnings	264,245	0
Pension Contributions After Measurement Date	197,579	0
Total Deferred Outflows of Resources	<u>\$ 478,150</u>	<u>\$ 0</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,315,607</u>	<u>\$ 663,812</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 67,441	\$ 38,120
Accrued Payroll	53,401	886
Payroll Deductions Payable	2,688	69
Accrued Leave - Current	65,798	0
Due to Other Funds	1,185,508	150
Capital Outlay Notes Payable	31,000	0
Other Current Liabilities	0	164,044
Total Current Liabilities	<u>\$ 1,405,836</u>	<u>\$ 203,269</u>

(Continued)



Exhibit D-1

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

	Business-type Activities Major Enterprise Fund Ambulance Service Fund	Governmental Activities Internal Service Funds
<u>LIABILITIES (CONT.)</u>		
Noncurrent Liabilities:		
Capital Outlay Notes Payable - Long-term	\$ 132,000	\$ 0
Net Pension Liability	18,229	0
Accrued Leave - Long-term	3,463	0
Other Long-term Liabilities	33,650	0
Total Noncurrent Liabilities	<u>\$ 187,342</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 1,593,178</u>	<u>\$ 203,269</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Inflows of Resources:		
Pension Changes in Experience	\$ 162,819	\$ 0
Total Deferred Inflows of Resources	<u>\$ 162,819</u>	<u>\$ 0</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 511,757	\$ 166,184
Unrestricted	<u>47,853</u>	<u>294,359</u>
Total Net Position	<u>\$ 559,610</u>	<u>\$ 460,543</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, 2017

	Business-type Activities	
	Major	Governmental
	Enterprise	Activities
	Fund	Internal
	Ambulance	Service
	Service	Funds
	Fund	
<u>Operating Revenues</u>		
Charges for Services	\$ 5,243,281	\$ 4,148,312
Licenses and Permits	0	134,542
Total Operating Revenues	<u>\$ 5,243,281</u>	<u>\$ 4,282,854</u>
<u>Operating Expenses</u>		
Salaries	\$ 3,002,806	\$ 52,306
Fringe Benefits	794,359	21,654
Communication	38,836	2,232
Data Processing Services	2,433	0
Dues and Memberships	890	0
Laundry Service	34,984	0
Maintenance and Repair Services - Buildings	13,609	0
Maintenance and Repair Services - Equipment	13,646	0
Maintenance and Repair Services - Vehicles	70,048	0
Pest Control	1,260	0
Postal Charges	245	0
Printing Stationery, and Forms	671	0
Rental Expense	18,421	0
Travel	4,840	0
Tuition	5,617	0
Disposal Fees	1,671	0
Other Contracted Services	479,365	325,760
Custodial Supplies	8,937	0
Drugs and Medical Supplies	238,629	0
Duplicating Supplies	303	0
Gasoline	113,114	23
Natural Gas	5,626	0
Office Supplies	1,743	0
Tires and Tubes	21,951	0
Uniforms	27,863	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>		
Utilities	\$ 29,622	\$ 0
Vehicle Parts	54,068	0
Supplies and Materials	11,084	8,013
Building and Contents Insurance	5,000	0
Liability Insurance	22,612	0
Trustee's Commission	52,727	1,343
Vehicle and Equipment Insurance	23,667	0
Workers' Compensation Insurance	235,033	109
Depreciation	206,443	4,498
Staff Development	14,472	0
Data Processing Equipment	7,341	0
Furniture and Fixtures	8,993	0
Other Charges	0	1,255
Medical and Dental Services	0	3,351,703
Handling Charges and Administrative Costs	0	49,058
Excess Risk Insurance	0	471,795
Data Processing Equipment	0	6,353
Total Operating Expenses	\$ 5,572,929	\$ 4,296,102
Operating Income (Loss)	\$ (329,648)	\$ (13,248)
<u>Nonoperating Revenues (Expenses)</u>		
Insurance Recovery	\$ 1,576	\$ 0
Investment Income	0	136
Gain on Sale of Capital Asset	840	0
Interest on Debt	(4,365)	0
Total Nonoperating Revenues (Expenses)	\$ (1,949)	\$ 136

(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	\$ (331,597)	\$ (13,112)
Transfers In	0	438,617
Transfers Out	(17,127)	(1,040)
Change in Net Position	\$ (348,724)	\$ 424,465
Net Position, July 1, 2016	908,334	36,078
Net Position, June, 30, 2017	<u>\$ 559,610</u>	<u>\$ 460,543</u>

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, 2017

	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	\$ 5,254,017	\$ 35,000
Receipts for Self-insurance Premiums	0	3,956,050
Receipts for Licenses and Permits	0	134,342
Payments to Vendors	(1,498,341)	(20,227)
Payments to Employees	(2,983,787)	(52,083)
Payments for Fringe Benefits	(976,189)	(22,375)
Payments to Fiscal Agents	0	(378,246)
Payments to Insurers	0	(486,084)
Stop-loss Recovery	0	201,180
Payments for Administrative Costs	0	(58,571)
Payments for Claims	0	(3,698,889)
Net Cash Provided By (Used In) Operating Activities	\$ (204,300)	\$ (389,903)
<u>Cash Flows from Capital and Related Financing Activities</u>		
Principal Paid on Notes	\$ (31,000)	\$ 0
Interest Paid on Notes	(4,365)	0
Proceeds from Sale of Capital Asset	840	
Acquisition and Construction of Capital Assets	(38,025)	(119,175)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ (72,550)	\$ (119,175)
<u>Cash Flows from Noncapital Financing Activities</u>		
Transfers from Other Funds	\$ 0	\$ 438,617
Transfers to Other Funds	(17,127)	(1,040)
Net Cash Provided By (Used In) Noncapital Financing Activities	\$ (17,127)	\$ 437,577
<u>Cash Flows from Investing Activities</u>		
Interest on Investments	\$ 0	\$ 40
Net Cash Provided By (Used In) Investing Activities	\$ 0	\$ 40
Increase (Decrease) in Cash	\$ (293,977)	\$ (71,461)
Cash, July 1, 2016	566,384	263,715
Cash, June 30, 2017	\$ 272,407	\$ 192,254

(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)	\$ (329,648)	\$ (13,248)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	206,443	4,498
Changes in Deferred Outflows for Pensions	(267,165)	0
Changes in Deferred Inflows for Pensions	(154,657)	0
Changes in Assets and Liabilities:		
Changes in Net Pension Asset/Liability	283,308	0
(Increase) Decrease in Accounts Receivables	49,417	30,098
Increase (Decrease) in Allowance for Uncollectibles	(38,683)	0
(Increase) Decrease in Due from Other Funds (non-transfers)	0	(157,262)
(Increase) Decrease in Prepaid Items	(137,471)	(14,493)
Increase (Decrease) in Accounts Payable	(41,172)	(62,844)
Increase (Decrease) in Accrued Payroll	8,567	223
Increase (Decrease) in Payroll Deductions	(49,776)	(721)
Increase (Decrease) in Due to Other Funds (non-transfers)	249,624	150
Increase (Decrease) in Accrued Leave	10,452	0
Increase (Decrease) in Other Current Liabilities	0	(176,304)
Increase (Decrease) in Other Long-term Liabilities	6,461	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ (204,300)</u>	<u>\$ (389,903)</u>
<u>Reconciliation of Cash With the Statement of Net Position</u>		
Cash Per Net Position	\$ 0	\$ 135,798
Equity in Pooled Cash and Investments Per Net Position	<u>272,407</u>	<u>56,456</u>
Cash, June 30, 2017	<u>\$ 272,407</u>	<u>\$ 192,254</u>

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, 2017

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,766,566
Equity in Pooled Cash and Investments	207,985
Accounts Receivable	22,327
Due from Other Governments	3,300,618
Taxes Receivable	11,954,343
Allowance for Uncollectible Taxes	<u>(447,319)</u>
Total Assets	<u>\$ 16,804,520</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 3,696
Due to Other Taxing Units	14,801,948
Due to Joint Ventures	213,264
Due to Litigants, Heirs, and Others	<u>1,785,612</u>
Total Liabilities	<u>\$ 16,804,520</u>

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

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

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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, 2017**

**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. There were no debt issues contributed by the county to the School Department during the year ended June 30, 2017.

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** – The General Capital Projects 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 1.97 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 \$186,244 in the governmental activities Statement of Net Position for the primary government consists of performance bonds of \$22,200 and self-insurance claims of \$164,044.

### **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 acquisition 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, pension changes in investment earnings, 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 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, 2017, Anderson County had \$33,196,724 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.

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	\$ 71,166
Courthouse Security	505,673
Circuit, Sessions, and Chancery Data Processing	49,455
Archives	82,880
Sex Offender Registry	15,017
Restricted for Public Safety:	
Various Law Enforcement Purpose	36,776
Jail Commissary	269,154
Sheriff Data Processing	25,697
Restricted for Public Health and Welfare:	
Alcohol and Drug Treatment	83,819
Health Department Improvements	55,403
Animal Holding Facilities	34,155
Committed for General Government:	
Courthouse Maintenance	80,964
Chiller	60,000
Motor Pool	110,000
Committed for Finance:	
Property Asessor	118,839
Purchasing - Surplus Property	44,870
Committed for Public Safety:	
Fire Department	235,250
Committed for Highways:	
Bridge Construction	284,608
Committed for Capital Projects and Other Purposes:	
Industrial Land Purchases	1,232,249
Tennessee College of Applied Technology	250,000
Highway/Public Works Fund:	
Restricted for Highway/Public Works:	
General Highway Purposes	2,900,094
General Debt Service Fund:	
Restricted for Debt Service:	
Principal and Interest on General County Debt	3,040,589
Committed for Debt Service:	
Principal and Interest on General County Debt	265,705

Fund/ Function/Purpose	Amount
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PRIMARY GOVERNMENT (CONT.)

Nonmajor Governmental Funds:

Restricted for Administration of Justice:

Capital Projects	\$	500,000
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Restricted for Public Safety:

Drug Control		359,056
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Restricted for Public Health and Welfare:

Solid Waste/Sanitation		293,637
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Restricted For Social, Cultural, and Recreational Services:

Public Libraries		321,398
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Tourism		245,607
---------	--	---------

Capital Projects		595,000
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Restricted for Debt Service:

Principal and Interest on Debt Related to Elementary Schools		363,939
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Principal and Interest on Debt Related to Middle and High Schools		1,124,032
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Restricted for Capital Projects:

General Future Capital Purchases		300,000
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Solid Waste/Sanitation		53,000
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Committed for Capital Projects:

Solid Waste/Sanitation		496,900
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DISCRETELY PRESENTED SCHOOL DEPARTMENT

General Purpose School:

Restricted for Capital Projects:

General Capital Improvements		379,809
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Nonmajor Governmental:

Restricted for Education:

Cafeteria Operations		1,415,155
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Various Federal Grant Programs		68,608
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Assigned fund balance in the General Fund consists primarily of amounts assigned for encumbrances (\$74,000) and amounts appropriated for use in the 2017-18 year budget (\$292,135).

**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. To draw the unassigned fund balance below \$4,000,000 requires two-thirds

(2/3) affirmative vote by the Board of County Commissioners. At June 30, 2017, the unassigned fund balance was \$3,791,841, which is \$208,159 below the minimum amount.

**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. 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.     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>
Primary Government:	
Solid Waste/Sanitation:	
Public Health and Welfare - Landfill Operation and Maintenance	\$       2,773
Discretely Presented School Department:	
General Purpose School:	
Transfers Out	14,176

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.

**C.     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, 2017, Anderson County had the following investments carried at amortized cost using a Stable Net Asset Value. 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	3 to 80	N/A	\$ 591,381

#### NONPOOLED INVESTMENTS

Investment	Weighted Average Maturity (days)	Maturities	Amortized Cost
State Treasurer's Investment Pool	3 to 80	N/A	\$ 18,733

**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, 2017, 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, 2017, was as follows:

## **Primary Government**

### **Governmental Activities**

	Balance 7-1-16	Increases	Decreases	Balance 6-30-17
Capital Assets Not Depreciated:				
Land	\$ 1,715,743	\$ 0	\$ 0	\$ 1,715,743
Construction in Progress	14,000	5,000	0	19,000
Total Capital Assets Not Depreciated	\$ 1,729,743	\$ 5,000	\$ 0	\$ 1,734,743
Capital Assets Depreciated:				
Buildings and Improvements	\$ 32,319,662	\$ 6,991	\$ 0	\$ 32,326,653
Infrastructure	46,627,705	387,304	(99,453)	46,915,556
Other Capital Assets	11,211,536	1,000,988	(199,057)	12,013,467
Total Capital Assets Depreciated	\$ 90,158,903	\$ 1,395,283	\$ (298,510)	\$ 91,255,676
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 9,885,962	\$ 694,424	\$ 0	\$ 10,580,386
Infrastructure	40,799,304	365,738	(99,453)	41,065,589
Other Capital Assets	7,889,700	542,570	(199,057)	8,233,213
Total Accumulated Depreciation	\$ 58,574,966	\$ 1,602,732	\$ (298,510)	\$ 59,879,188
Total Capital Assets Depreciated, Net	\$ 31,583,937	\$ (207,449)	\$ 0	\$ 31,376,488
Governmental Activities Capital Assets, Net	\$ 33,313,680	\$ (202,449)	\$ 0	\$ 33,111,231

**Business-type Activities:**

	Balance 7-1-16	Increases	Decreases	Balance 6-30-17
Capital Assets Not Depreciated:				
Land	\$ 82,950	\$ 0	\$ 0	\$ 82,950
Construction in Progress	52,171	38,025	(90,196)	0
Total Capital Assets Not Depreciated	<u>\$ 135,121</u>	<u>\$ 38,025</u>	<u>\$ (90,196)</u>	<u>\$ 82,950</u>
Capital Assets Depreciated:				
Buildings and Improvement	\$ 569,924	\$ 0	\$ 0	\$ 569,924
Other Capital Assets	2,220,462	90,196	(81,747)	2,228,911
Total Capital Assets Depreciated	<u>\$ 2,790,386</u>	<u>\$ 90,196</u>	<u>\$ (81,747)</u>	<u>\$ 2,798,835</u>
Less Accumulated Depreciation For:				
Buildings and Improvement	\$ 267,751	\$ 20,276	\$ 0	\$ 288,027
Other Capital Assets	1,828,195	186,167	(81,747)	1,932,615
Total Accumulated Depreciation	<u>\$ 2,095,946</u>	<u>\$ 206,443</u>	<u>\$ (81,747)</u>	<u>\$ 2,220,642</u>
Total Capital Assets Depreciated, Net	<u>\$ 694,440</u>	<u>\$ (116,247)</u>	<u>\$ 0</u>	<u>\$ 578,193</u>
Business-type Activities Capital Assets, Net	<u>\$ 829,561</u>	<u>\$ (78,222)</u>	<u>\$ (90,196)</u>	<u>\$ 661,143</u>

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

**Governmental Activities:**

General Government	\$ 355,991
Finance	9,937
Administration of Justice	28,741
Public Safety	662,948
Public Health and Welfare	96,081
Social, Cultural, and Recreational	36,889
Highway/Public Works	<u>412,145</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,602,732</u>

**Business-type Activities:**

Ambulance Service	<u>\$ 206,443</u>
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## **Discretely Presented Anderson County School Department**

### **Governmental Activities:**

	Balance 7-1-16	Increases	Balance 6-30-17
Capital Assets Not Depreciated:			
Land	\$ 865,214	\$ 0	\$ 865,214
Total Capital Assets Not Depreciated	<u>\$ 865,214</u>	<u>\$ 0</u>	<u>\$ 865,214</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 85,273,589	\$ 625,432	\$ 85,899,021
Other Capital Assets	7,171,826	463,040	7,634,866
Total Capital Assets Depreciated	<u>\$ 92,445,415</u>	<u>\$ 1,088,472</u>	<u>\$ 93,533,887</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 41,675,793	\$ 2,222,210	\$ 43,898,003
Other Capital Assets	4,959,559	350,190	5,309,749
Total Accumulated Depreciation	<u>\$ 46,635,352</u>	<u>\$ 2,572,400</u>	<u>\$ 49,207,752</u>
Total Capital Assets Depreciated, Net	<u>\$ 45,810,063</u>	<u>\$ (1,483,928)</u>	<u>\$ 44,326,135</u>
Governmental Activities Capital Assets, Net	<u>\$ 46,675,277</u>	<u>\$ (1,483,928)</u>	<u>\$ 45,191,349</u>

There were no decreases in capital assets to report for the year.

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

### **Governmental Activities:**

Instruction	\$ 2,200,586
Support Services	160,945
Operation of Non-instructional Services	<u>210,869</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,572,400</u>

**C. Construction Commitments – Discretely Presented Anderson County School Department**

The School Department and Clinton High School have committed to provide through county funds, donations, and in-kind contributions, \$950,000 toward athletic facility improvements at Clinton High School. Those improvements are being managed by a private donor who has contracted with the School Department to fund the improvements to the extent that they exceed \$950,000. As of June 30, 2017, the School Department has not expended any funds toward the project. However, at June 30, 2017, the General Purpose School Fund has restricted fund balance pledged toward the project in the amount of \$379,809, which consist of donations of \$179,809 and proceeds of debt borrowed by the primary government in the amount of \$200,000. Management expects the remainder of the School Department's commitment to be satisfied by in-kind contributions.

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

The composition of interfund balances as of June 30, 2017, was as follows:

**Primary Government**

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Highway/Public Works	\$ 174,600
"	General Debt Service	23,797
"	Ambulance Service (enterprise)	1,171,474
"	Nonmajor governmental	20,748
"	Internal Service	150
Highway/Public Works	General	6,608
"	Ambulance Service (enterprise)	9,225
"	Nonmajor governmental	1,355
Nonmajor governmental	General	19,390
"	Highway/Public Works	104
"	General Debt Service	3,889
"	Ambulance Service (enterprise)	418
Internal Service	General	149,126
"	Highway/Public Works	3,627
"	Nonmajor governmental	118
"	Ambulance Service (enterprise)	4,391

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. Due to the uncertainty of when these amounts will be paid, the General Fund has classified \$1,026,787 of its fund balance as nonspendable to offset most of the amount of the receivables due from the Ambulance Service Fund at June 30, 2017.

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**

Receivable Fund	Payable Fund	Amount
General Purpose School	Nonmajor governmental	\$ 183,905
Nonmajor governmental	General Purpose School	1,346

#### **Due to/from Primary Government and Component Unit**

Receivable Fund	Payable Fund	Amount
Primary Government:	Component Unit:	
General	School Department:	
Highway/Public Works	General Purpose School	\$ 109,556
Highway/Public Works	General Purpose School	9,450
Nonmajor governmental	Nonmajor governmental	6,473
	General Purpose School	16,856
Component Unit:		
School Department:	Primary Government:	
General Purpose School	General	15,000
General Purpose School	General Debt Service	9,159

The amount reflected as due to primary government from the discretely presented School Department on the government-wide Statement of Net Position also includes \$336,162 for debt issued by the primary government, which is being retired by the School Department. Of that amount, \$246,477 is not expected to be received within one year.

#### **Interfund Transfers**

Interfund transfers for the year ended June 30, 2017, consisted of the following amounts:

## Primary Government

Transfers Out	Transfers In		
	Highway/ Public Works Fund	Internal Service Funds	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 354,492	\$ 16,100
Highway/Public Works Fund	0	37,510	0
Ambulance Service (enterprise fund)	0	17,127	0
Nonmajor Governmental Funds	253,591	28,448	0
Internal Service Funds	0	1,040	0
Total	\$ 253,591	\$ 438,617	\$ 16,100

Transfers into the Internal Service funds represent contributions in excess of premiums charged for the self-insured health program.

## Discretely Presented Anderson County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Nonmajor Governmental Funds
General Purpose School Fund	\$ 0	\$ 89,176
Nonmajor Governmental Funds	195,629	62,137
Total	\$ 195,629	\$ 151,313

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 \$1,005,623 at June 30, 2017. The original cost was \$3,079,265 and accumulated depreciation was \$2,073,642. Total lease revenues for the year ended June 30, 2017, were \$118,186. The future minimum lease payments under existing leases are as follows:

Year Ending June 30	Amount
2018	\$ 134,532
2019	102,600
2020	102,600
2021	102,600
2022	<u>102,600</u>
Total	<u>\$ 544,932</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, 2017, consisted of the following:

	Primary Government - Governmental Activities	School Department - Governmental Activities
Building and Improvements	\$ 501,365	\$ 1,606,295
Less: Accumulated Depreciation	<u>(250,683)</u>	<u>(1,084,251)</u>
Total	<u>\$ 250,682</u>	<u>\$ 522,044</u>

Future minimum payments and the net present value of these minimum lease payments as of June 30, 2017, were as follows:

Year Ending June 30	Governmental Activities
2018	\$ 233,253
2019	234,350
2020	143,918
2021	30,448
Total Minimum Lease Payments	\$ 641,969
Less: Amount Representing Interest	(71,801)
Present Value of Minimum Payments	<u>\$ 570,168</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 20 years for bonds, up to 12 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, 2017, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-17
General Obligation Bonds	1 to 5.25	% 5-1-29	\$ 17,200,000	\$ 8,800,000
General Obligation Refunding Bonds	2 to 3	5-1-35	9,780,000	8,640,000
Rural School Bonds	2 to 4	5-1-31	10,000,000	9,365,000
Rural School Refunding Bonds	1 to 3.5	5-1-26	18,890,000	13,695,000
Capital Outlay Notes	0 to 2.35	8-1-29	3,442,433	2,630,562
Other Loans	See table below	7-25-51	14,510,215	10,663,455
Capital Lease	6.25 to 11.4	5-25-21	1,458,601	570,168

The following table further details loan agreements outstanding at June 30, 2017:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-17	Interest Type	Interest Rates as of 6-30-17	Other Fees
<u>Montgomery County Public</u>					
<u>Building Authority</u>					
Industrial Development	\$ 1,700,000	\$ 499,000	Variable	.97 %	.71 %
Jail Renovation	3,000,000	1,476,000	Variable	1.04	.65
<u>City of Clarksville Public</u>					
<u>Building Authority</u>					
Rural Debt Series 2014	4,505,215	4,010,000	Fixed	2.75	NA
Education Debt Series 2014	5,180,000	4,560,000	Fixed	2.75	NA
<u>USDA Loan Program</u>	<u>125,000</u>	<u>118,455</u>	Fixed	3.38	NA
Total	<u>\$ 14,510,215</u>	<u>\$ 10,663,455</u>			

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2017, 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, 2017.

Year Ending June 30	Notes		
	Principal	Interest	Total
2018	\$ 596,240	\$ 43,868	\$ 640,108
2019	607,240	35,552	642,792
2020	190,240	28,129	218,369
2021	192,240	25,639	217,879
2022	166,709	23,100	189,809
2023-2027	611,893	74,730	686,623
2028-2029	266,000	9,423	275,423
Total	\$ 2,630,562	\$ 240,441	\$ 2,871,003

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2018	\$ 707,886	\$ 259,835	\$ 13,124	\$ 980,845
2019	717,952	245,241	11,229	974,422
2020	731,019	230,545	9,267	970,831
2021	742,088	215,716	7,215	965,019
2022	614,159	200,776	5,089	820,024
2023-2027	3,383,959	793,775	7,828	4,185,562
2028-2032	3,684,154	270,327	0	3,954,481
2033-2037	16,752	12,528	0	29,280
2038-2042	19,828	9,452	0	29,280
2043-2047	23,465	5,815	0	29,280
2048-2052	22,193	1,589	0	23,782
Total	\$ 10,663,455	\$ 2,245,599	\$ 53,752	\$ 12,962,806

Year Ending June 30	Bonds		
	Principal	Interest	Total
2018	\$ 2,135,000	\$ 1,324,766	\$ 3,459,766
2019	2,240,000	1,281,359	3,521,359
2020	2,300,000	1,213,064	3,513,064
2021	2,355,000	1,142,709	3,497,709
2022	2,575,000	1,073,359	3,648,359
2023-2027	13,695,000	4,050,291	17,745,291
2028-2032	11,305,000	1,603,532	12,908,532
2033-2035	3,895,000	212,085	4,107,085
Total	\$ 40,500,000	\$ 11,901,165	\$ 52,401,165

There is \$4,916,280 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$232, based on the 2010 federal census for residents living inside the Oak Ridge School District, \$526 for residents living inside the Clinton School District, and \$793 for residents living outside of these school districts. Total debt per capita, including bonds, notes, other loans, capital leases, and unamortized premium on debt, based on the 2010 federal census totaled \$285 for residents living inside the Oak Ridge School District, \$702 for residents living inside the Clinton School District, and \$1,104 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 6-30-17
<u>Capital Leases</u>	
<u>Contributions from the Other Education Special</u>	
<u>Revenue Fund to the Rural Debt Service Fund</u>	
Headstart Facility	\$ 336,162
Total	\$ 336,162

In addition to the above-noted contributions, based on budgetary appropriations, the School Department remitted \$1,560,548 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, 2017, was as follows:

### Governmental Activities:

	Bonds	Notes	Capital Leases
Balance, July 1, 2016	\$ 41,865,000	\$ 1,682,802	\$ 754,664
Additions	8,030,000	1,400,000	0
Reductions	(9,395,000)	(452,240)	(184,496)
Balance, June 30, 2017	<u>\$ 40,500,000</u>	<u>\$ 2,630,562</u>	<u>\$ 570,168</u>
Balance Due Within One Year	<u>\$ 2,135,000</u>	<u>\$ 596,240</u>	<u>\$ 196,742</u>

	Other Loans	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2016	\$ 11,350,279	\$ 547,885	\$ 192,653
Additions	0	758,562	42,874
Reductions	(686,824)	(714,448)	(22,344)
Balance, June 30, 2017	<u>\$ 10,663,455</u>	<u>\$ 591,999</u>	<u>\$ 213,183</u>
Balance Due Within One Year	<u>\$ 707,886</u>	<u>\$ 562,399</u>	<u>\$ 0</u>

	Net Pension Liability (Asset) Agent Plan
Balance, July 1, 2016	\$ (1,235,085)
Additions	2,956,374
Reductions	(1,634,754)
Balance, June 30, 2017	<u>\$ 86,535</u>
Balance Due Within One Year	<u>\$ 0</u>



Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2017	\$ 55,255,902
Less: Balance Due Within One Year	(4,198,267)
Add: Unamortized Premium on Debt	<u>584,387</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u><u>\$ 51,642,022</u></u>

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

Advance Refunding

On May 19, 2017, Anderson County advance refunded general obligation bonds with a separate general obligation bond issue. The county issued \$8,030,000 of general obligation refunding bonds to provide resources to place in an irrevocable trust to retire the old bonds and related interest. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. As a result of the advance refunding, total debt service payments over the next 18 years will be reduced by \$681,396, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$543,096 was obtained. The outstanding defeased bonds (\$7,350,000 Series 2011 D) will be called and redeemed on May 1, 2020.

**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, 2017, are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-17
Capital Outlay Notes - Ambulance	2.25	% 6-1-22	223,225	163,000

The annual requirements to amortize all notes outstanding as of June 30, 2017, including interest payments, are presented in the following tables:

Year Ending June 30	Notes		
	Principal	Interest	Total
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>\$ 163,000</u>	<u>\$ 11,161</u>	<u>\$ 174,161</u>

#### Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2017, was as follows:

##### Business-type Activities:

	Notes	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2016	\$ 194,000	\$ 58,809	\$ 27,189
Additions	0	114,353	6,461
Reductions	(31,000)	(103,901)	0
Balance, June 30, 2017	<u>\$ 163,000</u>	<u>\$ 69,261</u>	<u>\$ 33,650</u>
Balance Due Within One Year	<u>\$ 31,000</u>	<u>\$ 65,798</u>	<u>\$ 0</u>

	Net Pension Liability (Asset) Agent Plan
Balance, July 1, 2016	\$ (265,079)
Additions	627,530
Reductions	(344,222)
Balance, June 30, 2017	<u>\$ 18,229</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2017	\$ 284,140
Less: Balance Due Within One Year	<u>(96,798)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 187,342</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, 2017, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2016	\$ 298,776	\$ 1,431,484
Additions	444,278	402,785
Reductions	<u>(411,359)</u>	<u>(458,484)</u>
Balance, June 30, 2017	<u>\$ 331,695</u>	<u>\$ 1,375,785</u>
Balance Due Within One Year	<u>\$ 315,111</u>	<u>\$ 0</u>

	Net Pension Liability (Asset) Agent Plan	Net Pension Liability (Asset) Teacher Legacy Plan
Balance, July 1, 2016	\$ (761,503)	\$ 314,226
Additions	1,831,505	9,704,344
Reductions	<u>(1,016,393)</u>	<u>(5,203,879)</u>
Balance, June 30, 2017	<u>\$ 53,609</u>	<u>\$ 4,814,691</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2017	\$ 6,575,780
Less: Balance Due Within One Year	<u>(315,111)</u>

Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 6,260,669</u>
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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, 2017, were \$141,888 and \$58,750, 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, 2017, was as follows:

Fund	Balance 7-1-16	Issued	Paid	Balance 6-30-17
<u>Primary Government</u>				
Internal Service Fund (Borrowed from General Fund)	\$ 0	\$ 360,000	\$ (360,000)	\$ 0
Education Capital Projects Fund (Borrowed from General Fund)	0	397,593	(397,593)	0
<u>Discretely Presented School Department</u>				
General Purpose School Fund (Borrowed from Education Debt Service Fund)	0	500,000	(500,000)	0
School Federal Projects Fund (Borrowed from Education Debt Service Fund)	0	268,500	(268,500)	0
(Borrowed from General Purpose School Fund)	0	106,000	(106,000)	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 \$100,000 per covered person. An estimated liability for outstanding medical claims of \$164,044 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. That reserve was \$205,037 at June 30, 2017. 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
2015-16	\$ 167,488	\$ 3,293,925	\$ 3,121,065	\$ 340,348
2016-17	340,348	3,351,703	3,528,007	164,044

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. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*; Statement No. 77, *Tax Abatement Disclosures*; Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*; Statement No. 80, *Blending Requirements for Certain Component Units*; and Statement No. 82, *Pension Issues an amendment of GASB Statements No. 67, No. 68, and No. 73*, became effective for the year ended June 30, 2017.

GASB Statement No. 74, establishes accounting and reporting requirements for postemployment benefits other than pensions (other postemployment benefits or OPEB), which are included in the general purpose external financial reports of state and local governmental OPEB plans. This statement replaces GASB Statements No. 43 and No. 57. It also includes requirements for defined contribution OPEB plans that replace the requirements in Statements No. 25, No. 43, and No. 50. The scope of this statement includes OPEB plans, both defined benefit and defined contribution, administered through trusts meeting the necessary criteria as well as reporting assets accumulated through OPEB plans that are not administered through trusts that meet the specified criteria.

GASB Statement No. 77, established reporting requirements for tax abatements. This standard requires the disclosure of information about the nature and magnitude of tax abatement agreements entered into by state and local governments that reduce the government's tax revenues.

GASB Statement No. 78, amends Statement No. 68 to exclude certain pensions provided to employees of state or local governments through a cost-sharing multiple-employer pension plans that are not state or local plans and meet specific other criteria. This statement establishes recognition, measurement, and reporting criteria for these plans.

GASB Statement No. 80, amends the blending requirements of paragraph 53 of Statement No. 14. This standard adds additional blending criterion, which requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member.

GASB Statement No. 82 amends statements No. 67, No. 68, and No. 73. This standard establishes covered payroll as the payroll on which contributions to a pension plan are based in the Required Supplementary Information. In addition, this standard clarifies that employer paid member contributions should be considered plan member contributions for purposes of applying Statement No. 67, and employee contributions for the purposes of applying Statement No. 68. This standard further states that an employer's expense and expenditures for employer paid member contributions should be recognized in the period for which the contribution is assessed and classified in the same manner that the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits).

**C. Subsequent Events**

On July 1, 2017, Rodney Archer left the Office of Trustee and was succeeded by Myron Iwanski.

Subsequent to June 30, 2017, 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	School Federal Projects	\$ 140,000

**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**

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

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

Tony Foreman left the Office of Purchasing Agent on March 27, 2017. Duties of the purchasing agent were transferred to the finance director.

**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, 2017.

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, 2017. In addition to the operations contribution, Anderson County also paid \$250,000 and committed an additional \$250,000 for their portion of the building renovations for the Tennessee College of Applied Technology.

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, 2017.

**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 66.15 percent, the non-certified employees of the discretely presented School Department comprised 33.85 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](http://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	402
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	844
Active Employees	746
Total	<u><u>1,992</u></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 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, 2017, the employer contribution for Anderson County was \$1,743,612 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 actuarially determined contributions (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	2.50%

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	6.46	33
Developed Market		
International Equity	6.26	17
Emerging Market		
International Equity	6.40	5
Private Equity and		
Strategic Lending	4.61	8
U.S. Fixed Income	0.98	29
Real Estate	4.73	7
Short-term Securities	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, 2015	\$ 65,440,308	\$ 67,701,975	\$ (2,261,667)
Changes for the Year:			
Service Cost	\$ 1,942,096	\$ 0	\$ 1,942,096
Interest	4,931,912	0	4,931,912
Differences Between Expected and Actual Experience	177,297		177,297
Contributions-Employer	0	1,718,873	(1,718,873)
Contributions-Employees	0	1,171,606	(1,171,606)
Net Investment Income	0	1,790,540	(1,790,540)
Benefit Payments, Including Refunds of Employee Contributions	(3,247,155)	(3,247,155)	0
Administrative Expense	0	(55,760)	55,760
Other Changes	0	6,006	(6,006)
Net Changes	\$ 3,804,150	\$ 1,384,110	\$ 2,420,040
Balance, June 30, 2016	\$ 69,244,458	\$ 69,086,085	\$ 158,373

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government 66.15%	\$ 45,805,209	\$ 45,700,445	\$ 104,764
School Department 33.85%	23,439,249	23,385,640	53,609
Total	\$ 69,244,458	\$ 69,086,085	\$ 158,373

*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	\$ 9,056,151	\$ 158,373	\$ (7,226,373)

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

*Pension Expense or Negative Pension Expense.* For the year ended June 30, 2017, Anderson County recognized pension expense of \$407,155.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2017, 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	\$ 141,838	\$ 1,414,579
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,295,770	0
Contributions Subsequent to the Measurement Date of June 30, 2016 (1)	1,743,612	N/A
Total	\$ 4,181,220	\$ 1,414,579

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2016,” 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	\$ 2,270,046	\$ 772,925
Business-type Activities	478,150	162,819
School Department	1,433,024	478,835
Total	<u>\$ 4,181,220</u>	<u>\$ 1,414,579</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
2018	\$ (282,594)
2019	(282,594)
2020	898,386
2021	689,832
2022	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 66.15 percent and the non-certified employees of the discretely presented School

Department comprise 33.85 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](http://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, 2017, to the Teacher Retirement Plan were \$143,667, 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, 2017, the Anderson County School Department reported an asset of \$41,170 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 .395477 percent. The revised proportion as of June 30, 2015, was .221641 percent.

*Pension Expense.* For the year ended June 30, 2017, the Anderson County School Department recognized pension expense of \$34,062.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2017, 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	\$ 3,989	\$ 4,747
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,741	0
Changes in Proportion of of Net Pension Liability (Asset)	0	4,876
LEA's Contributions Subsequent to the Measurement Date of June 30, 2016	143,667	N/A
Total	<u>\$ 154,397</u>	<u>\$ 9,623</u>

The Anderson County School Department's employer contributions of \$143,667, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2018. 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
2018	\$ 1,260
2019	1,260
2020	1,260
2021	939
2022	(505)
Thereafter	(3,107)

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	\$ 19,441	\$ (41,170)	\$ (85,829)

*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](http://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, 2017, to the Teacher Legacy Pension Plan were \$2,381,768, 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, 2017, the Anderson County School Department reported a liability of \$4,814,691 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 .770419 percent. The proportion measured at June 30, 2015, was .767088 percent.

*Pension Expense.* For the year ended June 30, 2017, the Anderson County School Department recognized pension expense of \$581,403.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2017, 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	\$ 202,619	\$ 5,828,995
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,375,667	0
Changes in Proportion and Differences Between LEA's Contributions and Proportionate Share of Contributions	105,170	44,136
LEA's Contributions Subsequent to the Measurement Date of June 30, 2016	2,381,768	N/A
Total	<u>\$ 8,065,224</u>	<u>\$ 5,873,131</u>

The Anderson County School Department's employer contributions of \$2,381,768 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2018. 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
2018	\$ (886,912)
2019	(886,912)
2020	1,691,793
2021	267,151
2022	(374,795)
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		Current	
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	6.5%	7.5%	8.5%

Net Pension Liability    \$   26,438,295    \$   4,814,691    \$ (13,097,328)

*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 \$179,584 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	\$ 46,309	\$ 6,946	\$ 53,255
Interest on the NOPEBO	7,706	1,088	8,794
Adjustment to the ARC	(11,141)	(1,573)	(12,714)
Annual OPEB cost	\$ 42,874	\$ 6,461	\$ 49,335
Amount of contribution	(22,344)	0	(22,344)
Increase/decrease in NOPEBO	\$ 20,530	\$ 6,461	\$ 26,991
Net OPEB obligation, 7-1-16	192,653	27,189	219,842
Net OPEB obligation, 6-30-17	\$ 213,183	\$ 33,650	\$ 246,833

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Fiscal Year-end
6-30-15	Primary Government	\$ 49,970	48.0 %	\$ 191,964
6-30-16	"	49,014	43.1	219,842
6-30-17	"	49,335	45.3	246,833

#### 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-accfin-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	\$ 403,000
Interest on the NOPEBO	53,681
Adjustment to the ARC	(53,896)
Annual OPEB cost	\$ 402,785
Amount of contribution	(458,484)
Increase/decrease in NOPEBO	\$ (55,699)
Net OPEB obligation, 7-1-16	1,431,484
Net OPEB obligation, 6-30-17	\$ 1,375,785

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Fiscal Year-end
6-30-15	Local Education Group	\$ 327,531	104.4 %	\$ 1,417,405
6-30-16	"	389,787	96	1,431,484
6-30-17	"	402,785	113.8	1,375,785

#### 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)	\$ 39,854,303
UAAL as a % of covered payroll	8.56%

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 six percent in fiscal year 2017, and then be reduced by decrements to an ultimate rate of 4.645 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 35-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 adopted a policy to pay employees for each sick day that they have accumulated at the time of their retirement. The benefit ranges from \$10 to \$60 based on years of service and date of notice of intent to retire. Since payments will be made at the actual time of their retirement, the amount of future payments was not measurable at June 30, 2017. Payments totaling \$35,700 were paid to individuals who retired during the year ended June 30, 2017.

The Anderson County School Department also has a retirement incentive bonus payment plan 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. Since payments will be made at the actual time of their retirement, the amount of future payments was not measurable at June 30, 2016. Payments totaling \$24,000 were paid to individuals who retired during the year ended June 30, 2017.

**K. Office of Central Accounting, Budgeting, and Purchasing**

Anderson County operates under provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. The act also provides for the creation of a Finance Department operated under the direction of the finance director.

**L. Purchasing Laws**

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by her to serve as the county purchasing agent. Alternatively, the county may establish a separate Purchasing Department with a person hired as purchasing agent for the county. Anderson County began the year with a separate purchasing department and purchasing agent.

However, during the year, the county elected to eliminate the separate purchasing agent position and currently the finance director serves as the purchasing agent for Anderson County. All purchase orders are issued by the Finance Department. The Financial Management Committee established a policy that purchases exceeding \$20,000 for the County Mayor's Office and the Anderson County School Department are to be made on a competitive bid basis. Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated*. Competitive bids are also required on highway 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, 2017, has been calculated as follows:

Capital Assets	\$ 1,278,087
Less: Accumulated Depreciation	<u>(591,710)</u>
Capital Assets Being Depreciated, Net	<u>\$ 686,377</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, 2017.

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, 2017, 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, 2017, 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, 2017, was as follows:

	Balance			Balance
	7-1-16	Additions	Retirements	6-30-17
Capital Assets Depreciated:				
Communications Equipment	\$ 937,778	\$ 0	\$ 0	\$ 937,778
Furniture and Fixtures	69,906	0	0	69,906
Vehicle	19,425	30,008	0	49,433
Leasehold Improvements	72,920	4,700	0	77,620
Other Capital Assets	143,350	0	0	143,350
	<u>\$ 1,243,379</u>	<u>\$ 34,708</u>	<u>\$ 0</u>	<u>\$ 1,278,087</u>
Accumulated Depreciation	(493,299)	(98,411)	0	(591,710)
Capital Assets				
Depreciated, Net	<u>\$ 750,080</u>	<u>\$ (63,703)</u>	<u>\$ 0</u>	<u>\$ 686,377</u>

**G. Subsequent Events**

During the year ended June 30, 2017, the Board of Directors made the decision to enroll in Tennessee Consolidated Retirement System beginning on July 1, 2017. The district made a payment to TCRS on August 10, 2017, in the amount of \$144,254 to purchase past service credits for the employees who will be participating in the plan. The district and the employees participating in the plan are required to contribute 4.04% and 5%, respectively, of covered employee payroll to fund the pension plan beginning July 1, 2017.

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## REQUIRED SUPPLEMENTARY INFORMATION

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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	2016
<b>Total Pension Liability (Asset)</b>			
Service Cost	\$ 1,965,886	\$ 1,881,362	\$ 1,942,096
Interest	4,591,169	4,800,731	4,931,912
Changes in Benefit Terms	0	0	0
Differences Between Actual and Expected Experience	(736,310)	(1,866,757)	177,297
Changes in Assumptions	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(2,877,320)	(3,006,821)	(3,247,155)
Net Change in Total Pension Liability (Asset)	\$ 2,943,425	\$ 1,808,515	\$ 3,804,150
Total Pension Liability (Asset), Beginning	60,688,368	63,631,793	65,440,308
Total Pension Liability (Asset), Ending (a)	\$ 63,631,793	\$ 65,440,308	\$ 69,244,458
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	\$ 1,806,650	\$ 1,611,660	\$ 1,718,873
Contributions - Employee	1,112,396	1,121,723	1,171,606
Net Investment Income	9,411,066	2,027,661	1,790,540
Benefit Payments, Including Refunds of Employee Contributions	(2,877,320)	(3,006,821)	(3,247,155)
Administrative Expense	(28,682)	(36,172)	(55,760)
Other	0	0	6,006
Net Change in Plan Fiduciary Net Position	\$ 9,424,110	\$ 1,718,051	\$ 1,384,110
Plan Fiduciary Net Position, Beginning	56,559,814	65,983,924	67,701,975
Plan Fiduciary Net Position, Ending (b)	\$ 65,983,924	\$ 67,701,975	\$ 69,086,085
Net Pension Liability (Asset), Ending (a - b)	\$ (2,352,131)	\$ (2,261,667)	\$ 158,373
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.70%	103.46%	99.77%
Covered Payroll	\$ 22,113,264	\$ 23,222,323	\$ 23,228,009
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(10.64%)	9.74%	(0.68%)

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.

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	2017
Actuarially Determined Contribution	\$ 1,806,650	\$ 1,611,660	\$ 1,718,873	\$ 1,743,612
Less Contributions in Relation to the Actuarially Determined Contribution	(1,806,650)	(1,611,660)	(1,718,873)	(1,743,612)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 22,113,264	\$ 21,779,109	\$ 23,228,009	\$ 23,562,328
Contributions as a Percentage of Covered Payroll	8.17%	7.4%	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	2017
Contractually Required Contribution	\$ 18,809	\$ 69,605	\$ 143,667
Less Contributions in Relation to the Contractually Required Contribution	(18,809)	(69,605)	(143,667)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 470,216	\$ 1,740,114	\$ 3,591,672
Contributions as a Percentage of Covered Payroll	4.00%	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	2017
Contractually Required Contribution	\$ 2,641,046	\$ 2,595,924	\$ 2,514,075	\$ 2,381,768
Less Contributions in Relation to the Contractually Required Contribution	(2,641,046)	(2,595,924)	(2,514,075)	(2,381,768)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 29,741,510	\$ 28,715,973	\$ 27,810,568	\$ 26,346,995
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	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>	<u>2017</u>
School Department's Proportion of the Net Pension Liability (Asset)	0.226313%	0.395477%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (9,104)	\$ (41,170)
Covered Payroll	\$ 470,216	\$ 1,740,114
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.3)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%

\* 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 Liability (Asset)  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Anderson County School Department  
For the Fiscal Year Ended June 30 \*

	2015	2016	2017
School Department's Proportion of the Net Pension Liability (Asset)	0.757747%	0.767088%	0.770419%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (123,130)	\$ 314,226	\$ 4,814,691
Covered Payroll	\$ 29,741,510	\$ 28,715,973	\$ 27,810,568
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%

\* 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, 2017

(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, 2017**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for 2017 were calculated based on the July 1, 2015, 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	Varies by Year
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%

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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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

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

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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

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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.

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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, 2017

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu- tional Officers - Fees	Total
<u>ASSETS</u>						
Cash	\$ 737	\$ 0	\$ 0	\$ 0	\$ 1,490	\$ 2,227
Equity in Pooled Cash and Investments	330,407	834,223	365,241	218,356	0	1,748,227
Accounts Receivable	163	86,185	121	41,512	2,534	130,515
Due from Other Governments	0	20,875	0	0	0	20,875
Due from Other Funds	670	3,812	708	0	0	5,190
Due from Component Units	0	16,856	0	0	0	16,856
Property Taxes Receivable	491,140	1,145,993	0	0	0	1,637,133
Allowance for Uncollectible Property Taxes	(18,236)	(42,552)	0	0	0	(60,788)
Prepaid Items	1,116	10,453	3,000	1,961	0	16,530
Total Assets	\$ 805,997	\$ 2,075,845	\$ 369,070	\$ 261,829	\$ 4,024	\$ 3,516,765
<u>LIABILITIES</u>						
Accounts Payable	\$ 4,326	\$ 106,760	\$ 1,910	\$ 9,523	\$ 0	\$ 122,519
Accrued Payroll	5,890	2,511	0	2,478	0	10,879
Payroll Deductions Payable	320	151	0	69	0	540
Due to Other Funds	1,234	11,772	3,000	2,191	4,024	22,221
Total Liabilities	\$ 11,770	\$ 121,194	\$ 4,910	\$ 14,261	\$ 4,024	\$ 156,159
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 457,703	\$ 1,067,973	\$ 0	\$ 0	\$ 0	\$ 1,525,676
Deferred Delinquent Property Taxes	14,010	32,688	0	0	0	46,698
Total Deferred Inflows of Resources	\$ 471,713	\$ 1,100,661	\$ 0	\$ 0	\$ 0	\$ 1,572,374

(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	\$ 1,116	\$ 10,453	\$ 3,000	\$ 1,961	\$ 0	\$ 16,530
Restricted:						
Restricted for Administration of Justice	0	0	0	0	0	0
Restricted for Public Safety	0	0	359,056	0	0	359,056
Restricted for Public Health and Welfare	0	293,637	0	0	0	293,637
Restricted for Social, Cultural, and Recreational Services	321,398	0	0	245,607	0	567,005
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	53,000	0	0	0	53,000
Committed:						
Committed for Public Safety	0	0	2,104	0	0	2,104
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	\$ 322,514	\$ 853,990	\$ 364,160	\$ 247,568	\$ 0	\$ 1,788,232
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 805,997	\$ 2,075,845	\$ 369,070	\$ 261,829	\$ 4,024	\$ 3,516,765

(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	\$ 2,227
Equity in Pooled Cash and Investments	362,904	1,215,604	1,578,508	1,435,247	4,761,982
Accounts Receivable	0	0	0	0	130,515
Due from Other Governments	0	0	0	0	20,875
Due from Other Funds	231	18,380	18,611	0	23,801
Due from Component Units	0	0	0	0	16,856
Property Taxes Receivable	208,287	1,735,647	1,943,934	33,091	3,614,158
Allowance for Uncollectible Property Taxes	(7,633)	(64,571)	(72,204)	(1,228)	(134,220)
Prepaid Items	7,020	0	7,020	0	23,550
Total Assets	\$ 570,809	\$ 2,905,060	\$ 3,475,869	\$ 1,467,110	\$ 8,459,744
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 122,519
Accrued Payroll	0	0	0	0	10,879
Payroll Deductions Payable	0	0	0	0	540
Due to Other Funds	0	0	0	0	22,221
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 156,159
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 191,911	\$ 1,623,269	\$ 1,815,180	\$ 30,838	\$ 3,371,694
Deferred Delinquent Property Taxes	7,939	42,764	50,703	944	98,345
Total Deferred Inflows of Resources	\$ 199,850	\$ 1,666,033	\$ 1,865,883	\$ 31,782	\$ 3,470,039

(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>FUND BALANCES</u>					
Nonspendable:					
Prepaid Items	\$ 7,020	\$ 0	\$ 7,020	\$ 0	\$ 23,550
Restricted:					
Restricted for Administration of Justice	0	0	0	500,000	500,000
Restricted for Public Safety	0	0	0	0	359,056
Restricted for Public Health and Welfare	0	0	0	0	293,637
Restricted for Social, Cultural, and Recreational Services	0	0	0	595,000	1,162,005
Restricted for Capital Outlay	0	0	0	40,328	40,328
Restricted for Debt Service	363,939	1,124,032	1,487,971	0	1,487,971
Restricted for Capital Projects	0	0	0	300,000	353,000
Committed:					
Committed for Public Safety	0	0	0	0	2,104
Committed for Debt Service	0	114,995	114,995	0	114,995
Committed for Capital Projects	0	0	0	0	496,900
Total Fund Balances	<u>\$ 370,959</u>	<u>\$ 1,239,027</u>	<u>\$ 1,609,986</u>	<u>\$ 1,435,328</u>	<u>\$ 4,833,546</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 570,809</u>	<u>\$ 2,905,060</u>	<u>\$ 3,475,869</u>	<u>\$ 1,467,110</u>	<u>\$ 8,459,744</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, 2017

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu- tional Officers - Fees	Total
<u>Revenues</u>						
Local Taxes	\$ 456,514	\$ 1,064,448	\$ 0	\$ 364,382	\$ 0	\$ 1,885,344
Fines, Forfeitures, and Penalties	0	0	67,647	0	0	67,647
Charges for Current Services	28,301	499,411	0	0	3,500	531,212
Other Local Revenues	5,574	21,207	792	16,250	0	43,823
State of Tennessee	1,998	41,651	0	25,000	0	68,649
Federal Government	0	0	24,944	0	0	24,944
Other Governments and Citizens Groups	131,062	0	0	0	0	131,062
Total Revenues	\$ 623,449	\$ 1,626,717	\$ 93,383	\$ 405,632	\$ 3,500	\$ 2,752,681
<u>Expenditures</u>						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,500	\$ 3,500
Public Safety	0	0	103,456	0	0	103,456
Public Health and Welfare	0	1,564,284	0	0	0	1,564,284
Social, Cultural, and Recreational Services	577,205	0	0	0	0	577,205
Other Operations	0	0	0	460,962	0	460,962
Debt Service:						
Principal on Debt	1,824	0	0	0	0	1,824
Interest on Debt	4,032	0	0	0	0	4,032
Other Debt Service	0	0	0	0	0	0
Capital Projects	0	0	0	0	0	0
Total Expenditures	\$ 583,061	\$ 1,564,284	\$ 103,456	\$ 460,962	\$ 3,500	\$ 2,715,263

(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	\$ 40,388	\$ 62,433	\$ (10,073)	\$ (55,330)	\$ 0	\$ 37,418
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Proceeds from Sale of Capital Assets	751	0	0	917	0	1,668
Transfers In	0	0	0	0	0	0
Transfers Out	(20,720)	(6,688)	0	(1,040)	0	(28,448)
Total Other Financing Sources (Uses)	\$ (19,969)	\$ (6,688)	\$ 0	\$ (123)	\$ 0	\$ (26,780)
Net Change in Fund Balances	\$ 20,419	\$ 55,745	\$ (10,073)	\$ (55,453)	\$ 0	\$ 10,638
Fund Balance, July 1, 2016	302,095	798,245	374,233	303,021	0	1,777,594
Fund Balance, June 30, 2017	\$ 322,514	\$ 853,990	\$ 364,160	\$ 247,568	\$ 0	\$ 1,788,232

(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	\$ 193,206	\$ 1,628,323	\$ 1,821,529	\$ 30,487	\$ 3,737,360
Fines, Forfeitures, and Penalties	0	0	0	0	67,647
Charges for Current Services	0	0	0	0	531,212
Other Local Revenues	231	2,280	2,511	0	46,334
State of Tennessee	0	0	0	0	68,649
Federal Government	0	0	0	0	24,944
Other Governments and Citizens Groups	1,682,868	0	1,682,868	0	1,813,930
Total Revenues	\$ 1,876,305	\$ 1,630,603	\$ 3,506,908	\$ 30,487	\$ 6,290,076
<u>Expenditures</u>					
Current:					
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,500
Public Safety	0	0	0	0	103,456
Public Health and Welfare	0	0	0	0	1,564,284
Social, Cultural, and Recreational Services	0	0	0	0	577,205
Other Operations	0	0	0	0	460,962
Debt Service:					
Principal on Debt	1,098,273	1,393,000	2,491,273	0	2,493,097
Interest on Debt	487,681	634,836	1,122,517	0	1,126,549
Other Debt Service	6,234	34,250	40,484	7,500	47,984
Capital Projects	0	0	0	225,792	225,792
Total Expenditures	\$ 1,592,188	\$ 2,062,086	\$ 3,654,274	\$ 233,292	\$ 6,602,829

(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	\$ 284,117	\$ (431,483)	\$ (147,366)	\$ (202,805)	\$ (312,753)
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 1,400,000	\$ 1,400,000
Proceeds from Sale of Capital Assets	0	0	0	0	1,668
Transfers In	0	16,100	16,100	0	16,100
Transfers Out	0	0	0	(253,591)	(282,039)
Total Other Financing Sources (Uses)	\$ 0	\$ 16,100	\$ 16,100	\$ 1,146,409	\$ 1,135,729
Net Change in Fund Balances	\$ 284,117	\$ (415,383)	\$ (131,266)	\$ 943,604	\$ 822,976
Fund Balance, July 1, 2016	86,842	1,654,410	1,741,252	491,724	4,010,570
Fund Balance, June 30, 2017	\$ 370,959	\$ 1,239,027	\$ 1,609,986	\$ 1,435,328	\$ 4,833,546

## 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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 456,514	\$ 456,951	\$ 456,951	\$ (437)
Charges for Current Services	28,301	22,350	22,350	5,951
Other Local Revenues	5,574	5,647	5,647	(73)
State of Tennessee	1,998	0	0	1,998
Other Governments and Citizens Groups	131,062	136,167	136,917	(5,855)
Total Revenues	<u>\$ 623,449</u>	<u>\$ 621,115</u>	<u>\$ 621,865</u>	<u>\$ 1,584</u>
<u>Expenditures</u>				
<u>Social, Cultural, and Recreational Services</u>				
Libraries	\$ 577,205	\$ 578,079	\$ 609,795	\$ 32,590
<u>Principal on Debt</u>				
General Government	1,824	1,764	1,824	0
<u>Interest on Debt</u>				
General Government	4,032	4,092	4,032	0
Total Expenditures	<u>\$ 583,061</u>	<u>\$ 583,935</u>	<u>\$ 615,651</u>	<u>\$ 32,590</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 40,388</u>	<u>\$ 37,180</u>	<u>\$ 6,214</u>	<u>\$ 34,174</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Capital Assets	\$ 751	0	0	751
Transfers Out	(20,720)	0	(20,720)	0
Total Other Financing Sources	<u>\$ (19,969)</u>	<u>\$ 0</u>	<u>\$ (20,720)</u>	<u>\$ 751</u>
Net Change in Fund Balance	\$ 20,419	\$ 37,180	\$ (14,506)	\$ 34,925
Fund Balance, July 1, 2016	<u>302,095</u>	<u>246,059</u>	<u>246,059</u>	<u>56,036</u>
Fund Balance, June 30, 2017	<u>\$ 322,514</u>	<u>\$ 283,239</u>	<u>\$ 231,553</u>	<u>\$ 90,961</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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,064,448	\$ 1,108,126	\$ 1,108,126	\$ (43,678)
Charges for Current Services	499,411	445,000	445,000	54,411
Other Local Revenues	21,207	35,500	35,500	(14,293)
State of Tennessee	41,651	79,089	79,089	(37,438)
Total Revenues	<u>\$ 1,626,717</u>	<u>\$ 1,667,715</u>	<u>\$ 1,667,715</u>	<u>\$ (40,998)</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 182,123	\$ 188,362	\$ 190,052	\$ 7,929
Convenience Centers	577,079	601,500	648,730	71,651
Other Waste Collection	76,742	63,459	85,568	8,826
Recycling Center	878	11,000	11,000	10,122
Landfill Operation and Maintenance	667,973	632,000	665,200	(2,773)
Other Waste Disposal	59,489	70,500	65,500	6,011
Total Expenditures	<u>\$ 1,564,284</u>	<u>\$ 1,566,821</u>	<u>\$ 1,666,050</u>	<u>\$ 101,766</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 62,433</u>	<u>\$ 100,894</u>	<u>\$ 1,665</u>	<u>\$ 60,768</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (6,688)	\$ 0	\$ (6,688)	\$ 0
Total Other Financing Sources	<u>\$ (6,688)</u>	<u>\$ 0</u>	<u>\$ (6,688)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 55,745	\$ 100,894	\$ (5,023)	\$ 60,768
Fund Balance, July 1, 2016	<u>798,245</u>	<u>181,223</u>	<u>181,223</u>	<u>617,022</u>
Fund Balance, June 30, 2017	<u><u>\$ 853,990</u></u>	<u><u>\$ 282,117</u></u>	<u><u>\$ 176,200</u></u>	<u><u>\$ 677,790</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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 67,647	\$ 59,500	\$ 59,500	\$ 8,147
Other Local Revenues	792	500	500	292
Federal Government	24,944	0	0	24,944
Total Revenues	<u>\$ 93,383</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>	<u>\$ 33,383</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 103,456	\$ 60,000	\$ 156,700	\$ 53,244
Total Expenditures	<u>\$ 103,456</u>	<u>\$ 60,000</u>	<u>\$ 156,700</u>	<u>\$ 53,244</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (10,073)</u>	<u>\$ 0</u>	<u>\$ (96,700)</u>	<u>\$ 86,627</u>
Net Change in Fund Balance	\$ (10,073)	\$ 0	\$ (96,700)	\$ 86,627
Fund Balance, July 1, 2016	<u>374,233</u>	<u>323,267</u>	<u>323,267</u>	<u>50,966</u>
Fund Balance, June 30, 2017	<u><u>\$ 364,160</u></u>	<u><u>\$ 323,267</u></u>	<u><u>\$ 226,567</u></u>	<u><u>\$ 137,593</u></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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 364,382	\$ 350,000	\$ 352,088	\$ 12,294
Other Local Revenues	16,250	0	11,250	5,000
State of Tennessee	25,000	25,000	25,000	0
Total Revenues	<u>\$ 405,632</u>	<u>\$ 375,000</u>	<u>\$ 388,338</u>	<u>\$ 17,294</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Tourism	\$ 460,962	\$ 432,684	\$ 521,222	\$ 60,260
Total Expenditures	<u>\$ 460,962</u>	<u>\$ 432,684</u>	<u>\$ 521,222</u>	<u>\$ 60,260</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (55,330)</u>	<u>\$ (57,684)</u>	<u>\$ (132,884)</u>	<u>\$ 77,554</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Capital Assets	\$ 917	\$ 0	\$ 0	\$ 917
Transfers Out	(1,040)	0	(1,040)	0
Total Other Financing Sources	<u>\$ (123)</u>	<u>\$ 0</u>	<u>\$ (1,040)</u>	<u>\$ 917</u>
Net Change in Fund Balance	\$ (55,453)	\$ (57,684)	\$ (133,924)	\$ 78,471
Fund Balance, July 1, 2016	<u>303,021</u>	<u>305,737</u>	<u>305,737</u>	<u>(2,716)</u>
Fund Balance, June 30, 2017	<u>\$ 247,568</u>	<u>\$ 248,053</u>	<u>\$ 171,813</u>	<u>\$ 75,755</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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 193,206	\$ 188,136	\$ 188,136	\$ 5,070
Other Local Revenues	231	150	150	81
Other Governments and Citizens Groups	1,682,868	1,293,548	1,682,868	0
Total Revenues	<u>\$ 1,876,305</u>	<u>\$ 1,481,834</u>	<u>\$ 1,871,154</u>	<u>\$ 5,151</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 1,098,273	\$ 1,019,240	\$ 1,098,273	\$ 0
<u>Interest on Debt</u>				
Education	487,681	444,394	487,681	0
<u>Other Debt Service</u>				
Education	6,234	18,200	18,200	11,966
Total Expenditures	<u>\$ 1,592,188</u>	<u>\$ 1,481,834</u>	<u>\$ 1,604,154</u>	<u>\$ 11,966</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 284,117</u>	<u>\$ 0</u>	<u>\$ 267,000</u>	<u>\$ 17,117</u>
Net Change in Fund Balance	\$ 284,117	0	\$ 267,000	\$ 17,117
Fund Balance, July 1, 2016	86,842	53,413	53,413	33,429
Fund Balance, June 30, 2017	<u>\$ 370,959</u>	<u>\$ 53,413</u>	<u>\$ 320,413</u>	<u>\$ 50,546</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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,628,323	\$ 1,611,106	\$ 1,611,106	\$ 17,217
Other Local Revenues	2,280	1,500	1,500	780
Total Revenues	<u>\$ 1,630,603</u>	<u>\$ 1,612,606</u>	<u>\$ 1,612,606</u>	<u>\$ 17,997</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 1,393,000	\$ 1,417,000	\$ 1,417,000	\$ 24,000
<u>Interest on Debt</u>				
Education	634,836	636,694	636,694	1,858
<u>Other Debt Service</u>				
Education	34,250	47,000	47,000	12,750
Total Expenditures	<u>\$ 2,062,086</u>	<u>\$ 2,100,694</u>	<u>\$ 2,100,694</u>	<u>\$ 38,608</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (431,483)</u>	<u>\$ (488,088)</u>	<u>\$ (488,088)</u>	<u>\$ 56,605</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	\$ (415,383)	\$ (471,988)	\$ (471,988)	\$ 56,605
Fund Balance, July 1, 2016	<u>1,654,410</u>	<u>1,677,463</u>	<u>1,677,463</u>	<u>(23,053)</u>
Fund Balance, June 30, 2017	<u><u>\$ 1,239,027</u></u>	<u><u>\$ 1,205,475</u></u>	<u><u>\$ 1,205,475</u></u>	<u><u>\$ 33,552</u></u>

Exhibit G-9

Anderson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 2017

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2017	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 30,487	\$ 0	\$ 30,487	\$ 30,286	\$ 30,286	\$ 201
Total Revenues	\$ 30,487	\$ 0	\$ 30,487	\$ 30,286	\$ 30,286	\$ 201
<u>Expenditures</u>						
<u>Other Debt Service</u>						
General Government	\$ 7,500	\$ 0	\$ 7,500	\$ 0	\$ 7,500	\$ 0
<u>Capital Projects</u>						
General Administration Projects	860	0	860	25,504	21,913	21,053
Public Safety Projects	182,718	0	182,718	0	183,000	282
Public Health and Welfare Projects	37,214	10,000	47,214	0	47,214	0
Social, Cultural, and Recreation Projects	5,000	595,000	600,000	4,695	604,695	4,695
Total Expenditures	\$ 233,292	\$ 605,000	\$ 838,292	\$ 30,199	\$ 864,322	\$ 26,030
Excess (Deficiency) of Revenues Over Expenditures	\$ (202,805)	\$ (605,000)	\$ (807,805)	\$ 87	\$ (834,036)	\$ 26,231
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 1,400,000	\$ 0	\$ 1,400,000	\$ 0	\$ 1,400,000	\$ 0
Transfers Out	(253,591)	0	(253,591)	0	(253,591)	0
Total Other Financing Sources	\$ 1,146,409	\$ 0	\$ 1,146,409	\$ 0	\$ 1,146,409	\$ 0
Net Change in Fund Balance	\$ 943,604	\$ (605,000)	\$ 338,604	\$ 87	\$ 312,373	\$ 26,231
Fund Balance, July 1, 2016	491,724	0	491,724	490,834	490,834	890
Fund Balance, June 30, 2017	\$ 1,435,328	\$ (605,000)	\$ 830,328	\$ 490,921	\$ 803,207	\$ 27,121

# Major Governmental Fund

## Debt Service Fund

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

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

## Exhibit H

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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,755,163	\$ 1,764,443	\$ 1,764,443	\$ (9,280)
Other Local Revenues	5,866	6,000	6,000	(134)
Federal Government	26,958	30,000	30,000	(3,042)
Total Revenues	<u>\$ 1,787,987</u>	<u>\$ 1,800,443</u>	<u>\$ 1,800,443</u>	<u>\$ (12,456)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 875,463	\$ 879,836	\$ 879,836	\$ 4,373
<u>Interest on Debt</u>				
General Government	677,606	772,802	772,802	95,196
<u>Other Debt Service</u>				
General Government	203,228	61,000	212,193	8,965
Total Expenditures	<u>\$ 1,756,297</u>	<u>\$ 1,713,638</u>	<u>\$ 1,864,831</u>	<u>\$ 108,534</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 31,690</u>	<u>\$ 86,805</u>	<u>\$ (64,388)</u>	<u>\$ 96,078</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 8,030,000	0	\$ 8,030,000	0
Premiums on Debt Sold	3,157	0	3,157	0
Payments to Refunded Debt Escrow Agent	(7,892,089)	0	(7,892,089)	0
Total Other Financing Sources	<u>\$ 141,068</u>	<u>\$ 0</u>	<u>\$ 141,068</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 172,758	\$ 86,805	\$ 76,680	\$ 96,078
Fund Balance, July 1, 2016	<u>3,133,536</u>	<u>2,782,386</u>	<u>2,782,386</u>	<u>351,150</u>
Fund Balance, June 30, 2017	<u>\$ 3,306,294</u>	<u>\$ 2,869,191</u>	<u>\$ 2,859,066</u>	<u>\$ 447,228</u>



# Proprietary Funds

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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.

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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, 2017

	Internal Service Funds		
	Employee	Channel	
	Health	95	
	Insurance		
	Fund	Fund	Total
<u>ASSETS</u>			
Current Assets:			
Cash	\$ 135,798	\$ 0	\$ 135,798
Equity in Pooled Cash and Investments	0	56,456	56,456
Investments	18,733	0	18,733
Accounts Receivable	81,065	33,821	114,886
Due from Other Funds	157,262	0	157,262
Prepaid Items	14,343	150	14,493
Total Current Assets	\$ 407,201	\$ 90,427	\$ 497,628
Noncurrent Assets:			
Capital Assets:			
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	\$ 48,888	\$ 0	\$ 48,888
Other Capital Assets	0	117,296	117,296
Total Noncurrent Assets	\$ 48,888	\$ 117,296	\$ 166,184
Total Assets	\$ 456,089	\$ 207,723	\$ 663,812
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	\$ 38,120	\$ 0	\$ 38,120
Accrued Payroll	0	886	886
Payroll Deductions Payable	0	69	69
Due to Other Funds	0	150	150
Other Current Liabilities	164,044	0	164,044
Total Liabilities	\$ 202,164	\$ 1,105	\$ 203,269
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 48,888	\$ 117,296	\$ 166,184
Unrestricted	205,037	89,322	294,359
Total Net Position	\$ 253,925	\$ 206,618	\$ 460,543

Exhibit I-2

Anderson County, Tennessee  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2017

	Internal Service Funds		
	Employee	Channel	
	Health	95	
	Insurance		
	Fund	Fund	Total
<u>Operating Revenues</u>			
Charges for Services	\$ 4,113,312	\$ 35,000	\$ 4,148,312
Licenses and Permits	0	134,542	134,542
Total Operating Revenues	\$ 4,113,312	\$ 169,542	\$ 4,282,854
<u>Operating Expenses</u>			
Salaries	\$ 0	\$ 52,306	\$ 52,306
Fringe Benefits	0	21,654	21,654
Communication	1,645	587	2,232
Other Contracted Services	322,640	3,120	325,760
Gasoline	0	23	23
Supplies and Materials	39	7,974	8,013
Trustee's Commission	0	1,343	1,343
Workers' Compensation Insurance	0	109	109
Depreciation	2,619	1,879	4,498
Other Charges	1,255	0	1,255
Medical and Dental Services	3,351,703	0	3,351,703
Handling Charges and Administrative Costs	49,058	0	49,058
Excess Risk Insurance	471,795	0	471,795
Data Processing Equipment	0	6,353	6,353
Total Operating Expenses	\$ 4,200,754	\$ 95,348	\$ 4,296,102
Operating Income (Loss)	\$ (87,442)	\$ 74,194	\$ (13,248)
<u>Nonoperating Revenues (Expenses)</u>			
Investment Income	\$ 136	\$ 0	\$ 136
Total Nonoperating Revenues (Expenses)	\$ 136	\$ 0	\$ 136
Income (Loss) Before Operating Transfers	\$ (87,306)	\$ 74,194	\$ (13,112)
Transfers In	438,617	0	438,617
Transfers Out	0	(1,040)	(1,040)
Change in Net Position	\$ 351,311	\$ 73,154	\$ 424,465
Net Position, July 1, 2016	(97,386)	133,464	36,078
Net Position, June 30, 2017	\$ 253,925	\$ 206,618	\$ 460,543

Exhibit I-3

Anderson County, Tennessee  
Combining Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2017

	Internal Service Funds		
	Employee	Channel	
	Health	95	
	Insurance	Fund	Total
	Fund	Fund	
<u>Cash Flows from Operating Activities</u>			
Receipts from Customers and Users	\$ 0	\$ 35,000	\$ 35,000
Receipts for Self-insurance Premiums	3,956,050	0	3,956,050
Receipts from Licenses and Permits	0	134,342	134,342
Payments to Vendors	0	(20,227)	(20,227)
Payments to Employees	0	(52,083)	(52,083)
Payments for Fringe Benefits	0	(22,375)	(22,375)
Payments to Fiscal Agents	(378,246)	0	(378,246)
Payments to Insurers	(486,084)	0	(486,084)
Stop-loss Recovery	201,180	0	201,180
Payments for Administrative Costs	(58,571)	0	(58,571)
Payments for Claims	(3,698,889)	0	(3,698,889)
Net Cash Provided By (Used In) Operating Activities	\$ (464,560)	\$ 74,657	\$ (389,903)
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition and Construction of Capital Assets	\$ 0	\$ (119,175)	\$ (119,175)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ 0	\$ (119,175)	\$ (119,175)
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers from Other Funds	\$ 438,617	\$ 0	\$ 438,617
Transfers to Other Funds	0	(1,040)	(1,040)
Net Cash Provided By (Used In) Noncapital Financing Activities	\$ 438,617	\$ (1,040)	\$ 437,577
<u>Cash Flows from Investing Activities</u>			
Interest on Investments	\$ 40	\$ 0	\$ 40
Net Cash Provided By (Used In) Investing Activities	\$ 40	\$ 0	\$ 40
Increase (Decrease) in Cash	\$ (25,903)	\$ (45,558)	\$ (71,461)
Cash, July 1, 2016	161,701	102,014	263,715
Cash, June 30, 2017	\$ 135,798	\$ 56,456	\$ 192,254
<u>Reconciliation of Operating Income (Loss) to Net</u>			
<u>Cash Provided By (Used In) Operating Activities</u>			
Operating Income (Loss)	\$ (87,442)	\$ 74,194	\$ (13,248)
Adjustments to Reconcile Net Operating Income (Loss)			
to Net Cash Provided By (Used In) Operating Activities:			
Depreciation	2,619	1,879	4,498
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	30,298	(200)	30,098
(Increase) Decrease in Due from Other Funds (non-transfers)	(157,262)	0	(157,262)
(Increase) Decrease in Prepaid Items	(14,343)	(150)	(14,493)
Increase (Decrease) in Accounts Payable	(62,126)	(718)	(62,844)
Increase (Decrease) in Accrued Payroll	0	223	223
Increase (Decrease) in Payroll Deductions	0	(721)	(721)
Increase (Decrease) in Due to Other Funds	0	150	150
Increase (Decrease) in Other Current Liabilities	(176,304)	0	(176,304)
Net Cash Provided By (Used In) Operating Activities	\$ (464,560)	\$ 74,657	\$ (389,903)
<u>Reconciliation of Cash with the Statement of Net Position</u>			
Cash Per Net Position	\$ 135,798	\$ 0	\$ 135,798
Equity in Pooled Cash and Investments Per Net Position	0	56,456	56,456
Cash, June 30, 2017	\$ 135,798	\$ 56,456	\$ 192,254

# Fiduciary Funds

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

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

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, 2017

	Agency Funds						
	Cities - Sales Tax	City School ADA - Clinton	City School ADA - Oak Ridge	Constitu- tional Officers - Agency	Judicial District Drug	District Attorney General	Total
<u>ASSETS</u>							
Cash	\$ 0	\$ 0	\$ 0	\$ 1,766,566	\$ 0	\$ 0	\$ 1,766,566
Equity in Pooled Cash and Investments	0	2,952	13,166	0	172,721	19,146	207,985
Accounts Receivable	0	0	0	0	22,327	0	22,327
Due from Other Governments	2,251,567	188,300	838,939	0	21,812	0	3,300,618
Taxes Receivable	0	2,191,101	9,763,242	0	0	0	11,954,343
Allowance for Uncollectible Taxes	0	(81,989)	(365,330)	0	0	0	(447,319)
Total Assets	<u>\$ 2,251,567</u>	<u>\$ 2,300,364</u>	<u>\$ 10,250,017</u>	<u>\$ 1,766,566</u>	<u>\$ 216,860</u>	<u>\$ 19,146</u>	<u>\$ 16,804,520</u>
<u>LIABILITIES</u>							
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,596	\$ 100	\$ 3,696
Due to Other Taxing Units	2,251,567	2,300,364	10,250,017	0	0	0	14,801,948
Due to Joint Ventures	0	0	0	0	213,264	0	213,264
Due to Litigants, Heirs, and Others	0	0	0	1,766,566	0	19,046	1,785,612
Total Liabilities	<u>\$ 2,251,567</u>	<u>\$ 2,300,364</u>	<u>\$ 10,250,017</u>	<u>\$ 1,766,566</u>	<u>\$ 216,860</u>	<u>\$ 19,146</u>	<u>\$ 16,804,520</u>

## Exhibit J-2

Anderson County, Tennessee  
Combining Statement of Changes in Assets  
and Liabilities - All Agency Funds  
For the Year Ended June 30, 2017

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 12,968,140	\$ 12,968,140	\$ 0
Due from Other Governments	2,069,248	2,251,567	2,069,248	2,251,567
Total Assets	\$ 2,069,248	\$ 15,219,707	\$ 15,037,388	\$ 2,251,567
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,069,248	\$ 15,219,707	\$ 15,037,388	\$ 2,251,567
Total Liabilities	\$ 2,069,248	\$ 15,219,707	\$ 15,037,388	\$ 2,251,567
<u>City School ADA - Clinton Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 3,811	\$ 3,202,776	\$ 3,203,635	\$ 2,952
Due from Other Governments	168,235	188,300	168,235	188,300
Taxes Receivable	2,083,440	2,191,101	2,083,440	2,191,101
Allowance for Uncollectible Taxes	(86,366)	(81,989)	(86,366)	(81,989)
Total Assets	\$ 2,169,120	\$ 5,500,188	\$ 5,368,944	\$ 2,300,364
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,169,120	\$ 5,500,188	\$ 5,368,944	\$ 2,300,364
Total Liabilities	\$ 2,169,120	\$ 5,500,188	\$ 5,368,944	\$ 2,300,364
<u>City School ADA - Oak Ridge Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 17,590	\$ 14,276,212	\$ 14,280,636	\$ 13,166
Due from Other Governments	776,032	838,939	776,032	838,939
Taxes Receivable	10,021,184	9,763,242	10,021,184	9,763,242
Allowance for Uncollectible Taxes	(415,418)	(365,330)	(415,418)	(365,330)
Total Assets	\$ 10,399,388	\$ 24,513,063	\$ 24,662,434	\$ 10,250,017
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 10,399,388	\$ 24,513,063	\$ 24,662,434	\$ 10,250,017
Total Liabilities	\$ 10,399,388	\$ 24,513,063	\$ 24,662,434	\$ 10,250,017

(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	\$ 1,435,974	\$ 14,062,277	\$ 13,731,685	\$ 1,766,566
Total Assets	\$ 1,435,974	\$ 14,062,277	\$ 13,731,685	\$ 1,766,566
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,435,974	\$ 14,062,277	\$ 13,731,685	\$ 1,766,566
Total Liabilities	\$ 1,435,974	\$ 14,062,277	\$ 13,731,685	\$ 1,766,566
<u>Judicial District Drug Fund - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 30,200	\$ 295,608	\$ 153,087	\$ 172,721
Accounts Receivable	5,038	22,327	5,038	22,327
Due from Other Governments	0	21,812	0	21,812
Total Assets	\$ 35,238	\$ 339,747	\$ 158,125	\$ 216,860
<u>Liabilities</u>				
Accounts Payable	\$ 3,955	\$ 3,596	\$ 3,955	\$ 3,596
Due to Joint Venture	31,283	336,151	154,170	213,264
Total Liabilities	\$ 35,238	\$ 339,747	\$ 158,125	\$ 216,860
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 25,553	\$ 6,632	\$ 13,039	\$ 19,146
Total Assets	\$ 25,553	\$ 6,632	\$ 13,039	\$ 19,146
<u>Liabilities</u>				
Accounts Payable	\$ 750	\$ 100	\$ 750	\$ 100
Due to Other Litigants, Heirs, and Others	24,803	6,532	12,289	19,046
Total Liabilities	\$ 25,553	\$ 6,632	\$ 13,039	\$ 19,146

(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	\$ 1,435,974	\$ 14,062,277	\$ 13,731,685	\$ 1,766,566
Equity in Pooled Cash and Investments	77,154	30,749,368	30,618,537	207,985
Accounts Receivable	5,038	22,327	5,038	22,327
Due from Other Governments	3,013,515	3,300,618	3,013,515	3,300,618
Taxes Receivable	12,104,624	11,954,343	12,104,624	11,954,343
Allowance for Uncollectible Taxes	(501,784)	(447,319)	(501,784)	(447,319)
Total Assets	<u>\$ 16,134,521</u>	<u>\$ 59,641,614</u>	<u>\$ 58,971,615</u>	<u>\$ 16,804,520</u>
<u>Liabilities</u>				
Accounts Payable	\$ 4,705	\$ 3,696	\$ 4,705	\$ 3,696
Due to Other Taxing Units	14,637,756	45,232,958	45,068,766	14,801,948
Due to Joint Ventures	31,283	336,151	154,170	213,264
Due to Litigants, Heirs, and Others	1,460,777	14,068,809	13,743,974	1,785,612
Total Liabilities	<u>\$ 16,134,521</u>	<u>\$ 59,641,614</u>	<u>\$ 58,971,615</u>	<u>\$ 16,804,520</u>

# Anderson County School Department

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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.

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

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

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

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, 2017

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	\$ 36,895,317	\$ 69,165	\$ 4,249,151	\$ 176,553	\$ (32,400,448)
Support Services	22,472,163	83,000	745,021	0	(21,644,142)
Operation of Non-instructional Services	7,034,573	753,826	7,047,363	0	766,616
Total Governmental Activities	\$ 66,402,053	\$ 905,991	\$ 12,041,535	\$ 176,553	\$ (53,277,974)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 16,099,266
Local Option Sales Taxes					8,087,321
Other Local Taxes					6,728
Grants and Contributions Not Restricted for Specific Programs					31,360,868
Unrestricted Investment Income					9,159
Miscellaneous					241,857
Total General Revenues					\$ 55,805,199
Change in Net Position					\$ 2,527,225
Net Position, July 1, 2016					46,852,839
Net Position, June 30, 2017					\$ 49,380,064

## Exhibit K-2

Anderson County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Anderson County School Department  
June 30, 2017

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	\$ 9,954	\$ 30	\$ 9,984
Equity in Pooled Cash and Investments	4,812,665	1,599,354	6,412,019
Inventories	0	89,994	89,994
Accounts Receivable	12,326	1,231	13,557
Due from Other Governments	1,473,538	794,216	2,267,754
Due from Other Funds	183,905	1,346	185,251
Due from Primary Government	24,159	0	24,159
Property Taxes Receivable	16,104,868	13,831	16,118,699
Allowance for Uncollectible Property Taxes	(597,980)	(5,165)	(603,145)
Prepaid Items	807,707	103	807,810
Total Assets	\$ 22,831,142	\$ 2,494,940	\$ 25,326,082
<u>LIABILITIES</u>			
Accounts Payable	\$ 876,045	\$ 466,224	\$ 1,342,269
Accrued Payroll	500	3,493	3,993
Payroll Deductions Payable	765,697	109,609	875,306
Due to Other Funds	1,346	183,905	185,251
Due to Primary Government	135,862	6,473	142,335
Due to State of Tennessee	0	17	17
Other Current Liabilities	31	0	31
Total Liabilities	\$ 1,779,481	\$ 769,721	\$ 2,549,202
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 15,008,449	\$ 0	\$ 15,008,449
Deferred Delinquent Property Taxes	459,584	7,455	467,039
Other Deferred/Unavailable Revenue	692,612	0	692,612
Total Deferred Inflows of Resources	\$ 16,160,645	\$ 7,455	\$ 16,168,100
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 0	\$ 89,994	\$ 89,994
Prepaid Items	807,707	103	807,810
Restricted:			
Restricted for Education	0	1,483,763	1,483,763
Restricted for Capital Projects	379,809	18,904	398,713
Committed:			
Committed for Education	30,192	125,000	155,192
Unassigned	3,673,308	0	3,673,308
Total Fund Balances	\$ 4,891,016	\$ 1,717,764	\$ 6,608,780
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 22,831,142	\$ 2,494,940	\$ 25,326,082

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, 2017

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)		\$	6,608,780
(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		42,001,018	
Add: other capital assets net of accumulated depreciation		<u>2,325,117</u>	45,191,349
(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	\$	(336,162)	
Less: net pension liability - agent plan		(53,609)	
Less: net pension liability -teacher legacy plan		(4,814,691)	
Less: other postemployment benefits liability		(1,375,785)	
Less: compensated absences payable		<u>(331,695)</u>	(6,911,942)
(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	\$	9,652,645	
Less: deferred inflows of resources related to pensions		<u>(6,361,589)</u>	3,291,056
(4) Net pension assets of the teacher retirement plan are not current financial resources and therefore are not reported in the governmental funds.			41,170
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,159,651</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>49,380,064</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, 2017

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 23,833,575	\$ 250,698	\$ 24,084,273
Licenses and Permits	2,899	0	2,899
Charges for Current Services	154,901	751,095	905,996
Other Local Revenues	182,557	55,034	237,591
State of Tennessee	31,920,393	1,070,179	32,990,572
Federal Government	210,999	10,172,567	10,383,566
Other Governments and Citizens Groups	176,553	0	176,553
Total Revenues	<u>\$ 56,481,877</u>	<u>\$ 12,299,573</u>	<u>\$ 68,781,450</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 31,956,727	\$ 2,525,150	\$ 34,481,877
Support Services	21,297,266	1,764,020	23,061,286
Operation of Non-Instructional Services	2,699	7,123,024	7,125,723
Capital Outlay	798,347	17,015	815,362
Debt Service:			
Other Debt Service	1,560,548	122,320	1,682,868
Capital Projects	0	231,794	231,794
Total Expenditures	<u>\$ 55,615,587</u>	<u>\$ 11,783,323</u>	<u>\$ 67,398,910</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 866,290</u>	<u>\$ 516,250</u>	<u>\$ 1,382,540</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds from Sale of Capital Assets	\$ 40,352	\$ 1,333	\$ 41,685
Transfers In	195,629	151,313	346,942
Transfers Out	(89,176)	(257,766)	(346,942)
Total Other Financing Sources (Uses)	<u>\$ 146,805</u>	<u>\$ (105,120)</u>	<u>\$ 41,685</u>
Net Change in Fund Balances	\$ 1,013,095	\$ 411,130	\$ 1,424,225
Fund Balance, July 1, 2016	<u>3,877,921</u>	<u>1,306,634</u>	<u>5,184,555</u>
Fund Balance, June 30, 2017	<u>\$ 4,891,016</u>	<u>\$ 1,717,764</u>	<u>\$ 6,608,780</u>

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, 2017

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)		\$ 1,424,225
(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	\$ 1,088,472	
Less: current-year depreciation expense	<u>(2,572,400)</u>	(1,483,928)
(2) 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, 2017	\$ 1,159,651	
Less: deferred delinquent property taxes and other deferred June 30, 2016	<u>(1,053,508)</u>	106,143
(3) 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 consume the financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on leases to primary government		79,033
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in other postemployment benefits liability	\$ 55,699	
Change in compensated absences payable	(32,919)	
Change in net pension asset/liability - agent plan	(815,112)	
Change in net pension asset - teacher retirement plan	32,066	
Change in net pension liability - teacher legacy pension plan	(4,500,465)	
Change in deferred outflows related to pensions	6,134,938	
Change in deferred inflows related to pensions	<u>1,527,545</u>	<u>2,401,752</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,527,225</u>

## Exhibit K-6

Anderson County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Anderson County School Department  
June 30, 2017

	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	\$ 0	\$ 30	\$ 0	\$ 30	\$ 0	\$ 30
Equity in Pooled Cash and Investments	84,495	1,459,003	38,163	1,581,661	17,693	1,599,354
Inventories	0	89,994	0	89,994	0	89,994
Accounts Receivable	0	1,231	0	1,231	0	1,231
Due from Other Governments	389,180	0	405,036	794,216	0	794,216
Due from Other Funds	1,346	0	0	1,346	0	1,346
Property Taxes Receivable	0	0	0	0	13,831	13,831
Allowance for Uncollectible Property Taxes	0	0	0	0	(5,165)	(5,165)
Prepaid Items	0	0	103	103	0	103
Total Assets	<u>\$ 475,021</u>	<u>\$ 1,550,258</u>	<u>\$ 443,302</u>	<u>\$ 2,468,581</u>	<u>\$ 26,359</u>	<u>\$ 2,494,940</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 169,093	\$ 26,624	\$ 270,507	\$ 466,224	\$ 0	\$ 466,224
Accrued Payroll	0	0	3,493	3,493	0	3,493
Payroll Deductions Payable	60,575	18,337	30,697	109,609	0	109,609
Due to Other Funds	101,781	0	82,124	183,905	0	183,905
Due to Primary Government	5,782	148	543	6,473	0	6,473
Due to State of Tennessee	0	0	17	17	0	17
Total Liabilities	<u>\$ 337,231</u>	<u>\$ 45,109</u>	<u>\$ 387,381</u>	<u>\$ 769,721</u>	<u>\$ 0</u>	<u>\$ 769,721</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	
DEFERRED INFLOWS OF RESOURCES						
Deferred Delinquent Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,455	\$ 7,455
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,455	\$ 7,455
FUND BALANCES						
Nonspendable:						
Inventory	\$ 0	\$ 89,994	\$ 0	\$ 89,994	\$ 0	\$ 89,994
Prepaid Items	0	0	103	103	0	103
Restricted:						
Restricted for Education	12,790	1,415,155	55,818	1,483,763	0	1,483,763
Restricted for Capital Projects	0	0	0	0	18,904	18,904
Committed:						
Committed for Education	125,000	0	0	125,000	0	125,000
Total Fund Balances	\$ 137,790	\$ 1,505,149	\$ 55,921	\$ 1,698,860	\$ 18,904	\$ 1,717,764
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 475,021	\$ 1,550,258	\$ 443,302	\$ 2,468,581	\$ 26,359	\$ 2,494,940

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, 2017

	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>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,698	\$ 250,698
Charges for Current Services	0	577,622	173,473	751,095	0	751,095
Other Local Revenues	21,717	32,742	575	55,034	0	55,034
State of Tennessee	413,145	29,684	627,350	1,070,179	0	1,070,179
Federal Government	4,282,838	2,787,088	3,102,641	10,172,567	0	10,172,567
Total Revenues	\$ 4,717,700	\$ 3,427,136	\$ 3,904,039	\$ 12,048,875	\$ 250,698	\$ 12,299,573
<u>Expenditures</u>						
Current:						
Instruction	\$ 2,525,150	\$ 0	\$ 0	\$ 2,525,150	\$ 0	\$ 2,525,150
Support Services	1,764,020	0	0	1,764,020	0	1,764,020
Operation of Non-Instructional Services	326,478	3,205,119	3,591,427	7,123,024	0	7,123,024
Capital Outlay	0	0	17,015	17,015	0	17,015
Debt Service:						
Other Debt Service	0	0	122,320	122,320	0	122,320
Capital Projects	0	0	0	0	231,794	231,794
Total Expenditures	\$ 4,615,648	\$ 3,205,119	\$ 3,730,762	\$ 11,551,529	\$ 231,794	\$ 11,783,323
Excess (Deficiency) of Revenues Over Expenditures	\$ 102,052	\$ 222,017	\$ 173,277	\$ 497,346	\$ 18,904	\$ 516,250

(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	
<u>Other Financing Sources (Uses)</u>						
Proceeds from Sale of Capital Assets	\$ 0	\$ 1,333	\$ 0	\$ 1,333	\$ 0	\$ 1,333
Transfers In	75,000	76,313	0	151,313	0	151,313
Transfers Out	(113,538)	0	(144,228)	(257,766)	0	(257,766)
Total Other Financing Sources (Uses)	<u>\$ (38,538)</u>	<u>\$ 77,646</u>	<u>\$ (144,228)</u>	<u>\$ (105,120)</u>	<u>\$ 0</u>	<u>\$ (105,120)</u>
Net Change in Fund Balances	\$ 63,514	\$ 299,663	\$ 29,049	\$ 392,226	\$ 18,904	\$ 411,130
Fund Balance, July 1, 2016	<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>
Fund Balance, June 30, 2017	<u>\$ 137,790</u>	<u>\$ 1,505,149</u>	<u>\$ 55,921</u>	<u>\$ 1,698,860</u>	<u>\$ 18,904</u>	<u>\$ 1,717,764</u>

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, 2017

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2016	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 23,833,575	\$ 0	\$ 23,833,575	\$ 22,452,453	\$ 22,452,453	\$ 1,381,122
Licenses and Permits	2,899	0	2,899	3,120	3,120	(221)
Fines, Forfeitures, and Penalties	0	0	0	10,000	10,000	(10,000)
Charges for Current Services	154,901	0	154,901	52,039	165,039	(10,138)
Other Local Revenues	182,557	0	182,557	74,775	178,494	4,063
State of Tennessee	31,920,393	0	31,920,393	32,819,175	32,909,008	(988,615)
Federal Government	210,999	0	210,999	132,948	212,466	(1,467)
Other Governments and Citizens Groups	176,553	0	176,553	3,900	3,900	172,653
Total Revenues	\$ 56,481,877	\$ 0	\$ 56,481,877	\$ 55,548,410	\$ 55,934,480	\$ 547,397
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 23,321,289	\$ 0	\$ 23,321,289	\$ 22,938,850	\$ 23,585,895	\$ 264,606
Special Education Program	5,421,304	0	5,421,304	5,769,524	5,608,765	187,461
Career and Technical Education Program	3,115,945	0	3,115,945	3,109,422	3,228,398	112,453
Student Body Education Program	98,189	0	98,189	100,000	100,000	1,811
<u>Support Services</u>						
Attendance	384,284	0	384,284	289,330	395,258	10,974
Health Services	717,280	0	717,280	685,147	748,668	31,388
Other Student Support	1,541,042	0	1,541,042	1,593,615	1,626,134	85,092
Regular Instruction Program	1,196,486	0	1,196,486	1,091,416	1,252,935	56,449
Special Education Program	1,404,538	0	1,404,538	1,449,479	1,506,564	102,026
Career and Technical Education Program	256,231	0	256,231	250,460	258,460	2,229
Other Programs	200,638	0	200,638	300,000	358,750	158,112
Board of Education	1,135,989	0	1,135,989	1,168,750	1,162,472	26,483

(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)	Less: Encumbrances 7/1/2016	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Support Services (Cont.)</u>						
Director of Schools	\$ 462,335	\$ 0	\$ 462,335	\$ 367,453	\$ 502,799	\$ 40,464
Office of the Principal	3,529,235	0	3,529,235	3,650,952	3,622,687	93,452
Fiscal Services	491,723	0	491,723	494,069	500,987	9,264
Human Services/Personnel	89,706	0	89,706	80,037	92,003	2,297
Operation of Plant	4,538,669	0	4,538,669	4,804,100	4,772,588	233,919
Maintenance of Plant	1,269,799	0	1,269,799	1,582,022	1,578,772	308,973
Transportation	3,145,337	0	3,145,337	3,158,380	3,258,380	113,043
Central and Other	933,974	(4,788)	929,186	918,011	992,315	63,129
<u>Operation of Non-Instructional Services</u>						
Community Services	2,699	0	2,699	57,077	17,561	14,862
<u>Capital Outlay</u>						
Regular Capital Outlay	798,347	(398,575)	399,772	328,148	1,021,180	621,408
<u>Other Debt Service</u>						
Education	1,560,548	0	1,560,548	1,562,256	1,562,256	1,708
Total Expenditures	\$ 55,615,587	\$ (403,363)	\$ 55,212,224	\$ 55,748,498	\$ 57,753,827	\$ 2,541,603
 Excess (Deficiency) of Revenues						
Over Expenditures	\$ 866,290	\$ 403,363	\$ 1,269,653	\$ (200,088)	\$ (1,819,347)	\$ 3,089,000
 <u>Other Financing Sources (Uses)</u>						
Proceeds from Sale of Capital Assets	\$ 40,352	\$ 0	\$ 40,352	\$ 0	\$ 18,567	\$ 21,785
Transfers In	195,629	0	195,629	200,088	218,656	(23,027)
Transfers Out	(89,176)	0	(89,176)	0	(75,000)	(14,176)
Total Other Financing Sources	\$ 146,805	\$ 0	\$ 146,805	\$ 200,088	\$ 162,223	\$ (15,418)

(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)	Less: Encumbrances 7/1/2016	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 1,013,095	\$ 403,363	\$ 1,416,458	\$ 0	\$ (1,657,124)	\$ 3,073,582
Fund Balance, July 1, 2016	3,877,921	(403,363)	3,474,558	1,713,745	1,713,745	1,760,813
Fund Balance, June 30, 2017	\$ 4,891,016	\$ 0	\$ 4,891,016	\$ 1,713,745	\$ 56,621	\$ 4,834,395

## 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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 21,717	\$ 30,588	\$ 30,588	\$ (8,871)
State of Tennessee	413,145	0	355,000	58,145
Federal Government	4,282,838	4,512,399	6,038,021	(1,755,183)
Total Revenues	\$ 4,717,700	\$ 4,542,987	\$ 6,423,609	\$ (1,705,909)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,135,174	\$ 1,028,920	\$ 1,253,113	\$ 117,939
Special Education Program	1,298,882	1,394,794	1,878,910	580,028
Career and Technical Education Program	91,094	86,878	93,878	2,784
<u>Support Services</u>				
Other Student Support	417,003	623,214	904,305	487,302
Regular Instruction Program	903,718	945,040	1,086,188	182,470
Special Education Program	251,018	234,537	554,324	303,306
Transportation	192,281	125,558	335,259	142,978
<u>Operation of Non-instructional Services</u>				
Community Services	326,478	0	346,999	20,521
Total Expenditures	\$ 4,615,648	\$ 4,438,941	\$ 6,452,976	\$ 1,837,328
Excess (Deficiency) of Revenues Over Expenditures	\$ 102,052	\$ 104,046	\$ (29,367)	\$ 131,419
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 75,000	\$ 168,098	\$ 243,098	\$ (168,098)
Transfers Out	(113,538)	(272,145)	(152,165)	38,627
Total Other Financing Sources	\$ (38,538)	\$ (104,047)	\$ 90,933	\$ (129,471)
Net Change in Fund Balance	\$ 63,514	\$ (1)	\$ 61,566	\$ 1,948
Fund Balance, July 1, 2016	74,276	1	0	74,276
Fund Balance, June 30, 2017	\$ 137,790	\$ 0	\$ 61,566	\$ 76,224

## 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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 577,622	\$ 688,100	\$ 618,100	\$ (40,478)
Other Local Revenues	32,742	0	0	32,742
State of Tennessee	29,684	31,000	31,000	(1,316)
Federal Government	2,787,088	2,727,000	2,726,250	60,838
Total Revenues	<u>\$ 3,427,136</u>	<u>\$ 3,446,100</u>	<u>\$ 3,375,350</u>	<u>\$ 51,786</u>
<u>Expenditures</u>				
<u>Operation of Non-instructional Services</u>				
Food Service	\$ 3,205,119	\$ 3,590,882	\$ 3,520,132	\$ 315,013
Total Expenditures	<u>\$ 3,205,119</u>	<u>\$ 3,590,882</u>	<u>\$ 3,520,132</u>	<u>\$ 315,013</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 222,017</u>	<u>\$ (144,782)</u>	<u>\$ (144,782)</u>	<u>\$ 366,799</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Capital Assets	\$ 1,333	\$ 0	\$ 0	\$ 1,333
Transfers In	76,313	74,500	74,500	1,813
Total Other Financing Sources	<u>\$ 77,646</u>	<u>\$ 74,500</u>	<u>\$ 74,500</u>	<u>\$ 3,146</u>
Net Change in Fund Balance	\$ 299,663	\$ (70,282)	\$ (70,282)	\$ 369,945
Fund Balance, July 1, 2016	<u>1,205,486</u>	<u>996,660</u>	<u>996,660</u>	<u>208,826</u>
Fund Balance, June 30, 2017	<u><u>\$ 1,505,149</u></u>	<u><u>\$ 926,378</u></u>	<u><u>\$ 926,378</u></u>	<u><u>\$ 578,771</u></u>



## 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, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 173,473	\$ 162,000	\$ 166,307	\$ 7,166
Other Local Revenues	575	0	325	250
State of Tennessee	627,350	632,610	633,610	(6,260)
Federal Government	3,102,641	2,973,644	3,518,502	(415,861)
Total Revenues	<u>\$ 3,904,039</u>	<u>\$ 3,768,254</u>	<u>\$ 4,318,744</u>	<u>\$ (414,705)</u>
<u>Expenditures</u>				
<u>Operation of Non-instructional Services</u>				
Community Services	\$ 2,980,266	\$ 2,887,198	\$ 3,124,148	\$ 143,882
Early Childhood Education	611,161	612,103	613,153	1,992
<u>Capital Outlay</u>				
Regular Capital Outlay	17,015	0	304,279	287,264
<u>Principal on Debt</u>				
Education	0	72,446	0	0
<u>Interest on Debt</u>				
Education	0	49,074	0	0
<u>Other Debt Service</u>				
Education	122,320	0	122,320	0
Total Expenditures	<u>\$ 3,730,762</u>	<u>\$ 3,620,821</u>	<u>\$ 4,163,900</u>	<u>\$ 433,138</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 173,277</u>	<u>\$ 147,433</u>	<u>\$ 154,844</u>	<u>\$ 18,433</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>\$ (144,228)</u>	<u>\$ (147,333)</u>	<u>\$ (154,847)</u>	<u>\$ 10,619</u>
Total Other Financing Sources	<u>\$ (144,228)</u>	<u>\$ (147,333)</u>	<u>\$ (154,847)</u>	<u>\$ 10,619</u>
Net Change in Fund Balance	\$ 29,049	\$ 100	\$ (3)	\$ 29,052
Fund Balance, July 1, 2016	<u>26,872</u>	<u>34,747</u>	<u>34,747</u>	<u>(7,875)</u>
Fund Balance, June 30, 2017	<u><u>\$ 55,921</u></u>	<u><u>\$ 34,847</u></u>	<u><u>\$ 34,744</u></u>	<u><u>\$ 21,177</u></u>

Exhibit K-12

Anderson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Anderson County School Department  
Education Capital Projects Fund  
For the Year Ended June 30, 2017

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 250,698	\$ 440,425	\$ 440,425	\$ (189,727)
Total Revenues	<u>\$ 250,698</u>	<u>\$ 440,425</u>	<u>\$ 440,425</u>	<u>\$ (189,727)</u>
<u>Expenditures</u>				
Capital Projects				
Education Capital Projects	\$ 231,794	\$ 440,425	\$ 440,425	\$ 208,631
Total Expenditures	<u>\$ 231,794</u>	<u>\$ 440,425</u>	<u>\$ 440,425</u>	<u>\$ 208,631</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 18,904</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,904</u>
Net Change in Fund Balance	\$ 18,904	\$ 0	\$ 0	\$ 18,904
Fund Balance, July 1, 2016	<u>0</u>	<u>7,910</u>	<u>7,910</u>	<u>(7,910)</u>
Fund Balance, June 30, 2017	<u><u>\$ 18,904</u></u>	<u><u>\$ 7,910</u></u>	<u><u>\$ 7,910</u></u>	<u><u>\$ 10,994</u></u>

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## MISCELLANEOUS SCHEDULES

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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, 2017

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-16	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-17
<u>GOVERNMENTAL ACTIVITIES:</u>									
<u>NOTES PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Series 2017A	\$ 1,400,000	2.35 %	6-22-17	6-1-29	\$ 0	\$ 1,400,000	\$ 0	\$ 0	\$ 1,400,000
Total Payable through General Debt Service Fund					\$ 0	\$ 1,400,000	\$ 0	\$ 0	\$ 1,400,000
<u>Payable through Rural Debt Service Fund</u>									
Local Government Energy Efficient Loan Program	489,502	0	3-25-11	11-1-21	\$ 265,157	\$ 0	\$ 48,948	\$ 0	\$ 216,209
Local Government Energy Efficient Loan Program	352,931	0	6-21-12	8-1-22	217,645	0	35,292	0	182,353
Total Payable through Rural Debt Service Fund					\$ 482,802	\$ 0	\$ 84,240	\$ 0	\$ 398,562
<u>Payable through Education Debt Service Fund</u>									
School Capital Projects Note	1,200,000	1.9	5-4-16	4-1-19	\$ 1,200,000	\$ 0	\$ 368,000	\$ 0	\$ 832,000
Total Payable through Education Debt Service Fund					\$ 1,200,000	\$ 0	\$ 368,000	\$ 0	\$ 832,000
Total Notes Payable					\$ 1,682,802	\$ 1,400,000	\$ 452,240	\$ 0	\$ 2,630,562
<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	\$ 120,279	\$ 0	\$ 1,824	\$ 0	\$ 118,455
Total Payable through Public Library Fund					\$ 120,279	\$ 0	\$ 1,824	\$ 0	\$ 118,455
<u>Public Building Authority Loan Agreements</u>									
<u>Payable through General Debt Service Fund</u>									
Industrial Development - Montgomery County PBA	1,700,000	Variable	7-13-01	5-25-21	\$ 609,000	\$ 0	\$ 110,000	\$ 0	\$ 499,000
Jail Renovation - Montgomery County PBA	3,000,000	Variable	5-22-06	5-25-25	1,636,000	0	160,000	0	1,476,000
Total Payable through General Debt Service Fund					\$ 2,245,000	\$ 0	\$ 270,000	\$ 0	\$ 1,975,000
<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	\$ 4,200,000	\$ 0	\$ 190,000	\$ 0	\$ 4,010,000
Total Payable through Rural Debt Service Fund					\$ 4,200,000	\$ 0	\$ 190,000	\$ 0	\$ 4,010,000
<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	\$ 4,785,000	\$ 0	\$ 225,000	\$ 0	\$ 4,560,000
Total Payable through Education Debt Service Fund					\$ 4,785,000	\$ 0	\$ 225,000	\$ 0	\$ 4,560,000
Total Other Loans Payable					\$ 11,350,279	\$ 0	\$ 686,824	\$ 0	\$ 10,663,455

(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 7-1-16	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-17
<b>GOVERNMENTAL ACTIVITIES (CONT.):</b>									
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation	\$ 2,450,000	1 to 5.25 %	6-4-10	5-1-28	\$ 1,750,000	\$ 0	\$ 125,000	\$ 0	\$ 1,625,000
General Obligation Refunding	1,750,000	2.5 to 3	2-25-11	5-1-19	910,000	0	300,000	0	610,000
General Obligation	14,750,000	2 to 4	9-28-11	5-1-29	14,600,000	0	75,000	7,350,000	7,175,000
General Obligation Refunding, Series 2017	8,030,000	2 to 2.7	5-19-17	5-1-35	0	8,030,000	0	0	8,030,000
Total Payable through General Debt Service Fund					<u>\$ 17,260,000</u>	<u>\$ 8,030,000</u>	<u>\$ 500,000</u>	<u>\$ 7,350,000</u>	<u>\$ 17,440,000</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	\$ 7,375,000	\$ 0	\$ 165,000	\$ 0	\$ 7,210,000
Rural School Refunding	2,050,000	2.5 to 3	2-25-11	5-1-18	460,000	0	230,000	0	230,000
Rural School	2,000,000	2 to 4	9-28-11	5-1-31	1,875,000	0	25,000	0	1,850,000
Rural School Refunding	1,290,000	1 to 2	12-11-13	6-30-18	655,000	0	325,000	0	330,000
Total Payable through Rural Debt Service Fund					<u>\$ 10,365,000</u>	<u>\$ 0</u>	<u>\$ 745,000</u>	<u>\$ 0</u>	<u>\$ 9,620,000</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	\$ 5,650,000	\$ 0	\$ 190,000	\$ 0	\$ 5,460,000
Rural High School	8,000,000	2 to 4	9-28-11	5-1-31	7,665,000	0	150,000	0	7,515,000
Rural High School Refunding	1,810,000	1 to 2	12-11-13	6-30-18	925,000	0	460,000	0	465,000
Total Payable through Education Debt Service Fund					<u>\$ 14,240,000</u>	<u>\$ 0</u>	<u>\$ 800,000</u>	<u>\$ 0</u>	<u>\$ 13,440,000</u>
Total Bonds Payable					<u>\$ 41,865,000</u>	<u>\$ 8,030,000</u>	<u>\$ 2,045,000</u>	<u>\$ 7,350,000</u>	<u>\$ 40,500,000</u>
<b>CAPITAL LEASE PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Phone System	501,365	6.25	7-23-14	5-25-21	\$ 339,469	\$ 0	\$ 105,463	\$ 0	\$ 234,006
Total Payable through General Debt Service Fund					<u>\$ 339,469</u>	<u>\$ 0</u>	<u>\$ 105,463</u>	<u>\$ 0</u>	<u>\$ 234,006</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	\$ 415,195	\$ 0	\$ 79,033	\$ 0	\$ 336,162
Total Contributions Due by the School Department from the Other Education Special Revenue Fund to the Rural Debt Service Fund					<u>\$ 415,195</u>	<u>\$ 0</u>	<u>\$ 79,033</u>	<u>\$ 0</u>	<u>\$ 336,162</u>
Total Capital Lease Payable					<u>\$ 754,664</u>	<u>\$ 0</u>	<u>\$ 184,496</u>	<u>\$ 0</u>	<u>\$ 570,168</u>
<b>BUSINESS-TYPE ACTIVITIES</b>									
<b>NOTES PAYABLE</b>									
<u>Payable through Ambulance Service Fund</u>									
Ambulances	223,225	2.25	6-4-15	6-1-22	\$ 194,000	\$ 0	\$ 31,000	\$ 0	\$ 163,000
Total Payable through Ambulance Service Fund					<u>\$ 194,000</u>	<u>\$ 0</u>	<u>\$ 31,000</u>	<u>\$ 0</u>	<u>\$ 163,000</u>
Total Notes Payable					<u>\$ 194,000</u>	<u>\$ 0</u>	<u>\$ 31,000</u>	<u>\$ 0</u>	<u>\$ 163,000</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
2018	\$ 596,240	\$ 43,868	\$ 640,108
2019	607,240	35,552	642,792
2020	190,240	28,129	218,369
2021	192,240	25,639	217,879
2022	166,709	23,100	189,809
2023	120,893	20,492	141,385
2024	118,000	17,790	135,790
2025	121,000	15,016	136,016
2026	124,000	12,173	136,173
2027	128,000	9,259	137,259
2028	131,000	6,251	137,251
2029	135,000	3,172	138,172
Total	\$ 2,630,562	\$ 240,441	\$ 2,871,003

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2018	\$ 707,886	\$ 259,835	\$ 13,124	\$ 980,845
2109	717,952	245,241	11,229	974,422
2020	731,019	230,545	9,267	970,831
2021	742,088	215,716	7,215	965,019
2022	614,159	200,776	5,089	820,024
2023	620,233	187,069	3,875	811,177
2024	626,310	173,297	2,622	802,229
2025	632,389	159,461	1,331	793,181
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

(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
2035	\$ 3,347	\$ 2,509	\$ 0	\$ 5,856
2036	3,461	2,395	0	5,856
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	\$ 10,663,455	\$ 2,245,599	\$ 53,752	\$ 12,962,806

(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
2018	\$ 2,135,000	\$ 1,324,766	\$ 3,459,766
2019	2,240,000	1,281,359	3,521,359
2020	2,300,000	1,213,064	3,513,064
2021	2,355,000	1,142,709	3,497,709
2022	2,575,000	1,073,359	3,648,359
2023	2,685,000	993,659	3,678,659
2024	2,780,000	910,657	3,690,657
2025	2,880,000	819,475	3,699,475
2026	3,010,000	721,500	3,731,500
2027	2,340,000	605,000	2,945,000
2028	2,465,000	510,037	2,975,037
2029	2,425,000	411,525	2,836,525
2030	2,545,000	315,225	2,860,225
2031	2,645,000	228,505	2,873,505
2032	1,225,000	138,240	1,363,240
2033	1,265,000	105,165	1,370,165
2034	1,300,000	71,010	1,371,010
2035	1,330,000	35,910	1,365,910
Total	\$ 40,500,000	\$ 11,901,165	\$ 52,401,165

Year Ending June 30	Capital Lease		
	Principal	Interest	Total
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	\$ 570,168	\$ 71,801	\$ 641,969

(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
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	\$ 163,000	\$ 11,161	\$ 174,161

Exhibit L-3

Anderson County, Tennessee  
Schedule of Investments  
June 30, 2017

Fund and Type	Amount
<u>Employee Health Insurance (Internal Service) Fund</u>	
State Treasurer's Investment Pool	\$ 18,733
Total Investments	\$ 18,733

Exhibit L-4

Anderson County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Anderson County School Department  
For the Year Ended June 30, 2017

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	354,492
Public Library	"	"	20,720
Solid Waste/Sanitation	"	"	6,688
Other Special Revenue	"	"	1,040
Highway/Public Works	"	"	37,510
Ambulance Service Fund	"	"	17,127
Channel 95	"	"	1,040
General Capital Projects	Highway/Public Works	Unspent bond proceeds for other capital projects	<u>253,591</u>
Total Transfers Primary Government			<u>\$ 708,308</u>
<u>DISCRETELY PRESENTED ANDERSON</u> <u>COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 113,538
Other Education Special Revenue	General Purpose School	Indirect costs	82,091
"	Central Cafeteria	Cafeteria expenditures	62,137
General Purpose School	School Federal Projects	Cash flow	75,000
General Purpose School	Central Cafeteria	Cafeteria expenditures	<u>14,176</u>
Total Transfers Discretely Presented Anderson County School Department			<u>\$ 346,942</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, 2017

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 98,296 (1) \$	100,000	RLI Insurance Company
Highway Superintendent	Section 8-24-102, <i>TCA</i>	89,044	100,000	"
Director of Schools	State Board of Education and County Board of Education	139,754 (2)	(3)	
Trustee	Section 8-24-102, <i>TCA</i>	80,949	2,945,010	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	80,949	50,000	RLI Insurance Company
Finance Director	County Commission	80,949	100,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	80,949	100,000	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	80,949	100,000	"
Clerk and Master Steve Queener (7-1-16 through 8-31-16)	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	13,491 (4)	50,000	Travelers Casualty and Surety Company of America
Harold Cousins, Jr. (9-1-16 through 6-30-17)	Section 8-24-102, <i>TCA</i> ,	67,458	100,000	RLI Insurance Company
Register of Deeds	Section 8-24-102, <i>TCA</i>	80,949	100,000	"
Sheriff	Section 8-24-102, <i>TCA</i>	89,644 (5)	100,000	Cincinnati Insurance Company
Purchasing Agent (6)	County Commission	45,085	100,000	RLI Insurance Company
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

- (1) Includes a vehicle allowance of \$4,800.  
(2) Includes a payment for career ladder supplement of \$500 and unused sick day pay of \$100. Does not include a travel allowance of \$9,000.  
(3) The director of schools was covered by the \$400,000 employee blanket bond.  
(4) Does not include special commissioner fees of \$3,500.  
(5) Includes a law enforcement training supplement of \$600.  
(6) The Office of Purchasing Agent was eliminated during March 2017, and purchasing duties were transferred to the Finance Director.

## Exhibit L-6

Anderson County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2017

	Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,236,701	\$ 437,249	\$ 1,020,248	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	429,025	16,360	37,413	0	0	0
Trustee's Collections - Bankruptcy	3,377	130	304	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	284,937	0	0	0	0	0
Interest and Penalty	218,922	2,775	6,483	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	35,674	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	855,447	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,858,506	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	606,601	0	0	0	0	0
Hotel/Motel Tax	83	0	0	0	364,382	0
Litigation Tax - General	176,799	0	0	0	0	0
Litigation Tax - Special Purpose	20,038	0	0	0	0	0
Litigation Tax - Office of Public Defender	27,338	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	9,694	0	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	10,175	0	0	0	0	0
Litigation Tax - Courthouse Security	88,603	0	0	0	0	0
Business Tax	1,024,707	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Other County Local Option Taxes	356	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	50,777	0	0	0	0	0
Wholesale Beer Tax	152,116	0	0	0	0	0
Coal Severance Tax	0	0	0	0	0	0
Interstate Telecommunications Tax	3,266	0	0	0	0	0

(Continued)

## Exhibit L-6

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

	Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Local Taxes (Cont.)</u>						
<u>Statutory Local Taxes (Cont.)</u>						
Other Statutory Local Taxes	\$ 38,437	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Local Taxes	\$ 17,131,579	\$ 456,514	\$ 1,064,448	\$ 0	\$ 364,382	\$ 0
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 223,328	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Beer Permits	712	0	0	0	0	0
Building Permits	128,947	0	0	0	0	0
Total Licenses and Permits	\$ 352,987	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 11,745	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	24,338	0	0	0	0	0
Drug Control Fines	4,241	0	0	4,241	0	0
Drug Court Fees	4,032	0	0	0	0	0
Jail Fees	11,925	0	0	0	0	0
District Attorney General Fees	722	0	0	0	0	0
DUI Treatment Fines	3,032	0	0	0	0	0
Data Entry Fee - Circuit Court	2,895	0	0	0	0	0
Courtroom Security Fee	248	0	0	0	0	0
Victims Assistance Assessments	4,821	0	0	0	0	0
<u>Criminal Court</u>						
Fines	474	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</u>							
Fines	\$ 60,133	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Officers Costs	104,566	0	0	0	0	0	
Drug Control Fines	866	0	0	866	0	0	
Drug Court Fees	3,508	0	0	0	0	0	
Jail Fees	62,800	0	0	0	0	0	
District Attorney General Fees	6,635	0	0	0	0	0	
DUI Treatment Fines	3,102	0	0	0	0	0	
Data Entry Fee - General Sessions Court	20,830	0	0	0	0	0	
Courtroom Security Fee	348	0	0	0	0	0	
Victims Assistance Assessments	18,363	0	0	0	0	0	
<u>Juvenile Court</u>							
Fines	2,606	0	0	0	0	0	
Officers Costs	18,900	0	0	0	0	0	
Drug Court Fees	791	0	0	0	0	0	
Jail Fees	3,345	0	0	0	0	0	
Data Entry Fee - Juvenile Court	2,285	0	0	0	0	0	
Courtroom Security Fee	8	0	0	0	0	0	
<u>Chancery Court</u>							
Officers Costs	41,286	0	0	0	0	0	
Data Entry Fee - Chancery Court	10,051	0	0	0	0	0	
Courtroom Security Fee	9,374	0	0	0	0	0	
<u>Other Courts - In-county</u>							
Fines	170	0	0	0	0	0	
<u>Judicial District Drug Program</u>							
Drug Task Force Forfeitures and Seizures	0	0	0	247	0	0	

(Continued)

Exhibit L-6

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

	Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	\$ 0	\$ 0	\$ 0	\$ 62,293	\$ 0	\$ 0
Total Fines, Forfeitures, and Penalties	\$ 438,440	\$ 0	\$ 0	\$ 67,647	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Convenience Waste Centers Collection Charge	\$ 0	\$ 0	\$ 82,673	\$ 0	\$ 0	\$ 0
Surcharge - Host Agency	0	0	343,355	0	0	0
Solid Waste Disposal Fee	0	0	20,278	0	0	0
Surcharge - Waste Tire Disposal	0	0	53,105	0	0	0
Health Department Collections	215,473	0	0	0	0	0
Other General Service Charges	462	0	0	0	0	0
Service Charges	7,586	0	0	0	0	0
<u>Fees</u>						
Recreation Fees	128,708	0	0	0	0	0
Copy Fees	315	0	0	0	0	0
Library Fees	0	28,301	0	0	0	0
Archives and Records Management Fee	32,384	0	0	0	0	0
Telephone Commissions	136,812	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	3,500
Data Processing Fee - Register	22,192	0	0	0	0	0
Data Processing Fee - Sheriff	14,543	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,300	0	0	0	0	0
Data Processing Fee - County Clerk	12,513	0	0	0	0	0
Subscription and Document Retrieval Fee - Circuit	500	0	0	0	0	0

(Continued)



Exhibit L-6

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

	Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitutional Officers - Fees
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges</u>						
Other Charges for Services	\$ 6,020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Charges for Current Services	\$ 580,808	\$ 28,301	\$ 499,411	\$ 0	\$ 0	\$ 3,500
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 23,797	\$ 670	\$ 0	\$ 708	\$ 0	\$ 0
Lease/Rentals	118,186	0	0	0	0	0
Sale of Materials and Supplies	1,015	0	0	0	16,250	0
Commissary Sales	39,495	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	0
Sale of Maps	25	0	0	0	0	0
Sale of Recycled Materials	0	0	9,207	0	0	0
E-Rate Funding	0	4,109	0	0	0	0
Miscellaneous Refunds	16,890	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	24,836	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	84	0	0
Contributions and Gifts	5,054	795	12,000	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	335,051	0	0	0	0	0
Total Other Local Revenues	\$ 564,349	\$ 5,574	\$ 21,207	\$ 792	\$ 16,250	\$ 0
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 938,308	\$ 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>Fees Received From County Officials (Cont.)</u>						
<u>Fees In-Lieu-of Salary (Cont.)</u>						
General Sessions Court Clerk	\$ 733,142	\$ 0	\$ 0	\$ 0	\$ 0	0
Clerk and Master	475,618	0	0	0	0	0
Register	323,265	0	0	0	0	0
Sheriff	49,227	0	0	0	0	0
Trustee	1,415,565	0	0	0	0	0
Total Fees Received From County Officials	\$ 3,935,125	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Other General Government Grants	16,697	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	36,000	0	0	0	0	0
Drug Control Grants	66,230	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	148,482	0	0	0	0	0
Other Health and Welfare Grants	35,500	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	0	0	41,651	0	0	0
<u>Other State Revenues</u>						
Income Tax	121,078	0	0	0	0	0
Beer Tax	18,415	0	0	0	0	0
Alcoholic Beverage Tax	119,248	0	0	0	0	0
State Revenue Sharing - T.V.A.	250,904	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 (Cont.)</u>							
<u>Other State Revenues (Cont.)</u>							
Prisoner Transportation	\$ 22	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Contracted Prisoner Boarding	1,284,488	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	15,164	0	0	0	0	0	
Other State Grants	23,156	1,998	0	0	25,000	0	
Other State Revenues	76,016	0	0	0	0	0	
Total State of Tennessee	\$ 2,220,400	\$ 1,998	\$ 41,651	\$ 0	\$ 25,000	\$ 0	
<u>Federal Government</u>							
<u>Federal Through State</u>							
Community Development	\$ 376,702	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Civil Defense Reimbursement	33,409	0	0	0	0	0	
Homeland Security Grants	18,985	0	0	0	0	0	
Other Federal through State	438,108	0	0	0	0	0	
<u>Direct Federal Revenue</u>							
Tax Credit Bond Rebate	0	0	0	0	0	0	
Other Direct Federal Revenue	28,526	0	0	24,944	0	0	
Total Federal Government	\$ 895,730	\$ 0	\$ 0	\$ 24,944	\$ 0	\$ 0	
<u>Other Governments and Citizens Groups</u>							
<u>Other Governments</u>							
Contributions	\$ 43,500	\$ 130,312	\$ 0	\$ 0	\$ 0	\$ 0	
Contracted Services	64,598	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>Other Governments and Citizens Groups (Cont.)</u>						
<u>Citizens Groups</u>						
Donations	\$ 12,158	\$ 750	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	\$ 120,256	\$ 131,062	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 26,239,674	\$ 623,449	\$ 1,626,717	\$ 93,383	\$ 405,632	\$ 3,500

(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	\$ 451,187	\$ 1,648,211	\$ 181,852	\$ 1,555,575	\$ 29,461	\$ 16,560,484
Trustee's Collections - Prior Year	25,050	61,753	9,774	63,100	858	643,333
Trustee's Collections - Bankruptcy	155	491	76	489	8	5,030
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	0	0	284,937
Interest and Penalty	4,087	10,474	1,504	9,159	160	253,564
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	35,674
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	855,447
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	1,858,506
<u>County Local Option Taxes</u>						
Local Option Sales Tax	346,172	0	0	0	0	952,773
Hotel/Motel Tax	0	0	0	0	0	364,465
Litigation Tax - General	0	0	0	0	0	176,799
Litigation Tax - Special Purpose	0	0	0	0	0	20,038
Litigation Tax - Office of Public Defender	0	0	0	0	0	27,338
Litigation Tax - Jail, Workhouse, or Courthouse	0	34,234	0	0	0	43,928
Litigation Tax - Victim-Offender Mediation Center	0	0	0	0	0	10,175
Litigation Tax - Courthouse Security	0	0	0	0	0	88,603
Business Tax	0	0	0	0	0	1,024,707
Mineral Severance Tax	114,214	0	0	0	0	114,214
Other County Local Option Taxes	0	0	0	0	0	356
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	50,777
Wholesale Beer Tax	0	0	0	0	0	152,116
Coal Severance Tax	1,482	0	0	0	0	1,482
Interstate Telecommunications Tax	0	0	0	0	0	3,266

(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 (Cont.)</u>						
<u>Statutory Local Taxes (Cont.)</u>						
Other Statutory Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 38,437
Total Local Taxes	\$ 942,347	\$ 1,755,163	\$ 193,206	\$ 1,628,323	\$ 30,487	\$ 23,566,449
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 223,328
<u>Permits</u>						
Beer Permits	0	0	0	0	0	712
Building Permits	0	0	0	0	0	128,947
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 352,987
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,745
Officers Costs	0	0	0	0	0	24,338
Drug Control Fines	0	0	0	0	0	8,482
Drug Court Fees	0	0	0	0	0	4,032
Jail Fees	0	0	0	0	0	11,925
District Attorney General Fees	0	0	0	0	0	722
DUI Treatment Fines	0	0	0	0	0	3,032
Data Entry Fee - Circuit Court	0	0	0	0	0	2,895
Courtroom Security Fee	0	0	0	0	0	248
Victims Assistance Assessments	0	0	0	0	0	4,821
<u>Criminal Court</u>						
Fines	0	0	0	0	0	474

(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</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	60,133
Officers Costs	0	0	0	0	0	104,566
Drug Control Fines	0	0	0	0	0	1,732
Drug Court Fees	0	0	0	0	0	3,508
Jail Fees	0	0	0	0	0	62,800
District Attorney General Fees	0	0	0	0	0	6,635
DUI Treatment Fines	0	0	0	0	0	3,102
Data Entry Fee - General Sessions Court	0	0	0	0	0	20,830
Courtroom Security Fee	0	0	0	0	0	348
Victims Assistance Assessments	0	0	0	0	0	18,363
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	2,606
Officers Costs	0	0	0	0	0	18,900
Drug Court Fees	0	0	0	0	0	791
Jail Fees	0	0	0	0	0	3,345
Data Entry Fee - Juvenile Court	0	0	0	0	0	2,285
Courtroom Security Fee	0	0	0	0	0	8
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	41,286
Data Entry Fee - Chancery Court	0	0	0	0	0	10,051
Courtroom Security Fee	0	0	0	0	0	9,374
<u>Other Courts - In-county</u>						
Fines	0	0	0	0	0	170
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	247

(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>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 62,293
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 506,087
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Convenience Waste Centers Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 82,673
Surcharge - Host Agency	0	0	0	0	0	343,355
Solid Waste Disposal Fee	0	0	0	0	0	20,278
Surcharge - Waste Tire Disposal	0	0	0	0	0	53,105
Health Department Collections	0	0	0	0	0	215,473
Other General Service Charges	0	0	0	0	0	462
Service Charges	0	0	0	0	0	7,586
<u>Fees</u>						
Recreation Fees	0	0	0	0	0	128,708
Copy Fees	0	0	0	0	0	315
Library Fees	0	0	0	0	0	28,301
Archives and Records Management Fee	0	0	0	0	0	32,384
Telephone Commissions	0	0	0	0	0	136,812
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	3,500
Data Processing Fee - Register	0	0	0	0	0	22,192
Data Processing Fee - Sheriff	0	0	0	0	0	14,543
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	3,300
Data Processing Fee - County Clerk	0	0	0	0	0	12,513
Subscription and Document Retrieval Fee - Circuit	0	0	0	0	0	500

(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 (Cont.)</u>						
<u>Education Charges</u>						
Other Charges for Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,020
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,112,020
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 5,866	\$ 231	\$ 2,280	\$ 0	\$ 33,552
Lease/Rentals	0	0	0	0	0	118,186
Sale of Materials and Supplies	0	0	0	0	0	17,265
Commissary Sales	0	0	0	0	0	39,495
Sale of Gasoline	152,379	0	0	0	0	152,379
Sale of Maps	0	0	0	0	0	25
Sale of Recycled Materials	0	0	0	0	0	9,207
E-Rate Funding	0	0	0	0	0	4,109
Miscellaneous Refunds	0	0	0	0	0	16,890
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	24,836
Damages Recovered from Individuals	0	0	0	0	0	84
Contributions and Gifts	0	0	0	0	0	17,849
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	0	0	335,051
Total Other Local Revenues	\$ 152,379	\$ 5,866	\$ 231	\$ 2,280	\$ 0	\$ 768,928
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 938,308

(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>Fees Received From County Officials (Cont.)</u>						
<u>Fees In-Lieu-of Salary (Cont.)</u>						
General Sessions Court Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	733,142
Clerk and Master	0	0	0	0	0	475,618
Register	0	0	0	0	0	323,265
Sheriff	0	0	0	0	0	49,227
Trustee	0	0	0	0	0	1,415,565
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,935,125
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Other General Government Grants	0	0	0	0	0	16,697
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	36,000
Drug Control Grants	0	0	0	0	0	66,230
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	148,482
Other Health and Welfare Grants	0	0	0	0	0	35,500
<u>Public Works Grants</u>						
State Aid Program	590,770	0	0	0	0	590,770
Litter Program	0	0	0	0	0	41,651
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	121,078
Beer Tax	0	0	0	0	0	18,415
Alcoholic Beverage Tax	0	0	0	0	0	119,248
State Revenue Sharing - T.V.A.	0	0	0	0	0	250,904

(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 (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Prisoner Transportation	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	22
Contracted Prisoner Boarding	0	0	0	0	0	1,284,488
Gasoline and Motor Fuel Tax	2,066,697	0	0	0	0	2,066,697
Petroleum Special Tax	54,209	0	0	0	0	54,209
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	0	0	0	50,154
Other State Revenues	0	0	0	0	0	76,016
Total State of Tennessee	\$ 2,711,676	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000,725
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	376,702
Civil Defense Reimbursement	0	0	0	0	0	33,409
Homeland Security Grants	0	0	0	0	0	18,985
Other Federal through State	0	0	0	0	0	438,108
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	0	26,958	0	0	0	26,958
Other Direct Federal Revenue	0	0	0	0	0	53,470
Total Federal Government	\$ 0	\$ 26,958	\$ 0	\$ 0	\$ 0	\$ 947,632
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 1,682,868	\$ 0	\$ 0	1,856,680
Contracted Services	6,942	0	0	0	0	71,540

(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 Governments and Citizens Groups (Cont.)</u>						
<u>Citizens Groups</u>						
Donations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,908
Total Other Governments and Citizens Groups	\$ 6,942	\$ 0	\$ 1,682,868	\$ 0	\$ 0	\$ 1,941,128
Total	\$ 3,813,344	\$ 1,787,987	\$ 1,876,305	\$ 1,630,603	\$ 30,487	\$ 38,131,081

## 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, 2017

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 14,337,317	\$ 0	\$ 0	\$ 0	\$ 250,222	\$ 14,587,539
Trustee's Collections - Prior Year	534,705	0	0	0	0	534,705
Trustee's Collections - Bankruptcy	4,207	0	0	0	7	4,214
Circuit Clerk/Clerk and Master Collections - Prior Years	259,910	0	0	0	0	259,910
Interest and Penalty	165,419	0	0	0	469	165,888
Payments in-Lieu-of Taxes - Other	492,000	0	0	0	0	492,000
<u>County Local Option Taxes</u>						
Local Option Sales Tax	8,033,751	0	0	0	0	8,033,751
Mixed Drink Tax	2,098	0	0	0	0	2,098
<u>Statutory Local Taxes</u>						
Coal Severance Tax	851	0	0	0	0	851
Interstate Telecommunications Tax	3,317	0	0	0	0	3,317
Total Local Taxes	\$ 23,833,575	\$ 0	\$ 0	\$ 0	\$ 250,698	\$ 24,084,273
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 2,899	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,899
Total Licenses and Permits	\$ 2,899	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,899
<u>Charges for Current Services</u>						
<u>Fees</u>						
Copy Fees	\$ 5	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5
<u>Education Charges</u>						
Tuition - Other	0	0	0	173,473	0	173,473

(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				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Education Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Lunch Payments - Children	\$ 0	\$ 0	\$ 266,340	\$ 0	\$ 0	\$ 266,340
Lunch Payments - Adults	0	0	32,581	0	0	32,581
Income from Breakfast	0	0	45,695	0	0	45,695
Special Milk Sales	0	0	5,013	0	0	5,013
A la Carte Sales	0	0	227,993	0	0	227,993
School Based Health Services - FFS	83,000	0	0	0	0	83,000
Receipts from Individual Schools	50,710	0	0	0	0	50,710
Community Service Fees - Adults	2,731	0	0	0	0	2,731
Other Charges for Services	18,455	0	0	0	0	18,455
Total Charges for Current Services	\$ 154,901	\$ 0	\$ 577,622	\$ 173,473	\$ 0	\$ 905,996
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 9,159	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,159
Lease/Rentals	1,904	0	0	0	0	1,904
Commodity Rebates	0	0	27,690	0	0	27,690
Miscellaneous Refunds	0	0	5,052	0	0	5,052
<u>Nonrecurring Items</u>						
Contributions and Gifts	0	0	0	575	0	575
<u>Other Local Revenues</u>						
Other Local Revenues	171,494	21,717	0	0	0	193,211
Total Other Local Revenues	\$ 182,557	\$ 21,717	\$ 32,742	\$ 575	\$ 0	\$ 237,591

(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				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Education Capital Projects	Total
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 200,638	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,638
<u>State Education Funds</u>						
Basic Education Program	30,471,301	0	0	0	0	30,471,301
Early Childhood Education	0	0	0	624,074	0	624,074
School Food Service	0	0	29,684	0	0	29,684
Other State Education Funds	209,148	413,145	0	0	0	622,293
Career Ladder Program	140,067	0	0	0	0	140,067
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	889,567	0	0	0	0	889,567
Other State Grants	9,672	0	0	0	0	9,672
Other State Revenues	0	0	0	3,276	0	3,276
Total State of Tennessee	\$ 31,920,393	\$ 413,145	\$ 29,684	\$ 627,350	\$ 0	\$ 32,990,572
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,755,145	\$ 0	\$ 0	\$ 1,755,145
USDA - Commodities	0	0	254,762	0	0	254,762
Breakfast	0	0	703,315	0	0	703,315
USDA - Other	0	0	41,241	120,029	0	161,270
Vocational Education - Basic Grants to States	0	114,476	0	0	0	114,476
Other Vocational	0	30,726	0	0	0	30,726
Title I Grants to Local Education Agencies	0	1,691,188	0	0	0	1,691,188
Special Education - Grants to States	0	1,617,539	0	0	0	1,617,539
Special Education Preschool Grants	0	67,584	0	0	0	67,584

(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				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Education Capital Projects	Total
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Eisenhower Professional Development State Grants	\$ 0	\$ 232,070	\$ 0	\$ 0	\$ 0	\$ 232,070
Other Federal through State	49,518	529,255	32,625	0	0	611,398
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	161,481	0	0	0	0	161,481
Other Direct Federal Revenue	0	0	0	2,982,612	0	2,982,612
Total Federal Government	\$ 210,999	\$ 4,282,838	\$ 2,787,088	\$ 3,102,641	\$ 0	\$ 10,383,566
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 176,553	\$ 0	\$ 0	\$ 0	\$ 0	\$ 176,553
Total Other Governments and Citizens Groups	\$ 176,553	\$ 0	\$ 0	\$ 0	\$ 0	\$ 176,553
Total	\$ 56,481,877	\$ 4,717,700	\$ 3,427,136	\$ 3,904,039	\$ 250,698	\$ 68,781,450



Anderson County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2017

General Fund

General Government

County Commission

Secretary to Board	\$	51,552	
Board and Committee Members Fees		105,313	
Social Security		7,893	
Pensions		10,351	
Life Insurance		569	
Medical Insurance		101,274	
Dental Insurance		6,965	
Disability Insurance		324	
Unemployment Compensation		115	
Employer Medicare		1,799	
Communication		1,196	
Dues and Memberships		1,650	
Legal Services		63	
Legal Notices, Recording, and Court Costs		643	
Maintenance Agreements		635	
Travel		12,620	
Office Supplies		1,818	
Other Supplies and Materials		236	
Workers' Compensation Insurance		664	
In Service/Staff Development		3,391	
Total County Commission			\$ 309,071

Board of Equalization

Board and Committee Members Fees	\$	1,240	
Social Security		70	
Unemployment Compensation		14	
Employer Medicare		16	
Workers' Compensation Insurance		30	
Total Board of Equalization			1,370

Other Boards and Committees

County Official/Administrative Officer	\$	37,943	
Guards		7,724	
Secretary(ies)		6,488	
Maintenance Personnel		70,710	
Part-time Personnel		13,735	
Social Security		7,902	
Pensions		7,152	
Life Insurance		155	
Medical Insurance		29,229	
Dental Insurance		1,371	
Disability Insurance		723	
Unemployment Compensation		663	
Employer Medicare		1,848	
Communication		2,173	
Dues and Memberships		80	
Operating Lease Payments		1,250	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Other Boards and Committees (Cont.)

Maintenance and Repair Services - Equipment	\$	2,477	
Maintenance and Repair Services - Vehicles		2,456	
Rentals		4,040	
Disposal Fees		1,671	
Other Contracted Services		7,600	
Crushed Stone		1,466	
Custodial Supplies		2,478	
Gasoline		6,180	
Natural Gas		1,027	
Office Supplies		672	
Small Tools		1,244	
Tires and Tubes		612	
Uniforms		1,293	
Utilities		33,854	
Water and Sewer		1,492	
Wood Products		1,500	
Other Supplies and Materials		6,323	
Vehicle and Equipment Insurance		4,500	
Workers' Compensation Insurance		5,500	
Other Construction		57,336	
Total Other Boards and Committees			\$ 332,867

County Mayor/Executive

County Official/Administrative Officer	\$	93,496	
Supervisor/Director		52,998	
Clerical Personnel		27,953	
Part-time Personnel		18,341	
Other Per Diem and Fees		4,800	
Social Security		11,946	
Pensions		12,927	
Life Insurance		108	
Medical Insurance		23,464	
Dental Insurance		1,059	
Disability Insurance		594	
Unemployment Compensation		336	
Employer Medicare		2,794	
Dues and Memberships		2,996	
Legal Services		4,100	
Postal Charges		199	
Travel		1,996	
Office Supplies		1,531	
Other Supplies and Materials		616	
Workers' Compensation Insurance		550	
In Service/Staff Development		615	
Total County Mayor/Executive			263,419

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office

Supervisor/Director	\$	60,000	
Clerical Personnel		74,952	
Social Security		7,338	
Pensions		9,976	
Life Insurance		139	
Medical Insurance		41,184	
Dental Insurance		1,606	
Disability Insurance		884	
Unemployment Compensation		288	
Employer Medicare		1,716	
Communication		408	
Data Processing Services		8,252	
Dues and Memberships		448	
Legal Notices, Recording, and Court Costs		351	
Postal Charges		125	
Travel		376	
Other Contracted Services		17,912	
Office Supplies		3,502	
Workers' Compensation Insurance		317	
In Service/Staff Development		3,556	
Total Personnel Office			\$ 233,330

County Attorney

County Official/Administrative Officer	\$	145,344	
Paraprofessionals		35,994	
Secretary(ies)		32,841	
Social Security		11,215	
Pensions		15,834	
Life Insurance		123	
Medical Insurance		32,340	
Dental Insurance		1,345	
Disability Insurance		1,087	
Unemployment Compensation		288	
Employer Medicare		2,910	
Communication		2,311	
Dues and Memberships		1,618	
Legal Services		213,383	
Postal Charges		9,764	
Travel		848	
Other Contracted Services		4,335	
Library Books/Media		396	
Office Supplies		2,388	
Premiums on Corporate Surety Bonds		50	
Workers' Compensation Insurance		960	
In Service/Staff Development		500	
Total County Attorney			515,874

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	72,854	
Deputy(ies)		88,852	
Part-time Personnel		17,547	
Overtime Pay		188	
Other Salaries and Wages		8,463	
Election Commission		9,100	
Election Workers		93,752	
Social Security		15,140	
Pensions		11,341	
Life Insurance		190	
Medical Insurance		17,600	
Dental Insurance		2,083	
Disability Insurance		1,026	
Unemployment Compensation		934	
Employer Medicare		3,541	
Communication		2,305	
Data Processing Services		3,999	
Dues and Memberships		841	
Legal Services		2,705	
Legal Notices, Recording, and Court Costs		7,259	
Maintenance Agreements		14,550	
Maintenance and Repair Services - Equipment		1,374	
Maintenance and Repair Services - Office Equipment		360	
Postal Charges		5,538	
Printing, Stationery, and Forms		7,792	
Rentals		6,000	
Travel		4,677	
Other Contracted Services		3,271	
Office Supplies		5,663	
Workers' Compensation Insurance		900	
In Service/Staff Development		1,275	
Data Processing Equipment		3,392	
Total Election Commission			\$ 414,512

Register of Deeds

County Official/Administrative Officer	\$	80,949
Clerical Personnel		185,580
Social Security		15,668
Pensions		19,723
Life Insurance		217
Medical Insurance		50,952
Dental Insurance		2,155
Disability Insurance		1,291
Unemployment Compensation		384
Employer Medicare		3,665
Dues and Memberships		782
Maintenance and Repair Services - Office Equipment		35,410

(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.)

Postal Charges	\$	2,064	
Rentals		438	
Travel		4,300	
Data Processing Supplies		907	
Duplicating Supplies		766	
Office Supplies		3,541	
Workers' Compensation Insurance		1,300	
In Service/Staff Development		325	
Office Equipment		9,110	
Total Register of Deeds			\$ 419,527

Planning

Supervisor/Director	\$	30,450	
Part-time Personnel		35,289	
Other Salaries and Wages		34,566	
Social Security		5,989	
Pensions		3,237	
Life Insurance		47	
Medical Insurance		12,078	
Dental Insurance		815	
Disability Insurance		317	
Unemployment Compensation		392	
Employer Medicare		1,401	
Communication		4,225	
Data Processing Services		2,157	
Legal Notices, Recording, and Court Costs		640	
Maintenance Agreements		937	
Maintenance and Repair Services - Vehicles		3,500	
Postal Charges		314	
Printing, Stationery, and Forms		341	
Travel		1,512	
Other Contracted Services		13,475	
Gasoline		1,383	
Office Supplies		1,109	
Other Supplies and Materials		580	
Vehicle and Equipment Insurance		3,000	
Workers' Compensation Insurance		4,450	
In Service/Staff Development		720	
Total Planning			162,924

Building

Maintenance and Repair Services - Buildings	\$	30,416	
Maintenance and Repair Services - Equipment		1,767	
Other Contracted Services		5,890	
Other Supplies and Materials		847	
Building Improvements		33,395	
Data Processing Equipment		3,690	
Total Building			76,005

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Supervisor/Director	\$	45,001	
Clerical Personnel		1,937	
Custodial Personnel		130,073	
Other Salaries and Wages		8,519	
Social Security		10,758	
Pensions		11,621	
Life Insurance		237	
Medical Insurance		43,977	
Dental Insurance		2,120	
Disability Insurance		1,078	
Unemployment Compensation		729	
Employer Medicare		2,516	
Communication		1,057	
Janitorial Services		7,644	
Maintenance and Repair Services - Buildings		60,910	
Maintenance and Repair Services - Vehicles		32	
Pest Control		2,460	
Rentals		66,000	
Disposal Fees		5,013	
Other Contracted Services		42,494	
Custodial Supplies		17,757	
Electricity		260,730	
Gasoline		1,959	
Natural Gas		70,001	
Office Supplies		457	
Uniforms		4,987	
Water and Sewer		40,161	
Other Supplies and Materials		8,389	
Workers' Compensation Insurance		9,714	
Other Charges		21,187	
Building Improvements		5,806	
Total County Buildings			\$ 885,324

Other General Administration

Accounting Services	\$	5,900	
Audit Services		23,000	
Contracts with Private Agencies		742	
Contributions		36,524	
Legal Services		2,777	
Remittance of Revenue Collected		9,190	
Other Contracted Services		12,986	
Other Supplies and Materials		5,028	
Fines, Assessments, and Penalties		18,428	
Other Charges		74,377	
Total Other General Administration			188,952

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records

Clerical Personnel	\$	30,855	
Social Security		1,895	
Pensions		2,283	
Life Insurance		17	
Dental Insurance		535	
Disability Insurance		209	
Unemployment Compensation		96	
Employer Medicare		443	
Other Supplies and Materials		200	
Workers' Compensation Insurance		90	
Other Capital Outlay		39,182	
Total Preservation of Records			\$ 75,805

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	80,949	
Accountants/Bookkeepers		313,092	
Part-time Personnel		13,264	
Social Security		22,441	
Pensions		20,903	
Life Insurance		340	
Medical Insurance		93,992	
Dental Insurance		2,455	
Disability Insurance		2,316	
Unemployment Compensation		823	
Employer Medicare		5,428	
Communication		563	
Data Processing Services		7,350	
Dues and Memberships		748	
Legal Notices, Recording, and Court Costs		613	
Maintenance Agreements		24,167	
Maintenance and Repair Services - Office Equipment		566	
Postal Charges		4,699	
Printing, Stationery, and Forms		3,112	
Travel		2,414	
Other Contracted Services		9,548	
Duplicating Supplies		960	
Office Supplies		4,014	
Workers' Compensation Insurance		1,200	
In Service/Staff Development		2,900	
Data Processing Equipment		2,530	
Other Capital Outlay		13,155	
Total Accounting and Budgeting			634,542

Purchasing

County Official/Administrative Officer	\$	50,704
Purchasing Personnel		77,901

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

Social Security	\$	7,500	
Pensions		8,220	
Life Insurance		155	
Medical Insurance		28,963	
Dental Insurance		1,285	
Disability Insurance		755	
Unemployment Compensation		488	
Employer Medicare		1,754	
Advertising		1,888	
Communication		2,307	
Dues and Memberships		630	
Postal Charges		1,623	
Printing, Stationery, and Forms		1,537	
Rentals		5,105	
Travel		1,018	
Other Contracted Services		11,799	
Gasoline		120	
Office Supplies		4,520	
Other Supplies and Materials		2,000	
Premiums on Corporate Surety Bonds		19	
Vehicle and Equipment Insurance		750	
In Service/Staff Development		248	
Data Processing Equipment		1,520	
Total Purchasing			\$ 212,809

Property Assessor's Office

County Official/Administrative Officer	\$	80,949	
Deputy(ies)		118,981	
Social Security		11,995	
Pensions		14,872	
Life Insurance		156	
Medical Insurance		28,301	
Dental Insurance		1,363	
Disability Insurance		823	
Unemployment Compensation		288	
Employer Medicare		2,805	
Audit Services		30,382	
Communication		7,133	
Data Processing Services		12,563	
Dues and Memberships		2,170	
Operating Lease Payments		731	
Legal Services		15,927	
Maintenance Agreements		4,875	
Maintenance and Repair Services - Office Equipment		3,373	
Postal Charges		2,231	
Printing, Stationery, and Forms		453	
Travel		1,662	

(Continued)



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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Other Contracted Services	\$	4,545	
Office Supplies		4,991	
Premiums on Corporate Surety Bonds		348	
Workers' Compensation Insurance		1,921	
In Service/Staff Development		1,930	
Total Property Assessor's Office			\$ 355,768

Reappraisal Program

Deputy(ies)	\$	150,882	
Social Security		8,853	
Pensions		11,020	
Life Insurance		198	
Medical Insurance		26,831	
Dental Insurance		1,972	
Disability Insurance		1,009	
Unemployment Compensation		455	
Employer Medicare		2,070	
Data Processing Services		9,803	
Maintenance and Repair Services - Vehicles		749	
Printing, Stationery, and Forms		447	
Travel		53	
Gasoline		1,812	
Uniforms		590	
Workers' Compensation Insurance		2,070	
Total Reappraisal Program			218,814

County Trustee's Office

County Official/Administrative Officer	\$	80,949	
Clerical Personnel		277,972	
Part-time Personnel		39,596	
Social Security		23,468	
Pensions		23,228	
Life Insurance		392	
Medical Insurance		60,894	
Dental Insurance		3,452	
Disability Insurance		1,848	
Unemployment Compensation		1,102	
Employer Medicare		5,489	
Communication		3,995	
Data Processing Services		7,583	
Dues and Memberships		1,329	
Legal Notices, Recording, and Court Costs		166	
Maintenance Agreements		27,499	
Postal Charges		10,231	
Printing, Stationery, and Forms		8,412	
Rentals		15,227	
Travel		9,089	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Other Contracted Services	\$	13,942	
Gasoline		29	
Office Supplies		3,889	
Utilities		3,233	
Water and Sewer		519	
Other Supplies and Materials		2,116	
Workers' Compensation Insurance		1,200	
In Service/Staff Development		1,625	
Furniture and Fixtures		2,000	
Total County Trustee's Office			\$ 630,474

County Clerk's Office

County Official/Administrative Officer	\$	80,949	
Clerical Personnel		423,278	
Part-time Personnel		40,286	
Social Security		32,167	
Pensions		33,721	
Life Insurance		546	
Medical Insurance		69,104	
Dental Insurance		5,358	
Disability Insurance		2,658	
Unemployment Compensation		1,687	
Employer Medicare		7,523	
Communication		10,617	
Data Processing Services		26,908	
Dues and Memberships		822	
Legal Notices, Recording, and Court Costs		115	
Maintenance and Repair Services - Buildings		111	
Postal Charges		25,684	
Printing, Stationery, and Forms		10,153	
Travel		1,859	
Other Contracted Services		5,015	
Data Processing Supplies		2,558	
Office Supplies		10,763	
Workers' Compensation Insurance		1,262	
In Service/Staff Development		415	
Data Processing Equipment		10,303	
Total County Clerk's Office			803,862

Data Processing

Accountants/Bookkeepers	\$	47,115	
Data Processing Personnel		8,246	
Clerical Personnel		1,647	
Social Security		3,207	
Pensions		1,118	
Life Insurance		35	
Medical Insurance		10,471	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Dental Insurance	\$	411	
Disability Insurance		89	
Unemployment Compensation		286	
Employer Medicare		750	
Other Contracted Services		61,796	
Office Supplies		195	
Data Processing Equipment		52,575	
Total Data Processing			\$ 187,941

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	80,949	
Clerical Personnel		636,557	
Part-time Personnel		13,721	
Social Security		43,165	
Pensions		49,251	
Life Insurance		837	
Medical Insurance		99,645	
Dental Insurance		7,542	
Disability Insurance		3,918	
Unemployment Compensation		2,094	
Employer Medicare		10,069	
Communication		16,247	
Data Processing Services		21,801	
Dues and Memberships		622	
Legal Notices, Recording, and Court Costs		277	
Maintenance Agreements		11,087	
Maintenance and Repair Services - Office Equipment		1,122	
Postal Charges		16,104	
Printing, Stationery, and Forms		5,337	
Travel		1,239	
Other Contracted Services		14,719	
Data Processing Supplies		2,374	
Duplicating Supplies		2,662	
Office Supplies		7,307	
Other Supplies and Materials		4,414	
Workers' Compensation Insurance		2,574	
In Service/Staff Development		185	
Data Processing Equipment		30,766	
Furniture and Fixtures		9,576	
Total Circuit Court			1,096,161

Criminal Court

Postal Charges	\$	1	
Office Supplies		977	
Other Supplies and Materials		475	
Total Criminal Court			1,453

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Judge

Judge(s)	\$	322,987	
Assistant(s)		88,713	
Other Salaries and Wages		27,105	
Social Security		21,860	
Pensions		31,760	
Life Insurance		179	
Medical Insurance		37,428	
Dental Insurance		1,786	
Disability Insurance		908	
Unemployment Compensation		192	
Employer Medicare		6,224	
Dues and Memberships		1,259	
Maintenance and Repair Services - Office Equipment		297	
Printing, Stationery, and Forms		172	
Travel		602	
Disposal Fees		626	
Office Supplies		991	
Workers' Compensation Insurance		1,604	
In Service/Staff Development		1,735	
Total General Sessions Judge			\$ 546,428

Drug Court

County Official/Administrative Officer	\$	36,494	
Social Security		2,041	
Pensions		2,701	
Life Insurance		39	
Medical Insurance		13,728	
Dental Insurance		535	
Disability Insurance		247	
Unemployment Compensation		96	
Employer Medicare		477	
Communication		48	
Contributions		1,830	
Dues and Memberships		200	
Travel		2,019	
Office Supplies		941	
Other Supplies and Materials		11,098	
Workers' Compensation Insurance		275	
Total Drug Court			72,769

Chancery Court

County Official/Administrative Officer	\$	80,949	
Clerical Personnel		220,429	
Part-time Personnel		16,000	
Overtime Pay		515	
Social Security		18,492	
Pensions		17,344	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Life Insurance	\$	273	
Medical Insurance		63,316	
Dental Insurance		2,978	
Disability Insurance		1,643	
Unemployment Compensation		961	
Employer Medicare		4,345	
Communication		1,057	
Dues and Memberships		672	
Maintenance Agreements		3,549	
Maintenance and Repair Services - Office Equipment		11,839	
Postal Charges		5,556	
Printing, Stationery, and Forms		995	
Data Processing Supplies		122	
Duplicating Supplies		2,067	
Office Supplies		4,698	
Other Supplies and Materials		2,106	
Premiums on Corporate Surety Bonds		281	
Workers' Compensation Insurance		1,456	
Data Processing Equipment		13,219	
Total Chancery Court			\$ 474,862

Juvenile Court

Judge(s)	\$	161,493	
Other Salaries and Wages		223,814	
Social Security		20,639	
Pensions		28,531	
Life Insurance		302	
Medical Insurance		45,903	
Dental Insurance		2,668	
Disability Insurance		1,718	
Unemployment Compensation		576	
Employer Medicare		5,419	
Communication		180	
Contracts with Government Agencies		14,780	
Dues and Memberships		250	
Evaluation and Testing		2,203	
Maintenance and Repair Services - Vehicles		500	
Postal Charges		662	
Printing, Stationery, and Forms		147	
Rentals		860	
Travel		3,266	
Custodial Supplies		42	
Gasoline		158	
Office Supplies		1,496	
Other Supplies and Materials		5,839	
Vehicle and Equipment Insurance		750	
Workers' Compensation Insurance		1,446	
In Service/Staff Development		1,240	
Total Juvenile Court			524,882

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General

Clerical Personnel	\$	15,054	
Other Salaries and Wages		27,304	
Social Security		2,473	
Pensions		78	
Life Insurance		49	
Medical Insurance		6,105	
Dental Insurance		418	
Disability Insurance		62	
Unemployment Compensation		209	
Employer Medicare		578	
Travel		408	
Other Supplies and Materials		3,888	
Workers' Compensation Insurance		110	
Total District Attorney General			\$ 56,736

Office of Public Defender

Part-time Personnel	\$	33,955	
Social Security		2,137	
Unemployment Compensation		210	
Employer Medicare		500	
Workers' Compensation Insurance		216	
Total Office of Public Defender			37,018

Judicial Commissioners

Office Supplies	\$	392	
Total Judicial Commissioners			392

Probate Court

Printing, Stationery, and Forms	\$	324	
Duplicating Supplies		344	
Office Supplies		1,752	
Other Supplies and Materials		589	
Total Probate Court			3,009

Other Administration of Justice

Supervisor/Director	\$	39,160	
Part-time Personnel		20,323	
Overtime Pay		21	
Social Security		3,458	
Pensions		2,898	
Life Insurance		45	
Medical Insurance		13,728	
Dental Insurance		535	
Disability Insurance		265	
Unemployment Compensation		192	
Employer Medicare		809	
Travel		509	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice (Cont.)

Other Contracted Services	\$	6,678	
Office Supplies		1,498	
Workers' Compensation Insurance		149	
Total Other Administration of Justice			\$ 90,268

Courtroom Security

Other Contracted Services	\$	5,497	
Law Enforcement Supplies		1,615	
Other Construction		7,182	
Total Courtroom Security			14,294

Victim Assistance Programs

Remittance of Revenue Collected	\$	23,184	
Total Victim Assistance Programs			23,184

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	89,644	
Deputy(ies)		2,094,848	
Secretary(ies)		43,031	
Clerical Personnel		73,916	
School Resource Officer		275,394	
Overtime Pay		92,560	
Other Salaries and Wages		398,981	
Social Security		178,093	
Pensions		211,831	
Life Insurance		2,955	
Medical Insurance		595,338	
Dental Insurance		30,371	
Disability Insurance		17,338	
Unemployment Compensation		7,521	
Employer Medicare		41,651	
Advertising		496	
Communication		84,738	
Contracts with Government Agencies		8,418	
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		38,988	
Maintenance and Repair Services - Vehicles		4,957	
Medical and Dental Services		2,762	
Postal Charges		22,204	
Printing, Stationery, and Forms		2,826	
Rentals		2,352	
Towing Services		1,390	
Travel		5,378	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Duplicating Supplies	\$	997	
Gasoline		123,415	
Law Enforcement Supplies		9,945	
Office Supplies		6,477	
Tires and Tubes		22,496	
Uniforms		37,648	
Utilities		4,691	
Other Supplies and Materials		1,675	
Liability Insurance		59,600	
Vehicle and Equipment Insurance		55,000	
Workers' Compensation Insurance		97,168	
In Service/Staff Development		2,740	
Communication Equipment		17,344	
Data Processing Equipment		9,805	
Law Enforcement Equipment		34,733	
Motor Vehicles		348,681	
Total Sheriff's Department			\$ 5,181,104

Jail

Guards	\$	2,795,657	
Clerical Personnel		44,440	
Overtime Pay		64,100	
Other Salaries and Wages		41,335	
Social Security		170,974	
Pensions		187,956	
Life Insurance		3,253	
Medical Insurance		604,115	
Dental Insurance		30,195	
Disability Insurance		16,652	
Unemployment Compensation		9,034	
Employer Medicare		39,874	
Communication		43,184	
Contracts with Government Agencies		680	
Contracts with Private Agencies		2,217	
Evaluation and Testing		120	
Maintenance and Repair Services - Buildings		35,674	
Medical and Dental Services		7,152	
Pest Control		480	
Printing, Stationery, and Forms		993	
Travel		5,722	
Disposal Fees		7,338	
Other Contracted Services		322,809	
Custodial Supplies		64,414	
Duplicating Supplies		2,280	
Electricity		193,816	
Food Preparation Supplies		966	
Food Supplies		418,516	

(Continued)



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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Gasoline	\$	16,388	
Law Enforcement Supplies		4,598	
Natural Gas		60,501	
Office Supplies		10,980	
Prisoners Clothing		19,977	
Uniforms		33,442	
Water and Sewer		103,128	
Other Supplies and Materials		27,113	
Building and Contents Insurance		18,316	
Liability Insurance		39,374	
Medical Claims		349,490	
Vehicle and Equipment Insurance		8,805	
Workers' Compensation Insurance		108,974	
In Service/Staff Development		1,785	
Other Charges		500	
Communication Equipment		4,608	
Data Processing Equipment		6,589	
Law Enforcement Equipment		12,482	
Other Capital Outlay		7,450	
Total Jail			\$ 5,948,446

Correctional Incentive Program Improvements

Supervisor/Director	\$	48,613	
Social Security		2,925	
Pensions		3,584	
Life Insurance		33	
Medical Insurance		4,884	
Disability Insurance		315	
Unemployment Compensation		96	
Employer Medicare		684	
Communication		376	
Other Contracted Services		5,173	
Other Supplies and Materials		994	
Total Correctional Incentive Program Improvements			67,677

Commissary

Other Supplies and Materials	\$	980	
Total Commissary			980

Civil Defense

County Official/Administrative Officer	\$	33,293	
Assistant(s)		35,527	
Part-time Personnel		3,920	
Overtime Pay		1,415	
Other Salaries and Wages		1,452	
Social Security		4,585	
Pensions		2,830	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Life Insurance	\$	44	
Medical Insurance		4,730	
Disability Insurance		250	
Unemployment Compensation		122	
Employer Medicare		1,045	
Communication		8,396	
Contracts with Government Agencies		2,000	
Contributions		160,177	
Maintenance and Repair Services - Equipment		1,180	
Maintenance and Repair Services - Vehicles		7,559	
Rentals		8,340	
Travel		2,441	
Other Contracted Services		56,550	
Gasoline		5,325	
Office Supplies		2,495	
Tires and Tubes		336	
Other Supplies and Materials		65,430	
Building and Contents Insurance		2,000	
Vehicle and Equipment Insurance		6,500	
Workers' Compensation Insurance		238	
In Service/Staff Development		110	
Other Charges		25,750	
Communication Equipment		606	
Total Civil Defense			\$ 444,646

Rescue Squad

Contributions	\$	27,500	
Total Rescue Squad			27,500

Other Emergency Management

Dispatchers/Radio Operators	\$	390,441	
Overtime Pay		72,300	
Social Security		32,498	
Pensions		34,310	
Life Insurance		557	
Medical Insurance		114,700	
Dental Insurance		5,246	
Disability Insurance		2,530	
Unemployment Compensation		1,882	
Employer Medicare		7,600	
Communication		605	
Contracts with Government Agencies		2,240	
Contracts with Private Agencies		3,200	
Medical and Dental Services		1,000	
Travel		304	
Office Supplies		997	
Uniforms		4,677	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Other Supplies and Materials	\$	358	
Workers' Compensation Insurance		2,650	
In Service/Staff Development		300	
Total Other Emergency Management			\$ 678,395

County Coroner/Medical Examiner

Other Contracted Services	\$	272,104	
Total County Coroner/Medical Examiner			272,104

Other Public Safety

Mechanic(s)	\$	76,003	
Clerical Personnel		3,265	
Part-time Personnel		5,263	
Other Salaries and Wages		26,104	
Social Security		8,745	
Pensions		9,074	
Life Insurance		156	
Medical Insurance		32,579	
Dental Insurance		1,638	
Disability Insurance		952	
Unemployment Compensation		625	
Employer Medicare		2,045	
Communication		3,099	
Dues and Memberships		2,565	
Maintenance and Repair Services - Vehicles		4,045	
Rentals		11,700	
Towing Services		3,115	
Travel		991	
Other Contracted Services		24,613	
Garage Supplies		14,471	
Gasoline		2,407	
Lubricants		4,252	
Office Supplies		1,332	
Small Tools		5,683	
Tires and Tubes		938	
Uniforms		4,712	
Utilities		12,632	
Vehicle Parts		59,347	
Other Supplies and Materials		1,802	
Vehicle and Equipment Insurance		1,443	
Workers' Compensation Insurance		3,315	
In Service/Staff Development		5,810	
Maintenance Equipment		8,499	
Total Other Public Safety			343,220

(Continued)

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Medical Personnel	\$	15,821	
Clerical Personnel		45,280	
Other Salaries and Wages		25,110	
Social Security		4,934	
Pensions		5,187	
Life Insurance		135	
Medical Insurance		23,496	
Dental Insurance		1,084	
Disability Insurance		475	
Unemployment Compensation		341	
Employer Medicare		1,154	
Advertising		10,480	
Communication		4,694	
Dues and Memberships		405	
Laundry Service		5,022	
Maintenance and Repair Services - Buildings		4,709	
Maintenance and Repair Services - Equipment		847	
Postal Charges		3,000	
Rentals		744	
Travel		98	
Disposal Fees		836	
Other Contracted Services		20,824	
Drugs and Medical Supplies		4,502	
Electricity		30,851	
Instructional Supplies and Materials		8,800	
Natural Gas		126	
Office Supplies		8,482	
Uniforms		448	
Other Supplies and Materials		10,693	
Building and Contents Insurance		2,400	
Workers' Compensation Insurance		2,900	
In Service/Staff Development		173	
Other Charges		12,497	
Building Improvements		20,841	
Total Local Health Center			\$ 277,389

Rabies and Animal Control

Part-time Personnel	\$	3,285
Other Salaries and Wages		66,658
Social Security		4,232
Pensions		4,909
Life Insurance		90
Medical Insurance		4,884
Dental Insurance		549
Disability Insurance		437
Unemployment Compensation		226
Employer Medicare		990

(Continued)

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		344	
Other Contracted Services		4,250	
Animal Food and Supplies		425	
Gasoline		5,715	
Office Supplies		5	
Other Supplies and Materials		889	
Refunds		770	
Vehicle and Equipment Insurance		1,500	
Workers' Compensation Insurance		3,000	
Total Rabies and Animal Control			\$ 106,268

Dental Health Program

Medical Personnel	\$	157,934	
Social Security		8,722	
Pensions		5,551	
Life Insurance		122	
Medical Insurance		36,608	
Dental Insurance		1,428	
Disability Insurance		520	
Unemployment Compensation		780	
Employer Medicare		2,108	
Communication		2,056	
Maintenance Agreements		1,092	
Maintenance and Repair Services - Equipment		1,643	
Postal Charges		900	
Travel		248	
Disposal Fees		360	
Other Contracted Services		6,135	
Drugs and Medical Supplies		12,696	
Gasoline		102	
Office Supplies		2,485	
Other Supplies and Materials		6,613	
Liability Insurance		2,000	
Workers' Compensation Insurance		5,500	
Other Charges		2,031	
Data Processing Equipment		52,705	
Health Equipment		2,026	
Total Dental Health Program			312,365

Other Local Health Services

Medical Personnel	\$	210,702	
Clerical Personnel		20,145	
Social Security		13,147	
Pensions		14,218	
Life Insurance		345	

(Continued)

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.)

Medical Insurance	\$	46,046	
Dental Insurance		2,872	
Disability Insurance		1,175	
Unemployment Compensation		1,202	
Employer Medicare		3,075	
Travel		5,094	
Other Supplies and Materials		550	
Liability Insurance		1,000	
Workers' Compensation Insurance		1,000	
Total Other Local Health Services			\$ 320,571

Appropriation to State

Contracts with Other Public Agencies	\$	122,120	
Total Appropriation to State			122,120

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Overtime Pay	\$	255	
Other Salaries and Wages		33,693	
Social Security		1,907	
Pensions		2,494	
Life Insurance		33	
Medical Insurance		13,728	
Dental Insurance		535	
Disability Insurance		228	
Unemployment Compensation		96	
Employer Medicare		446	
Communication		3,028	
Postal Charges		102	
Rentals		18,000	
Travel		3,038	
Other Contracted Services		887	
Electricity		4,316	
Natural Gas		357	
Office Supplies		522	
Water and Sewer		618	
Other Supplies and Materials		15,722	
Total Senior Citizens Assistance			100,005

Parks and Fair Boards

Contributions	\$	3,000	
Total Parks and Fair Boards			3,000

Agriculture and Natural Resources

Agricultural Extension Service

Dues and Memberships	\$	330	
Postal Charges		345	

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Travel	\$	1,645	
Other Contracted Services		152,950	
Office Supplies		1,496	
Other Supplies and Materials		2,000	
In Service/Staff Development		1,140	
Data Processing Equipment		2,454	
Total Agricultural Extension Service			\$ 162,360

Soil Conservation

Secretary(ies)	\$	34,790	
Social Security		1,938	
Pensions		2,574	
Life Insurance		45	
Medical Insurance		13,728	
Dental Insurance		535	
Disability Insurance		236	
Unemployment Compensation		96	
Employer Medicare		453	
Dues and Memberships		290	
Workers' Compensation Insurance		130	
Total Soil Conservation			54,815

Storm Water Management

Other Contracted Services	\$	23,306	
Other Supplies and Materials		1,375	
In Service/Staff Development		300	
Other Charges		965	
Total Storm Water Management			25,946

Other Operations

Industrial Development

Contributions	\$	705,922	
Total Industrial Development			705,922

Veterans' Services

County Official/Administrative Officer	\$	50,339	
Assistant(s)		28,363	
Social Security		4,797	
Pensions		5,822	
Life Insurance		78	
Medical Insurance		4,884	
Dental Insurance		810	
Disability Insurance		530	
Unemployment Compensation		192	
Employer Medicare		1,122	
Advertising		450	
Communication		574	

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Maintenance Agreements	\$	399	
Postal Charges		406	
Printing, Stationery, and Forms		283	
Rentals		499	
Travel		1,797	
Other Contracted Services		1,920	
Office Supplies		782	
Workers' Compensation Insurance		267	
Total Veterans' Services			\$ 104,314

Other Charges

Contributions	\$	11,000	
Other Contracted Services		2,888	
Building and Contents Insurance		5,100	
Liability Insurance		118,000	
Trustee's Commission		308,309	
Total Other Charges			445,297

Miscellaneous

Communication	\$	107,672	
Dues and Memberships		14,023	
Total Miscellaneous			121,695

Capital Projects

Public Safety Projects

Other Contracted Services	\$	4,200	
Total Public Safety Projects			4,200

Public Utility Projects

Contracts with Government Agencies	\$	5,500	
Contracts with Other Public Agencies		26,500	
Engineering Services		13,935	
Other Contracted Services		38,136	
Other Construction		610,231	
Total Public Utility Projects			694,302

Total General Fund \$ 26,389,287

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

Librarians	\$	214,774	
Part-time Personnel		119,404	
Social Security		19,753	
Pensions		14,704	
Life Insurance		122	
Medical Insurance		51,156	

(Continued)



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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Dental Insurance	\$	2,939	
Disability Insurance		1,348	
Unemployment Compensation		1,975	
Employer Medicare		4,620	
Communication		17,128	
Data Processing Services		2,277	
Dues and Memberships		225	
Maintenance Agreements		4,464	
Maintenance and Repair Services - Buildings		11,855	
Postal Charges		652	
Printing, Stationery, and Forms		285	
Travel		2,789	
Custodial Supplies		1,230	
Library Books/Media		36,797	
Office Supplies		3,811	
Periodicals		3,331	
Utilities		27,578	
Other Supplies and Materials		7,453	
Trustee's Commission		9,447	
Workers' Compensation Insurance		941	
In Service/Staff Development		505	
Other Charges		1,355	
Data Processing Equipment		4,739	
Furniture and Fixtures		2,000	
Other Equipment		7,548	
Total Libraries			\$ 577,205

Principal on Debt

General Government

Principal on Other Loans	\$	1,824	
Total General Government			1,824

Interest on Debt

General Government

Interest on Other Loans	\$	4,032	
Total General Government			<u>4,032</u>

Total Public Library Fund \$ 583,061

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

County Official/Administrative Officer	\$	30,449	
Supervisor/Director		40,266	
Laborers		29,232	
Social Security		5,724	
Pensions		7,368	

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Life Insurance	\$	109	
Medical Insurance		25,476	
Dental Insurance		1,077	
Disability Insurance		675	
Unemployment Compensation		234	
Employer Medicare		1,339	
Advertising		1,044	
Communication		1,664	
Maintenance and Repair Services - Vehicles		2,000	
Postal Charges		61	
Other Contracted Services		180	
Gasoline		1,647	
Uniforms		363	
Other Supplies and Materials		83	
Trustee's Commission		25,707	
Vehicle and Equipment Insurance		1,500	
Workers' Compensation Insurance		5,925	
Total Sanitation Management			\$ 182,123

Convenience Centers

Engineering Services	\$	27,000	
Maintenance and Repair Services - Buildings		360	
Rentals		10,635	
Other Contracted Services		528,686	
Electricity		5,845	
General Construction Materials		300	
Water and Sewer		1,576	
Fencing		225	
Other Supplies and Materials		1,718	
Solid Waste Equipment		734	
Total Convenience Centers			577,079

Other Waste Collection

Supervisor/Director	\$	2,574	
Deputy(ies)		30,072	
Social Security		1,850	
Pensions		2,364	
Life Insurance		40	
Medical Insurance		8,718	
Dental Insurance		289	
Disability Insurance		217	
Unemployment Compensation		99	
Employer Medicare		433	
Communication		355	
Maintenance and Repair Services - Vehicles		2,000	
Travel		220	
Other Contracted Services		9,830	

(Continued)

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.)

Gasoline	\$	3,294	
Instructional Supplies and Materials		9,640	
Other Supplies and Materials		1,755	
Vehicle and Equipment Insurance		1,700	
Workers' Compensation Insurance		1,292	
Total Other Waste Collection			\$ 76,742

Recycling Center

Contracts with Private Agencies	\$	878	
Total Recycling Center			878

Landfill Operation and Maintenance

Contracts with Private Agencies	\$	659,988	
Contributions		7,985	
Total Landfill Operation and Maintenance			667,973

Other Waste Disposal

Contracts with Private Agencies	\$	59,489	
Total Other Waste Disposal			59,489

Total Solid Waste/Sanitation Fund \$ 1,564,284

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	9,333	
Contracts with Private Agencies		16,166	
Dues and Memberships		300	
Maintenance and Repair Services - Vehicles		800	
Medical and Dental Services		284	
Towing Services		2,450	
Travel		1,710	
Veterinary Services		3,793	
Animal Food and Supplies		700	
Concrete		450	
Gasoline		4,945	
Law Enforcement Supplies		3,701	
Office Supplies		207	
Uniforms		1,293	
Fencing		3,141	
Trustee's Commission		680	
Vehicle and Equipment Insurance		3,000	
In Service/Staff Development		960	
Other Charges		1,460	
Law Enforcement Equipment		3,092	
Motor Vehicles		38,000	
Other Capital Outlay		6,991	
Total Drug Enforcement			\$ 103,456

Total Drug Control Fund 103,456

(Continued)

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

Other Special Revenue Fund

Other Operations

Tourism

Supervisor/Director	\$	55,385	
Clerical Personnel		78,253	
Social Security		7,957	
Pensions		8,619	
Life Insurance		136	
Medical Insurance		13,728	
Dental Insurance		511	
Disability Insurance		830	
Unemployment Compensation		464	
Employer Medicare		1,861	
Advertising		172,322	
Communication		11,485	
Contributions		42,164	
Dues and Memberships		3,945	
Maintenance and Repair Services - Buildings		2,910	
Postal Charges		3,478	
Printing, Stationery, and Forms		1,658	
Rentals		1,758	
Travel		9,572	
Other Contracted Services		900	
Office Supplies		1,710	
Uniforms		534	
Utilities		2,816	
Other Supplies and Materials		2,908	
Building and Contents Insurance		750	
Liability Insurance		911	
Trustee's Commission		3,539	
Workers' Compensation Insurance		300	
Other Charges		1,683	
Data Processing Equipment		3,152	
Other Capital Outlay		24,723	
Total Tourism			\$ 460,962

Total Other Special Revenue Fund \$ 460,962

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	3,500	
Total Chancery Court			\$ 3,500

Total Constitutional Officers - Fees Fund 3,500

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	89,044	
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(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Clerical Personnel	\$	76,800	
Social Security		9,869	
Pensions		12,343	
Life Insurance		121	
Medical Insurance		32,340	
Dental Insurance		1,345	
Disability Insurance		536	
Unemployment Compensation		48	
Employer Medicare		2,308	
Dues and Memberships		3,534	
Licenses		375	
Maintenance Agreements		3,521	
Maintenance and Repair Services - Equipment		129	
Pest Control		240	
Travel		100	
Disposal Fees		418	
Office Supplies		3,417	
Data Processing Equipment		496	
Total Administration			\$ 236,984

Highway and Bridge Maintenance

Foremen	\$	40,848	
Equipment Operators		119,752	
Truck Drivers		106,907	
Laborers		319,900	
Overtime Pay		68,405	
Social Security		38,170	
Pensions		43,545	
Life Insurance		838	
Medical Insurance		131,588	
Dental Insurance		7,096	
Disability Insurance		3,750	
Unemployment Compensation		893	
Employer Medicare		8,927	
Contracts with Private Agencies		545	
Rentals		5,067	
Other Contracted Services		27,752	
Asphalt		440,557	
Crushed Stone		157,037	
Custodial Supplies		3,888	
Fertilizer, Lime, and Seed		1,652	
Pipe - Metal		66,758	
Road Signs		14,475	
Uniforms		3,235	
Other Supplies and Materials		130	
Total Highway and Bridge Maintenance			1,611,715

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

Mechanic(s)	\$	24,209	
Nightwatchmen		48,565	
Overtime Pay		3,076	
Social Security		4,532	
Pensions		5,579	
Life Insurance		90	
Medical Insurance		26,444	
Dental Insurance		1,171	
Disability Insurance		615	
Unemployment Compensation		72	
Employer Medicare		996	
Other Contracted Services		12,606	
Equipment and Machinery Parts		112,940	
Gasoline		206,785	
Lubricants		7,851	
Tires and Tubes		17,838	
Other Supplies and Materials		19,277	
Other Charges		5,423	
Communication Equipment		586	
Total Operation and Maintenance of Equipment			\$ 498,655

Other Charges

Communication	\$	7,530	
Electricity		9,297	
Natural Gas		5,868	
Water and Sewer		476	
Building and Contents Insurance		1,000	
Liability Insurance		58,600	
Trustee's Commission		35,557	
Vehicle and Equipment Insurance		50,000	
Workers' Compensation Insurance		65,000	
Total Other Charges			233,328

Capital Outlay

Engineering Services	\$	33,686	
Highway Construction		1,416,052	
Highway Equipment		423,092	
Total Capital Outlay			1,872,830

Total Highway/Public Works Fund \$ 4,453,512

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	500,000	
Principal on Capital Leases		105,463	
Principal on Other Loans		270,000	
Total General Government			\$ 875,463

(Continued)

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	\$	654,738	
Interest on Capital Leases		4,373	
Interest on Other Loans		18,495	
Total General Government			\$ 677,606

Other Debt Service

General Government

Fiscal Agent Charges	\$	16,763	
Trustee's Commission		35,272	
Underwriter's Discount		60,225	
Other Debt Issuance Charges		90,968	
Total General Government			203,228

Total General Debt Service Fund \$ 1,756,297

Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$	745,000	
Principal on Notes		84,240	
Principal on Capital Leases		79,033	
Principal on Other Loans		190,000	
Total Education			\$ 1,098,273

Interest on Debt

Education

Interest on Bonds	\$	328,894	
Interest on Capital Leases		43,287	
Interest on Other Loans		115,500	
Total Education			487,681

Other Debt Service

Education

Fiscal Agent Charges	\$	2,368	
Trustee's Commission		3,866	
Total Education			6,234

Total Rural Debt Service Fund 1,592,188

Education Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$	800,000	
Principal on Notes		368,000	
Principal on Other Loans		225,000	
Total Education			\$ 1,393,000

(Continued)

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

<u>Education Debt Service Fund (Cont.)</u>			
<u>Interest on Debt</u>			
<u>Education</u>			
Interest on Bonds	\$	482,525	
Interest on Notes		20,723	
Interest on Other Loans		131,588	
Total Education			\$ 634,836
<u>Other Debt Service</u>			
<u>Education</u>			
Fiscal Agent Charges	\$	1,662	
Trustee's Commission		32,588	
Total Education			34,250
Total Education Debt Service Fund			\$ 2,062,086
<u>General Capital Projects Fund</u>			
<u>Other Debt Service</u>			
<u>General Government</u>			
Other Debt Issuance Charges	\$	7,500	
Total General Government			\$ 7,500
<u>Capital Projects</u>			
<u>General Administration Projects</u>			
Trustee's Commission	\$	608	
Data Processing Equipment		252	
Total General Administration Projects			860
<u>Public Safety Projects</u>			
Engineering Services	\$	12,460	
Highway Construction		170,258	
Total Public Safety Projects			182,718
<u>Public Health and Welfare Projects</u>			
Heating and Air Conditioning Equipment	\$	37,214	
Total Public Health and Welfare Projects			37,214
<u>Social, Cultural, and Recreation Projects</u>			
Building Purchases	\$	5,000	
Total Social, Cultural, and Recreation Projects			5,000
Total General Capital Projects Fund			233,292
Total Governmental Funds - Primary Government			\$ 39,201,925



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, 2017

General Purpose School Fund

Instruction

Regular Instruction Program

Supervisor/Director	\$	4,125	
Teachers		16,008,182	
Career Ladder Program		61,865	
Homebound Teachers		71,469	
Educational Assistants		724,847	
Bonus Payments		228,996	
Certified Substitute Teachers		43,166	
Non-certified Substitute Teachers		156,315	
Social Security		998,082	
Pensions		1,497,728	
Life Insurance		19,199	
Medical Insurance		1,756,808	
Unemployment Compensation		22,375	
Employer Medicare		236,336	
Payments to Retirees		53,170	
Other Contracted Services		33,458	
Instructional Supplies and Materials		499,993	
Textbooks - Bound		23,571	
Other Supplies and Materials		16,921	
Refund to Applicant for Criminal Investigation		5,161	
Other Charges		91,553	
Regular Instruction Equipment		767,969	
Total Regular Instruction Program			\$ 23,321,289

Special Education Program

Teachers	\$	3,279,613	
Career Ladder Program		20,500	
Homebound Teachers		33,853	
Educational Assistants		714,400	
Other Salaries and Wages		600	
Certified Substitute Teachers		5,979	
Non-certified Substitute Teachers		21,645	
Social Security		236,584	
Pensions		349,817	
Life Insurance		5,825	
Medical Insurance		483,586	
Unemployment Compensation		6,037	
Employer Medicare		55,790	
Dues and Memberships		210	
Other Contracted Services		173,836	
Instructional Supplies and Materials		25,752	
Other Supplies and Materials		2,185	
Special Education Equipment		5,092	
Total Special Education Program			5,421,304

(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.)

Career and Technical Education Program

Teachers	\$ 2,150,711	
Career Ladder Program	9,000	
Clerical Personnel	88,603	
Other Salaries and Wages	5,000	
Certified Substitute Teachers	6,220	
Non-certified Substitute Teachers	30,888	
Social Security	130,930	
Pensions	200,571	
Life Insurance	2,431	
Medical Insurance	245,732	
Unemployment Compensation	1,987	
Employer Medicare	30,819	
Maintenance and Repair Services - Equipment	24,170	
Instructional Supplies and Materials	93,552	
Other Supplies and Materials	11,261	
Vocational Instruction Equipment	75,542	
Other Equipment	8,528	
Total Career and Technical Education Program		\$ 3,115,945

Student Body Education Program

Teachers	\$ 59,139	
Social Security	3,493	
Pensions	5,346	
Life Insurance	50	
Medical Insurance	5,315	
Unemployment Compensation	43	
Employer Medicare	817	
Instructional Supplies and Materials	22,811	
Other Charges	1,175	
Total Student Body Education Program		98,189

Support Services

Attendance

Supervisor/Director	\$ 123,158	
Career Ladder Program	500	
Clerical Personnel	26,935	
Other Salaries and Wages	166,285	
Social Security	14,702	
Pensions	21,651	
Life Insurance	260	
Medical Insurance	22,784	
Unemployment Compensation	456	
Employer Medicare	4,294	
Travel	2,759	
Other Supplies and Materials	500	
Total Attendance		384,284

(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	\$	68,347	
Medical Personnel		424,608	
Other Salaries and Wages		5,746	
Social Security		27,354	
Pensions		41,730	
Life Insurance		705	
Medical Insurance		72,014	
Unemployment Compensation		564	
Employer Medicare		6,401	
Communication		1,128	
Postal Charges		600	
Printing, Stationery, and Forms		480	
Travel		15,120	
Drugs and Medical Supplies		20,624	
Other Supplies and Materials		27,176	
In Service/Staff Development		2,489	
Other Equipment		2,194	
Total Health Services			\$ 717,280

Other Student Support

Career Ladder Program	\$	3,000	
Guidance Personnel		965,601	
Other Salaries and Wages		68,232	
Social Security		59,810	
Pensions		92,583	
Life Insurance		1,051	
Medical Insurance		108,330	
Unemployment Compensation		1,165	
Employer Medicare		13,988	
Communication		659	
Contracts with Government Agencies		214,641	
Postal Charges		47	
Travel		2,997	
Other Supplies and Materials		7,928	
In Service/Staff Development		1,010	
Total Other Student Support			1,541,042

Regular Instruction Program

Supervisor/Director	\$	179,133
Career Ladder Program		8,500
Librarians		542,169
Secretary(ies)		38,830
Other Salaries and Wages		53,706
Social Security		47,477
Pensions		73,484
Life Insurance		892

(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.)

Medical Insurance	\$	93,213	
Unemployment Compensation		1,417	
Employer Medicare		11,162	
Travel		1,352	
Food Supplies		881	
Library Books/Media		33,201	
Other Supplies and Materials		38,006	
In Service/Staff Development		73,063	
Total Regular Instruction Program			\$ 1,196,486

Special Education Program

Supervisor/Director	\$	91,456	
Career Ladder Program		1,000	
Psychological Personnel		148,395	
Clerical Personnel		101,559	
Speech Pathologist		434,493	
Other Salaries and Wages		264,073	
Social Security		59,825	
Pensions		89,857	
Life Insurance		1,165	
Medical Insurance		93,896	
Unemployment Compensation		891	
Employer Medicare		14,075	
Payments to Retirees		3,300	
Consultants		34,507	
Travel		340	
Other Contracted Services		721	
Other Supplies and Materials		61,765	
In Service/Staff Development		3,220	
Total Special Education Program			1,404,538

Career and Technical Education Program

Supervisor/Director	\$	87,516	
Career Ladder Program		1,000	
Other Salaries and Wages		78,220	
Social Security		9,745	
Pensions		13,790	
Life Insurance		200	
Medical Insurance		22,382	
Unemployment Compensation		202	
Employer Medicare		2,279	
Travel		40,233	
In Service/Staff Development		664	
Total Career and Technical Education Program			256,231

(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.)

Other Programs

On-behalf Payments to OPEB	\$	200,638	
Total Other Programs			\$ 200,638

Board of Education

Secretary to Board	\$	6,231	
Board and Committee Members Fees		58,100	
Social Security		2,516	
Pensions		1,564	
Life Insurance		400	
Employer Medicare		780	
Advertising		1,026	
Audit Services		23,200	
Consultants		3,250	
Contributions		25,000	
Dues and Memberships		8,277	
Legal Services		21,000	
Travel		13,339	
Liability Insurance		163,424	
Trustee's Commission		479,274	
Workers' Compensation Insurance		318,651	
Other Charges		9,957	
Total Board of Education			1,135,989

Director of Schools

County Official/Administrative Officer	\$	139,254	
Assistant(s)		108,565	
Career Ladder Program		3,000	
Secretary(ies)		40,725	
Social Security		17,151	
Pensions		25,462	
Life Insurance		100	
Medical Insurance		15,964	
Unemployment Compensation		97	
Employer Medicare		4,011	
Communication		59,472	
Dues and Memberships		3,437	
Postal Charges		1,956	
Travel		13,755	
Other Contracted Services		74	
Office Supplies		3,041	
Other Supplies and Materials		2,058	
Other Charges		24,213	
Total Director of Schools			462,335

Office of the Principal

Principals	\$	1,416,329	
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(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.)

Career Ladder Program	\$	8,000	
Assistant Principals		685,855	
Secretary(ies)		634,185	
Social Security		157,881	
Pensions		237,264	
Life Insurance		2,731	
Medical Insurance		300,205	
Unemployment Compensation		2,544	
Employer Medicare		36,939	
Communication		26,084	
Travel		5,261	
In Service/Staff Development		10,607	
Other Charges		5,350	
Total Office of the Principal			\$ 3,529,235

Fiscal Services

Supervisor/Director	\$	90,085	
Accountants/Bookkeepers		282,296	
Social Security		20,646	
Pensions		26,156	
Life Insurance		350	
Medical Insurance		35,180	
Unemployment Compensation		487	
Employer Medicare		5,103	
Travel		2,816	
Other Contracted Services		7,913	
Office Supplies		3,990	
Other Supplies and Materials		16,466	
In Service/Staff Development		235	
Total Fiscal Services			491,723

Human Services/Personnel

Secretary(ies)	\$	49,922	
Social Security		2,604	
Pensions		3,694	
Life Insurance		50	
Medical Insurance		9,745	
Unemployment Compensation		101	
Employer Medicare		609	
Advertising		160	
Travel		1,270	
Other Contracted Services		16,992	
Office Supplies		1,494	
Other Supplies and Materials		1,562	
In Service/Staff Development		1,503	
Total Human Services/Personnel			89,706

(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

Supervisor/Director	\$	85,056	
Custodial Personnel		1,520,712	
Social Security		91,872	
Pensions		117,362	
Life Insurance		3,025	
Medical Insurance		287,557	
Unemployment Compensation		2,418	
Employer Medicare		21,509	
Maintenance and Repair Services - Vehicles		12,409	
Rentals		55,724	
Disposal Fees		78,863	
Other Contracted Services		74,254	
Custodial Supplies		177,638	
Electricity		1,318,109	
Natural Gas		165,996	
Water and Sewer		205,584	
Other Supplies and Materials		9,616	
Building and Contents Insurance		267,957	
Plant Operation Equipment		43,008	
Total Operation of Plant			\$ 4,538,669

Maintenance of Plant

Maintenance Personnel	\$	506,296	
Social Security		28,337	
Pensions		37,382	
Life Insurance		688	
Medical Insurance		85,228	
Unemployment Compensation		1,063	
Employer Medicare		6,627	
Communication		210,495	
Maintenance and Repair Services - Buildings		32,901	
Maintenance and Repair Services - Equipment		20,397	
Travel		282	
Other Contracted Services		70,633	
Custodial Supplies		20,024	
Gasoline		39,809	
Office Supplies		1,979	
Other Supplies and Materials		207,658	
Total Maintenance of Plant			1,269,799

Transportation

Supervisor/Director	\$	44,258
Unemployment Compensation		97
Employer Medicare		642
Contracts with Vehicle Owners		2,959,071
Travel		359

(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.)

Other Contracted Services	\$	7,426	
Other Supplies and Materials		985	
Administration Equipment		132,499	
Total Transportation			\$ 3,145,337

Central and Other

Supervisor/Director	\$	95,944	
Secretary(ies)		34,344	
Other Salaries and Wages		362,634	
Social Security		29,232	
Pensions		39,413	
Life Insurance		430	
Medical Insurance		39,360	
Unemployment Compensation		380	
Employer Medicare		6,836	
Travel		14,508	
Other Contracted Services		192,736	
Other Supplies and Materials		52,823	
In Service/Staff Development		635	
Administration Equipment		9,721	
Data Processing Equipment		54,978	
Total Central and Other			933,974

Operation of Non-instructional Services

Community Services

Utilities	\$	2,295	
Other Supplies and Materials		404	
Total Community Services			2,699

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	798,347	
Total Regular Capital Outlay			798,347

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	1,560,548	
Total Education			1,560,548

Total General Purpose School Fund \$ 55,615,587

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	811,917	
Other Salaries and Wages		10,440	

(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.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Certified Substitute Teachers	\$	2,998	
Social Security		45,074	
Pensions		69,883	
Life Insurance		746	
Medical Insurance		77,095	
Unemployment Compensation		905	
Employer Medicare		11,225	
Other Fringe Benefits		4,148	
Instructional Supplies and Materials		87,307	
Regular Instruction Equipment		13,436	
Total Regular Instruction Program			\$ 1,135,174

Special Education Program

Teachers	\$	449,682	
Educational Assistants		275,398	
Other Salaries and Wages		73,020	
Non-certified Substitute Teachers		711	
Social Security		44,405	
Pensions		66,155	
Life Insurance		1,472	
Medical Insurance		130,382	
Unemployment Compensation		1,968	
Employer Medicare		10,388	
Instructional Supplies and Materials		201,985	
Workers' Compensation Insurance		5,300	
Special Education Equipment		38,016	
Total Special Education Program			1,298,882

Career and Technical Education Program

Other Supplies and Materials	\$	26,416	
Vocational Instruction Equipment		64,678	
Total Career and Technical Education Program			91,094

Support Services

Other Student Support

Supervisor/Director	\$	80,262	
Other Salaries and Wages		47,487	
Certified Substitute Teachers		65	
In-service Training		800	
Social Security		6,623	
Pensions		9,999	
Life Insurance		92	
Medical Insurance		13,653	
Unemployment Compensation		88	
Employer Medicare		1,687	
Communication		1,477	

(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.)Other Student Support (Cont.)

Consultants	\$	12,485	
Contracts with Government Agencies		24,013	
Travel		37,230	
Other Contracted Services		17,244	
Other Supplies and Materials		154,447	
Workers' Compensation Insurance		650	
In Service/Staff Development		8,701	
Total Other Student Support			\$ 417,003

Regular Instruction Program

Supervisor/Director	\$	121,896	
Secretary(ies)		37,667	
Other Salaries and Wages		413,564	
Social Security		33,673	
Pensions		51,193	
Life Insurance		540	
Medical Insurance		52,499	
Unemployment Compensation		215	
Employer Medicare		7,815	
Other Fringe Benefits		2,765	
Communication		1,409	
Postal Charges		1,719	
Printing, Stationery, and Forms		3,523	
Travel		35,399	
Other Supplies and Materials		76,978	
In Service/Staff Development		44,196	
Other Charges		11,134	
Other Equipment		7,533	
Total Regular Instruction Program			903,718

Special Education Program

Clerical Personnel	\$	86,675	
Other Salaries and Wages		29,988	
Social Security		6,764	
Pensions		9,113	
Life Insurance		129	
Medical Insurance		12,873	
Unemployment Compensation		135	
Employer Medicare		1,582	
Maintenance and Repair Services - Equipment		792	
Travel		25,472	
Other Contracted Services		53,666	
Other Supplies and Materials		8,474	
Workers' Compensation Insurance		412	
In Service/Staff Development		10,474	
Other Equipment		4,469	
Total Special Education Program			251,018

(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.)Transportation

Contracts with Private Agencies	\$	103,751	
Contracts with Parents		4,643	
Maintenance and Repair Services - Vehicles		11,409	
Gasoline		24,684	
Tires and Tubes		3,107	
Transportation Equipment		44,687	
Total Transportation			\$ 192,281

Operation of Non-instructional ServicesCommunity Services

Supervisor/Director	\$	25,200	
Teachers		92,695	
Clerical Personnel		9,400	
Educational Assistants		34,208	
Other Salaries and Wages		77,800	
Certified Substitute Teachers		15,300	
Non-certified Substitute Teachers		6,859	
Social Security		16,211	
Pensions		19,666	
Employer Medicare		3,792	
Travel		934	
Food Supplies		1,679	
Instructional Supplies and Materials		11,753	
Other Supplies and Materials		8,400	
In Service/Staff Development		2,581	
Total Community Services			326,478

Total School Federal Projects Fund \$ 4,615,648

Central Cafeteria FundOperation of Non-instructional ServicesFood Service

Supervisor/Director	\$	79,038	
Accountants/Bookkeepers		97,842	
Clerical Personnel		501,001	
Cafeteria Personnel		621,522	
Other Salaries and Wages		1,164	
Social Security		75,846	
Pensions		68,661	
Life Insurance		2,210	
Medical Insurance		172,677	
Unemployment Compensation		1,529	
Employer Medicare		17,739	
Payments to Retirees		3,230	
Bank Charges		1,003	
Communication		13,063	

(Continued)

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

Central Cafeteria Fund (Cont.)

Operation of Non-instructional Services (Cont.)

Food Service (Cont.)

Dues and Memberships	\$	395	
Licenses		1,705	
Maintenance and Repair Services - Equipment		26,996	
Printing, Stationery, and Forms		1,497	
Travel		13,165	
Other Contracted Services		36,179	
Food Supplies		1,140,910	
Gasoline		231	
Office Supplies		4,984	
Uniforms		11,732	
USDA - Commodities		254,762	
Other Supplies and Materials		4,376	
Workers' Compensation Insurance		29,000	
In Service/Staff Development		5,584	
Other Charges		504	
Building Improvements		6,546	
Data Processing Equipment		3,369	
Food Service Equipment		6,659	
Total Food Service			\$ 3,205,119

Total Central Cafeteria Fund \$ 3,205,119

Other Education Special Revenue Fund

Operation of Non-instructional Services

Community Services

Supervisor/Director	\$	79,149	
Teachers		214,067	
Social Workers		4,800	
Medical Personnel		25,877	
Secretary(ies)		62,131	
Clerical Personnel		12,481	
Educational Assistants		1,015,827	
Other Salaries and Wages		71,208	
Certified Substitute Teachers		220	
Non-certified Substitute Teachers		1,234	
Social Security		85,728	
Pensions		106,181	
Life Insurance		2,563	
Medical Insurance		206,652	
Unemployment Compensation		2,668	
Employer Medicare		20,120	
Advertising		474	
Communication		10,454	
Contracts with Other School Systems		748,069	
Dues and Memberships		1,226	
Maintenance and Repair Services - Office Equipment		2,313	

(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.)

Maintenance and Repair Services - Vehicles	\$	1,912	
Pest Control		720	
Postal Charges		500	
Rentals		6,720	
Travel		8,760	
Other Contracted Services		20,541	
Drugs and Medical Supplies		1,950	
Electricity		15,036	
Food Supplies		44,930	
Gasoline		1,923	
Instructional Supplies and Materials		76,909	
Natural Gas		2,344	
Office Supplies		2,745	
Water and Sewer		1,348	
Other Supplies and Materials		29,550	
Building and Contents Insurance		2,249	
Vehicle and Equipment Insurance		4,500	
Workers' Compensation Insurance		7,013	
In Service/Staff Development		26,097	
Other Charges		25,235	
Data Processing Equipment		5,044	
Furniture and Fixtures		5,643	
Motor Vehicles		15,155	
Total Community Services			\$ 2,980,266

Early Childhood Education

Supervisor/Director	\$	13,967
Teachers		255,386
Medical Personnel		22,734
Secretary(ies)		10,707
Clerical Personnel		9,812
Educational Assistants		113,619
Other Salaries and Wages		6,660
Certified Substitute Teachers		160
Non-certified Substitute Teachers		2,220
Social Security		25,869
Pensions		36,305
Life Insurance		766
Medical Insurance		48,476
Unemployment Compensation		902
Employer Medicare		6,051
Communication		586
Maintenance and Repair Services - Office Equipment		723
Postal Charges		100
Travel		172
Other Contracted Services		2,647

(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.)

Drugs and Medical Supplies	\$	108	
Food Supplies		32	
General Construction Materials		1,540	
Instructional Supplies and Materials		14,407	
Natural Gas		3,160	
Office Supplies		1,491	
Other Supplies and Materials		17,285	
Building and Contents Insurance		40	
Workers' Compensation Insurance		2,788	
In Service/Staff Development		1,191	
Other Charges		8,968	
Data Processing Equipment		2,289	
Total Early Childhood Education			\$ 611,161

Capital Outlay

Regular Capital Outlay

Architects	\$	10,000	
Other Supplies and Materials		1,515	
Building Construction		5,500	
Total Regular Capital Outlay			17,015

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	122,320	
Total Education			122,320

Total Other Education Special Revenue Fund \$ 3,730,762

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Trustee's Commission	\$	4,988	
Regular Instruction Equipment		226,806	
Total Education Capital Projects			\$ 231,794

Total Education Capital Projects Fund 231,794

Total Governmental Funds - Anderson County School Department \$ 67,398,910

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, 2017

	Cities - Sales Tax Fund	City School ADA - Clinton Fund	City School ADA - Oak Ridge Fund	Total
<u>Cash Receipts</u>				
Current Property Taxes	\$ 0	\$ 1,976,392	\$ 8,812,335	\$ 10,788,727
Trustee's Collections - Prior Years	0	81,844	364,736	446,580
Trustee's Collections - Bankruptcy	0	571	2,549	3,120
Circuit/Clerk and Master Collections - Prior Years	0	35,825	156,621	192,446
Interest and Penalty	0	22,070	101,140	123,210
Local Option Sales Tax	12,968,140	1,085,070	4,296,549	18,349,759
Coal Severance Tax	0	116	515	631
Interstate Telecommunications Tax	0	497	2,214	2,711
Cities - Local Option Sales Tax	0	0	537,789	537,789
Marriage Licenses	0	391	1,764	2,155
Total Cash Receipts	<u>\$ 12,968,140</u>	<u>\$ 3,202,776</u>	<u>\$ 14,276,212</u>	<u>\$ 30,447,128</u>
<u>Cash Disbursements</u>				
Remittance of Revenues Collected	\$ 12,838,459	\$ 3,151,254	\$ 14,043,493	\$ 30,033,206
Trustee's Commission	129,681	52,381	237,143	419,205
Total Cash Disbursements	<u>\$ 12,968,140</u>	<u>\$ 3,203,635</u>	<u>\$ 14,280,636</u>	<u>\$ 30,452,411</u>
Excess of Cash Receipts Over (Under)				
Cash Disbursements	\$ 0	\$ (859)	\$ (4,424)	\$ (5,283)
Cash Balance, July 1, 2016	<u>0</u>	<u>3,811</u>	<u>17,590</u>	<u>21,401</u>
Cash Balance, June 30, 2017	<u>\$ 0</u>	<u>\$ 2,952</u>	<u>\$ 13,166</u>	<u>\$ 16,118</u>

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## STATISTICAL SECTION

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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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 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	\$ 13,178,548
Restricted for:										
General Government	0	0	0	22,823	164,343	233,741	37,233	57,168	77,455	88,864
Finance	0	0	0	15,002	20,668	26,352	44,712	49,711	56,626	55,224
Administration of Justice	0	0	0	323,830	357,587	376,066	462,167	559,449	663,791	724,192
Public Safety	0	0	0	504,844	366,463	474,254	594,554	608,305	692,038	714,484
Public Health and Welfare	0	0	0	101,338	223,471	220,066	531,472	459,276	493,754	525,220
Social, Cultural, and Recreational Services	0	0	0	341,130	331,713	289,789	573,936	557,773	613,050	580,214
Other Operations	195,536	347,467	387,877	8,000	4,826	0	0	0	0	0
Highway/Public Works	870,595	961,417	972,780	1,286,623	1,496,633	1,939,581	2,605,860	2,466,945	3,678,033	3,677,601
Debt Service	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	3,001,213
Capital Projects	0	0	0	0	65,443	0	0	75,534	26,729	41,271
Other Purposes	0	0	0	0	0	0	0	1,017,993	1,235,085	0
Courthouse and Jail (1)	86,728	93,109	93,109	0	0	0	0	0	0	0
Public Library (1)	109,059	223,052	249,191	0	0	0	0	0	0	0
Solid Waste (1)	183,051	385,169	241,030	0	0	0	0	0	0	0
Drug Control (1)	82,630	91,807	165,820	0	0	0	0	0	0	0
Tourism (1)	100,279	61,626	88,919	0	0	0	0	0	0	0
Unrestricted	(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)	(20,182,268)
Subtotal Governmental Activities Net Position	\$ 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)	\$ 2,404,563
<b>Business-type Activities: (3) (4)</b>										
Net Investment in Capital Assets	\$ 10,518,405	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 916,480	\$ 687,200	\$ 511,757	
Invested in Capital Assets	0	0	1,526,540	1,370,128	1,403,609	1,139,613	12,506,797	0	0	0
Other Purposes (5)	0	0	0	0	0	0	0	223,462	265,079	0
Unrestricted	1,544,982	0	1,398,449	1,173,406	1,155,461	1,119,672	194,526	225,838	(43,945)	47,853
Subtotal Business-type Activities Net Position	\$ 12,063,387	\$ 0	\$ 2,924,989	\$ 2,543,534	\$ 2,559,070	\$ 2,259,285	\$ 12,701,323	\$ 1,365,780	\$ 908,334	\$ 559,610
<b>Primary Government:</b>										
Net Investment in Capital Assets	\$ 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	\$ 13,690,305
Investment in Capital Assets	0	0	1,526,540	1,370,128	1,403,609	1,139,613	12,506,797	0	0	0
Restricted for:										
General Government	0	0	0	22,823	164,343	233,741	37,233	57,168	77,455	88,864
Finance	0	0	0	15,002	20,668	26,352	44,712	49,711	56,626	55,224
Administration of Justice	0	0	0	323,830	357,587	376,066	462,167	559,449	663,791	724,192
Public Safety	0	0	0	504,844	366,463	474,254	594,554	608,305	692,038	714,484
Public Health and Welfare	0	0	0	101,338	223,471	220,066	531,472	459,276	493,754	525,220
Social, Cultural, and Recreational Services	0	0	0	341,130	331,713	289,789	573,936	557,773	613,050	580,214
Other Operations	0	0	0	8,000	4,826	0	0	0	0	0
Highway/Public Works	870,595	961,417	972,780	1,286,623	1,496,633	1,939,581	2,605,860	2,466,945	3,678,033	3,677,601
Debt Service	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	3,001,213
Capital Projects	0	0	0	0	65,443	0	0	75,534	26,729	41,271
Other Purposes	0	0	0	0	0	0	0	1,241,455	1,500,164	0
Courthouse and Jail (1)	86,728	93,109	93,109	0	0	0	0	0	0	0
Public Library (1)	109,059	223,052	249,191	0	0	0	0	0	0	0
Solid Waste (1)	183,051	385,169	241,030	0	0	0	0	0	0	0
Drug Control (1)	82,630	91,807	165,820	0	0	0	0	0	0	0
Tourism (1)	100,279	61,626	88,919	0	0	0	0	0	0	0
Other Purposes	195,536	347,467	387,877	0	0	0	0	0	0	0
Unrestricted	(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)	(20,134,415)
Sub-Total Primary Government Net Position (2)	\$ 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	\$ 2,964,173

(1) Prior to fiscal year 2008, amounts were included in Other Purposes. Since GASB Statement No. 54 - Fund Balance Reporting, the amounts are 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 the Anderson County Emergency Medical Services.

(5) The Other Purpose reflected in the Business-type Activities is the result of Anderson County complying with the provisions of GASB Statement No. 67 - Financial Reporting for Pension Plans.

Table 2

Anderson County, Tennessee  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 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	\$ 5,525,125
Finance	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	2,957,033
Administration of Justice	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	2,866,798
Public Safety	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	13,275,663
Public Health and Welfare	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	3,447,087
Social, Cultural, and Recreational Services	363,662	543,805	606,085	672,862	686,748	593,389	938,544	1,414,105	1,145,163	1,254,501
Agriculture and Natural Resources	194,110	191,929	198,699	279,392	286,919	191,813	209,714	209,378	228,116	246,231
Other Operations	1,814,950	1,393,097	1,252,748	1,211,879	1,577,100	1,428,085	0	0	0	0
Highways	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	4,032,399
Education	0	0	0	0	18,622,722	0	9,676,315	400,000	1,200,000	0
Interest on Long-term Debt	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	2,006,374
Other Debt Service	123,866	117,537	53,825	244,402	261,308	158,803	0	0	0	0
Total Governmental Activities Expenses	\$ 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	\$ 35,611,211
Business-type Activities										
Water and Sewer (1)	\$ 2,368,759	\$ 1,475,798	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Ambulance Service (2)	0	0	4,411,487	5,189,348	5,523,704	5,629,430	5,565,910	5,477,030	5,542,626	5,577,294
Total Business-type Activities Expenses	\$ 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	\$ 5,577,294
Total Primary Government Expenses	\$ 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	\$ 41,188,505
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,053,338	\$ 1,160,416	\$ 1,185,031	\$ 866,276	\$ 944,164	\$ 1,113,133	\$ 922,960	\$ 902,897	\$ 947,657	\$ 992,532
Finance	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	2,438,941
Administration of Justice	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	1,751,231
Public Safety	515,637	718,661	556,712	159,292	1,018,448	1,386,581	1,632,200	1,898,609	1,795,679	1,513,344
Public Health and Welfare (3)	5,142,663	5,849,858	128,311	662,670	622,962	617,232	687,545	702,688	778,187	782,134
Social, Cultural, and Recreational Services	190,913	68,771	71,417	78,901	90,886	143,668	269,892	281,406	296,552	315,728
Other Operations	0	140,187	0	661	434	0	0	0	0	0
Highways	560,649	522,822	513,164	602,453	868,539	383,810	363,280	273,039	165,728	152,463
Debt Service:										
Interest on Long-term Debt	326,092	158,325	69,580	0	0	0	0	0	0	0
Operating Grants and Contributions	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	3,163,801
Capital Grants and Contributions	893,945	985,527	1,556,900	880,110	1,426,256	817,300	786,509	293,852	717,325	1,882,756
Total Governmental Activities Program Revenues	\$ 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	\$ 12,992,930
Business-type Activities:										
Charges for Services:										
Water and Sewer	\$ 2,431,402	\$ 1,247,504	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Ambulance Service (2)	0	0	5,534,480	4,805,793	5,536,443	5,329,645	4,691,709	5,033,696	4,912,868	5,243,281
Capital Grants, and Contributions	0	0	0	0	0	0	0	0	0	0
Total Business-type Activities Program Revenues	\$ 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	\$ 5,243,281
Total Primary Government Program Revenues	\$ 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	\$ 18,236,211

(Continued)

Table 2

Anderson County, Tennessee  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting) (cont.)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (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)	\$ (22,618,281)
Business-type Activities	62,643	(228,294)	1,122,993	(383,555)	12,739	(299,785)	(874,201)	(443,334)	(629,758)	(334,013)
<b>Total Primary Government Net Expense</b>	<b>\$ (16,323,791)</b>	<b>\$ (17,172,924)</b>	<b>\$ (17,486,534)</b>	<b>\$ (19,403,715)</b>	<b>\$ (39,601,118)</b>	<b>\$ (21,161,755)</b>	<b>\$ (30,853,737)</b>	<b>\$ (20,922,984)</b>	<b>\$ (22,088,337)</b>	<b>\$ (22,952,294)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 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	\$ 17,784,072
Sales Taxes	1,016,987	926,173	934,132	910,270	673,151	806,190	772,057	841,454	974,149	954,828
Other Taxes	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	2,119,326
Grants and Contributions not Restricted to Specific Programs	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	4,934,772
Unrestricted Investment Income	484,487	160,454	50,899	37,857	67,991	62,758	25,187	28,659	25,252	33,688
Gain (Loss) on Sale of Capital Assets	0	0	0	0	0	0	0	0	-	-
Miscellaneous	43,416	41,240	58,435	67,889	40,182	54,387	25,413	44,590	26,921	71,469
Transfers	(15,000)	0	(1,801,996)	0	(1,812)	0	0	(628,381)	(172,312)	17,127
<b>Total Governmental Activities</b>	<b>\$ 21,829,042</b>	<b>\$ 21,386,472</b>	<b>\$ 18,893,472</b>	<b>\$ 20,671,218</b>	<b>\$ 23,216,356</b>	<b>\$ 23,448,368</b>	<b>\$ 23,838,257</b>	<b>\$ 23,930,438</b>	<b>\$ 25,396,164</b>	<b>\$ 25,915,282</b>
Business-type Activities:										
Unrestricted Investment Income	\$ 0	\$ 4,190	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Gain on Disposal of Property	0	0	0	0	0	0	16,239	0	0	0
Miscellaneous	0	0	0	2,100	985	0	0	0	0	2,416
Transfers (2)	15,000	0	1,801,996	0	1,812	0	0	628,381	172,312	(17,127)
<b>Total Business-type Activities</b>	<b>\$ 15,000</b>	<b>\$ 4,190</b>	<b>\$ 1,801,996</b>	<b>\$ 2,100</b>	<b>\$ 2,797</b>	<b>\$ 0</b>	<b>\$ 16,239</b>	<b>\$ 628,381</b>	<b>\$ 172,312</b>	<b>\$ (14,711)</b>
<b>Total Primary Government</b>	<b>\$ 21,844,042</b>	<b>\$ 21,390,662</b>	<b>\$ 20,695,468</b>	<b>\$ 20,673,318</b>	<b>\$ 23,219,153</b>	<b>\$ 23,448,368</b>	<b>\$ 23,854,496</b>	<b>\$ 24,558,819</b>	<b>\$ 25,568,476</b>	<b>\$ 25,900,571</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 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	\$ 3,297,001
Business-type Activities	77,643	(224,104)	2,924,989	(381,455)	15,536	(299,785)	(857,962)	185,047	(457,446)	(348,724)
<b>Total Primary Government (4) (5)</b>	<b>\$ 5,520,251</b>	<b>\$ 4,217,738</b>	<b>\$ 3,208,934</b>	<b>\$ 1,269,603</b>	<b>\$ (16,381,965)</b>	<b>\$ 2,286,613</b>	<b>\$ (6,999,241)</b>	<b>\$ 3,635,835</b>	<b>\$ 3,480,139</b>	<b>\$ 2,948,277</b>

(1) On December 31, 2008, Anderson County Utility Board merged with Anderson County Water Authority.

(2) Since 2010, the Business-type Activity is now Anderson County Emergency Medical Services. Prior to 2010, operations were reflected as a special revenue fund (Governmental Activities), which also explains the \$1,801,996.

(3) The decline in 2010 is a result of the ambulance service being classified as a Business-type Activity.

(4) In fiscal year ending 2012, the negative Net Position is primarily due to the issuance of \$14,750,000 in bonds issued by the primary government and contributed the net proceeds to the Discretely Presented Component Unit.

(5) In fiscal year ending 2014, the negative Net Position is primarily due to the issuance of \$9,810,215 in bonds issued by the primary government and contributed the net proceeds to the Discretely Presented Component Unit.

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
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 (2)	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 (3)	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	- (4)	147,222	14,888	20,502,681
2017	17,784,072	954,828	364,465	366,881	1,024,707	152,116	-	169,362	41,795	20,858,226

(1) Includes current year, prior year, interest and penalty, and in-lieu-of property taxes.

(2) This is the first year that Gas and Oil Severance Tax was collected and included in this figure.

(3) Wholesale Beer Tax was reallocated to the primary government for fiscal year 2012.

(4) Interstate Telecommunications Tax were reallocated to the Discretely Presented Component Unit - Anderson County School Department.

Table 4

Anderson County, Tennessee  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2008	2009	2010	2011 (4)	2012	2013	2014	2015	2016	2017
<b>General Fund:</b>										
Nonspendable (1)	\$ 0	\$ 0	\$ 0	\$ 560,530	\$ 405,685	\$ 274,773	\$ 154,483	\$ 1,126,488	\$ 960,146	\$ 1,808,392
Restricted (1)	0	0	0	608,426	1,276,846	1,033,728	1,219,876	1,167,992	1,375,295	1,411,627
Committed (1)	0	0	0	1,289,938	1,543,171	1,421,797	1,810,878	1,992,850	2,936,535	2,588,346
Assigned (1)	0	0	0	1,800	9,250	515,449	389,914	777,967	702,220	385,052
Reserved	618,661	759,326	1,165,325	0	0	0	0	0	0	0
Unassigned(2)	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	3,791,841
<b>Total General Fund</b>	<b>\$ 8,334,412</b>	<b>\$ 5,119,700</b>	<b>\$ 4,229,842</b>	<b>\$ 3,849,604</b>	<b>\$ 5,735,814</b>	<b>\$ 6,140,901</b>	<b>\$ 7,858,162</b>	<b>\$ 9,217,686</b>	<b>\$ 10,485,984</b>	<b>\$ 9,985,258</b>
<b>All Other Governmental Funds:</b>										
Nonspendable (1)										
Special Revenue Funds	\$ 0	\$ 0	\$ 0	\$ 57,433	\$ 57,910	\$ 45,565	\$ 46,663	\$ 41,366	\$ 24,295	\$ 32,389
Debt Service Funds	0	0	0	0	0	7,020	7,020	7,020	102,630	198,150
Restricted (1)										
Special Revenue Funds	0	0	0	1,574,076	1,798,331	2,390,140	3,554,605	3,351,031	4,684,213	5,214,792
Debt Service Funds	0	0	0	12,623,723	4,810,991	4,605,200	4,804,733	4,513,262	4,442,662	4,528,560
Capital Projects Funds	0	0	0	0	11,423,181	5,155,535	489,112	490,834	571,724	393,328
Committed (1)										
Special Revenue Funds	0	0	0	497,673	819,227	558,071	497,182	497,741	497,741	499,004
Debt Service Funds	0	0	0	47,657	112,511	166,973	212,632	277,246	329,496	380,700
Capital Projects Funds	0	0	0	25,427	0	0	0	0	0	0
Reserved	9,468,991	8,776,515	8,855,295	0	0	0	0	0	0	0
Unreserved, Reported in:										
Special Revenue Funds	1,213,829	1,608,528	1,476,166	0	0	0	0	0	0	0
Debt Service Funds	3,648,132	4,523,342	4,815,007	0	0	0	0	0	0	0
Capital Projects Funds	0	0	194,427	0	0	0	0	0	0	0
<b>Total Other Governmental Funds</b>	<b>\$ 14,330,952</b>	<b>\$ 14,908,385</b>	<b>\$ 15,340,895</b>	<b>\$ 14,825,989</b>	<b>\$ 19,022,151</b>	<b>\$ 12,928,504</b>	<b>\$ 9,611,947</b>	<b>\$ 9,178,500</b>	<b>\$ 10,652,761</b>	<b>\$ 11,246,923</b>
<b>Total Governmental Funds (3)</b>	<b>\$ 22,665,364</b>	<b>\$ 20,028,085</b>	<b>\$ 19,570,737</b>	<b>\$ 18,675,593</b>	<b>\$ 24,757,965</b>	<b>\$ 19,069,405</b>	<b>\$ 17,470,109</b>	<b>\$ 18,396,186</b>	<b>\$ 21,138,745</b>	<b>\$ 21,232,181</b>

(1) See Exhibit C-1 for details of fund balances.

(2) Prior to fiscal year 2011, Unassigned was defined as Unreserved.

(3) See Table 5 for Net Change in Fund Balances from year to year.

(4) In fiscal year ending 2011, GASB Statement No. 54 - Fund Balance Reporting was implemented.

Table 5

Anderson County, Tennessee  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Local Taxes	\$ 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	\$ 23,566,449
Licenses and Permits	334,781	364,232	426,596	298,821	362,401	284,283	443,118	398,036	304,082	352,987
Fines, Forfeitures, and Penalties	416,581	504,416	632,630	567,429	575,999	764,021	573,211	436,889	460,034	506,087
Charges for Current Services	5,453,574	5,951,297	810,065	849,905	833,953	792,791	997,164	977,045	1,130,186	1,112,020
Other Local Revenues	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	768,928
Fees Received from County Officials	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	3,935,125
State of Tennessee	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	5,000,725
Federal Government	600,570	523,594	537,182	451,533	1,850,041	834,212	980,468	597,890	708,870	947,632
Other Governments and Citizens Groups	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	1,941,128
<b>Total Revenues</b>	<b>\$ 37,663,827</b>	<b>\$ 37,118,653</b>	<b>\$ 31,774,323</b>	<b>\$ 31,491,747</b>	<b>\$ 36,261,123</b>	<b>\$ 36,053,405</b>	<b>\$ 36,490,715</b>	<b>\$ 36,688,430</b>	<b>\$ 37,570,339</b>	<b>\$ 38,131,081</b>
<b>Expenditures:</b>										
General Government	\$ 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	\$ 3,878,980
Finance	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	3,044,210
Administration of Justice	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	2,944,956
Public Safety	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	13,067,528
Public Health and Welfare	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	2,702,997
Social, Cultural, and Recreational Services	359,240	538,636	598,734	694,235	673,710	966,599	579,672	655,898	644,560	680,210
Agricultural and Natural Resources	189,683	196,294	197,427	275,149	283,632	194,312	210,497	209,216	231,371	243,121
Other Operations	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	1,838,190
Highways	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	4,453,512
Debt Service:										
Principal on Debt	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	3,368,560
Interest on Debt	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	1,804,155
Other Debt Service	83,246	76,568	78,513	389,779	635,401	74,321	180,407	88,571	92,411	251,212
Capital Projects	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	924,294
<b>Total Expenditures</b>	<b>\$ 36,345,972</b>	<b>\$ 39,799,055</b>	<b>\$ 34,734,250</b>	<b>\$ 32,747,110</b>	<b>\$ 55,954,756</b>	<b>\$ 41,729,286</b>	<b>\$ 47,716,319</b>	<b>\$ 35,866,475</b>	<b>\$ 35,592,969</b>	<b>\$ 39,201,925</b>
Excess of Revenues Over (Under) Expenditures	\$ 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	\$ (1,070,844)
<b>Other Financing Sources (Uses):</b>										
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,750,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Notes Issued	0	0	2,450,000	0	644,574	0	0	400,000	1,200,000	1,400,000
Capital Leases Issued	0	0	0	0	0	0	0	501,365	0	0
Refunding Debt Issued	0	0	0	19,055,000	0	0	3,100,000	0	0	8,030,000
Other Loans Issued	81,245	0	0	0	0	0	9,810,215	0	0	0
Proceeds from Sale of Capital Assets	0	0	13,115	11,220	1,100	7,307	2,993	1,650	9,705	29,743
Premiums on Bonds Sold	29,496	0	0	359,660	578,835	0	74,022	0	0	3,157
Insurance Recovery	0	43,123	19,525	2,648	1,496	8,135	10,289	19,300	19,389	13,919
Transfers In	1,497,380	1,955,218	1,869,414	467,150	16,107	922,068	676,667	216,100	49,100	269,691
Transfers Out	(1,512,380)	(1,955,218)	(1,849,475)	(467,150)	(216,107)	(926,444)	(936,807)	(1,034,293)	(513,005)	(690,141)
Redemption of Refunded Debt	0	0	0	(19,068,309)	0	0	(3,111,071)	0	0	(7,892,089)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 95,741</b>	<b>\$ 43,123</b>	<b>\$ 2,502,579</b>	<b>\$ 360,219</b>	<b>\$ 25,776,005</b>	<b>\$ 11,066</b>	<b>\$ 9,626,308</b>	<b>\$ 104,122</b>	<b>\$ 765,189</b>	<b>\$ 1,164,280</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,413,596</b>	<b>\$ (2,637,279)</b>	<b>\$ (457,348)</b>	<b>\$ (895,144)</b>	<b>\$ 6,082,372</b>	<b>\$ (5,664,815)</b>	<b>\$ (1,599,296)</b>	<b>\$ 926,077</b>	<b>\$ 2,742,559</b>	<b>\$ 93,436</b>
Debt Service as a Percentage of Noncapital Expenditures	16.6%	15.1%	16.4%	7.8%	8.8%	13.8%	9.8%	15.4%	14.1%	14.3%

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	Bank Excise Tax	Other Local Tax	Total
2008	\$ 13,604,976	\$ 1,018,160	\$ 4,084	\$ 180,233	\$ 296,065	\$ 1,028,801	\$ 149,665	\$ 21,827	\$ -	\$ 116,164	\$ 1,557	\$ 16,421,532
2009	13,737,972	943,412	3,852	168,321	297,034	1,045,622	126,280	40,612	-	183,041	1,758	16,547,904
2010	13,920,827	940,962	5,735	178,023	290,851	1,008,018	138,958	68,597	-	64,190	10,101	16,626,262
2011	14,202,539	928,122	3,746	325,250	356,430	1,120,438	149,196	112,071	-	15,877	1,722	17,215,391
2012	16,225,512	655,449	2,061	267,425	329,676	1,314,279	117,727	95,216	165,027 (1)	15,233	2,123	19,189,728
2013	16,564,768	819,924	2,848	275,561	304,544	996,687	104,421	15,572 (2)	143,170	25,576	2,284	19,255,355
2014	16,732,170	771,814	5,620	310,285	299,742	1,176,518	118,949	-	141,643	50,031	1,838	19,608,610
2015	17,103,773	840,009	3,698	340,344	324,034	1,011,454	101,273	171	140,146	30,069	1,700	19,896,671
2016	17,419,382	972,826	3,401	354,431	322,021	932,049	93,556	-	153,951	52,191	10,939	20,314,747
2017	17,747,348	953,129	3,266	364,465	366,881	1,024,707	114,214	1,482	152,116	50,777	38,437	20,816,822

(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; however, some of the actual mining operations was in another 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		
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%
2017	2016	5,033,026,000	1,447,855,685	565,160,540	161,601,506	46,144,771	25,379,624	5,644,331,311	1,634,836,815	2.7903	28.96%

(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) For these 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	General		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) City of Oak Ridge	(2) City of Norris	(2) City of Rocky Top	(2) Town of Oliver Springs
		General Fund	(4) Library Fund	(4) Highway Dept	(5) Solid Waste	(6) Capital Projects	Purpose School Fund	Educational Projects Fund	Debt Service Fund											
2008	2007	\$0.7800	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$1.7100	\$0.0000	\$0.1900	\$0.0100	\$0.1300	\$2.8200	\$2.8100	\$2.6800	\$2.8200	\$0.7300	\$2.6500	\$1.5300	\$1.6000	\$1.0200
2009	2008	0.7900	0.0000	0.0000	0.0000	0.0000	1.7100	0.0000	0.1800	0.0100	0.1300	\$2.8200	\$2.8100	\$2.6800	\$2.8200	0.7800	2.7700	1.9800	1.6000	1.0200
2010	(3) 2009	0.7900	0.0000	0.0000	0.0000	0.0000	1.7100	0.0000	0.1800	0.0100	0.1300	\$2.8200	\$2.8100	\$2.6800	\$2.8200	0.7600	2.3900	1.5500	1.6000	1.0200
2011	2010	0.7163	0.0262	0.0275	0.0000	0.0000	1.4400	0.0000	0.0500	0.0100	0.1000	\$2.3700	\$2.3600	\$2.2600	\$2.3700	0.7600	2.3900	1.5500	1.6000	1.0200
2012	2011	0.7563	0.0262	0.0275	0.0000	0.0000	1.4400	0.0000	0.1000	0.0290	0.1530	\$2.5320	\$2.5030	\$2.3500	\$2.5320	0.7600	2.3900	1.5500	1.6000	1.0200
2013	2012	0.6944	0.0262	0.0275	0.0619	0.0000	1.4400	0.0000	0.1000	0.0290	0.1530	\$2.5320	\$2.5030	\$2.3500	\$2.5320	0.7600	2.3900	1.5500	1.6000	1.0200
2014	2013	0.6914	0.0262	0.0275	0.0619	0.0000	1.4400	0.0000	0.1000	0.0290	0.1530	\$2.5290	\$2.5000	\$2.3470	\$2.5290	0.7600	2.3900	1.5500	1.6000	1.0200
2015	(3) 2014	0.6900	0.2062	0.0275	0.0619	0.0014	1.4400	0.0000	0.1000	0.0290	0.1530	\$2.7090	\$2.6800	\$2.5270	\$2.7090	0.7600	2.3900	1.5500	1.6000	1.0200
2016	2015	0.7373	0.0282	0.0448	0.0658	0.0016	1.6105	0.0000	0.1063	0.0314	0.1644	\$2.7903	\$2.7589	\$2.5945	\$2.7903	0.9400	2.5200	1.6709	2.0000	1.3200
2017	2016	0.7247	0.0282	0.0291	0.0658	0.0019	1.6105	0.0280	0.1063	0.0314	0.1644	\$2.7903	\$2.7589	\$2.5945	\$2.7903	0.9400	2.5200	1.6709	2.0000	1.3200

(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.

(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	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (2)	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (3)
SL Corp	\$ 37,361,701	1	2.26%	\$ 21,011,720	1	1.68%
Lawler-Wood LLC (4)	36,006,346	2	2.17%			
Magna International	18,712,166	3	1.13%	11,615,822	2	0.93%
Aisin Automotive	15,399,275	4	0.93%			
Summit Properties	13,439,260	5	0.81%	11,431,880	3	0.92%
Richard Chinn	11,958,480	6	0.72%	8,896,960	5	0.71%
Methodist Medical Center	11,308,320	7	0.68%	7,554,200	8	0.60%
Wal-Mart	9,592,267	8	0.58%			
General Motors LLC	9,206,260	9	0.56%			
Bell South	9,285,520	10	0.56%	10,748,960	4	0.86%
Boeing, Incorporated				8,630,216	6	0.69%
Food Lion				8,216,232	7	0.66%
Carlisle Tire, Inc.				6,718,939	9	0.54%
Invenergy TN LLC				6,398,805	10	0.51%
Totals (5)	<u>\$ 172,269,595</u>		<u>10.41%</u>	<u>\$ 101,223,734</u>		<u>8.11%</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 2016 (fiscal year 2017) is \$1,655,601,962.

(3) Total taxable value including real, personal, and public utility property for tax year 2007 (fiscal year 2008) 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 Manufacturing \$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
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%	1,197,645	35,921,218	99.95%	18,268	0.05%
2011	2010	36,336,767	35,100,300	96.60%	1,223,781	36,324,081	99.97%	12,686	0.03%
2012	2011	39,418,410 (3)	36,853,130	93.49%	2,544,731	39,397,861	99.95%	20,549	0.05%
2013	2012	39,767,690	37,296,389	93.79%	2,405,353	39,701,742	99.83%	65,948	0.17%
2014	2013	40,226,997	37,697,807	93.71%	2,329,759	40,027,566	99.50%	199,431	0.50%
2015	2014	40,044,880	37,953,500	94.78%	1,731,971	39,685,471	99.10%	359,409	0.90%
2016	2015	42,877,374	40,768,406	95.08%	1,534,003	42,302,409	98.66%	574,965	1.34%
2017	2016	44,203,194 (3)	41,919,681	94.83%	-	41,919,681	94.83%	2,283,513	5.17%

(1) Tax Levy consist 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 include 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 & Master that relate to each individual tax levy prior to June 30, 2017.

(3) Increases in the total direct tax rates from the prior rates was the primary causes 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	<u>Governmental Activities</u>							<u>Business-type Activities</u>				
	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)
2008	\$ 17,065,773	\$ 20,833,738	\$ 280,000	\$0	\$ (473,855)	\$0	\$ 37,705,656	\$ 1,022,723	\$0	\$ 38,728,379	1.95%	\$520
2009	14,470,000	19,168,141	225,000	0	(394,124)	0	33,469,017	0 (2)	0	33,469,017	1.51%	448
2010	14,345,000	17,382,241	180,000	0	(320,871)	0	31,586,370	0	0	31,586,370	1.40%	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	2.56%	733
2013	47,505,000	2,999,000	1,008,425	798,991	(178,320)	599,207	52,732,303	0	0	52,732,303	2.07%	699
2014	45,740,000	12,565,964	823,217	800,455	(117,061)	545,752	60,358,327	0	0	60,358,327	3.30%	800
2015	43,850,000	12,013,043	638,009	727,386	(68,019)	928,079	58,088,498	0	223,225	58,311,723	3.00%	772
2016	41,865,000	11,350,279	1,682,802	654,317	(31,984)	754,664	56,275,078	0	194,000	56,469,078	1.91%	745
2017	40,500,000	10,663,455	2,630,562	584,387	(550,709)	570,168	54,397,863	0	163,000	54,560,863	1.86%	719

(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 this 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>
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	74,738	1,335,200,161	31,406,370	4,815,007	26,591,363	1.99%	356
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	51,124,671	4,779,193	46,345,478	2.89%	615
2014	75,411	1,629,171,668	58,989,358	5,024,385	53,964,973	3.31%	716
2015	75,468	1,628,568,643	56,522,410	3,001,213	53,521,197	3.29%	709
2016	75,528	1,615,453,515	53,837,612	4,874,788	48,962,824	3.03%	648
2017	75,936	1,634,836,815	51,197,133	4,916,280	46,280,853	2.83%	609

(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, 2017

Direct General Bonded Debt, Loans, Notes, and Capital Leases Payable:	Total
Anderson County (Amount from Table 11 Debt Ratios)	\$ 54,397,863 (1)
Less Debt Issued for the Benefit of School Department	\$ (33,196,724)
Less: Amount Restricted for Debt Service	(3,001,213) (2)
Total Direct General Bonded Debt, Loans, Notes, and Capital Leases Payable - Net	<u>\$ 18,199,926</u>
Overlapping General Bonded Debt:	
City of Oak Ridge	\$ 79,960,940 (2)
City of Clinton	9,596,082 (2)
City of Rocky Top	165,164 (2)
Total Overlapping General Bonded Debt	<u>\$ 89,722,186</u>
TOTAL DIRECT GENERAL BONDED DEBT AND LOANS PAYABLE AND OVERLAPPING GENERAL BONDED DEBT	<u><u>\$ 107,922,112</u></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 Restricted 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, 2017

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	
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>
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	75,411	2,552,738	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%
2017	75,936	2,933,939	38,637	43.2	7,739	4.6%

## Data Sources:

- (1) Tennessee Demographics by Cubit and Fred Economic Data.
- (2) Tennessee Department of Education for Anderson County Schools.
- (3) Tennessee Department of Labor and Workforce Development.

Table 17

Anderson County, Tennessee  
Principal Employers  
Current Year and Nine Years Ago

<u>Employer</u>	<u>2017</u>			<u>2008</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Work Force (1)</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Work Force (2)</u>
BWXT - Y12	4,700	1	13.76%	4,500	1	12.56%
UT Battelle	4,600	2	13.47%	4,200	2	11.73%
UCOR (Bechtel Jacobs)	1,640	3	4.80%	1,337	5	3.73%
Anderson County Government	1,477	4	4.32%	1,528	3	4.27%
Oak Ridge City Schools	1,323	5	3.87%	1,053	6	2.94%
Methodist Medical Center	1,200	6	3.51%	1,350	4	3.77%
SL Tennessee	1,200	7	3.51%	-		-
Aisin Automotive	825	8	2.42%	-		-
Oak Ridge Associated Universities	800	9	2.34%	600	9	1.68%
Eagle Bend Manufacturing	800	10	2.34%	-		-
Wackenhut-Oak Ridge Team	-		-	902	7	2.52%
SAIC	-		-	800	8	2.23%
Carlisle Tire & Wheel Company	-		-	600	10	1.68%
Total	<u>18,565</u>		<u>54.35%</u>	<u>16,870</u>		<u>47.10%</u>

Source(s): East Tennessee Economic Development Agency, Anderson County Chamber of Commerce, and Tennessee Department of Economic and Community Development.

(1) The total County Work Force for 2017 is 34,160.

(2) The total County Work Force for 2008 was 35,817.

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	42.0	40.0	39.0	51.0	48.0	50.0	48.0	50.0	39.0	35.0
Finance	45.4	48.0	47.0	44.0	44.0	43.0	42.0	46.0	44.0	46.0
Administration of Justice	47.6	46.0	46.0	47.0	49.0	49.0	40.0	46.0	42.0	45.0
Public Safety	147.6	159.0	167.0	164.0	171.0	177.0	179.0	167.0	172.0	173.0
Public Health and Welfare	105.1	87.0	75.0	85.0	86.0	76.0	90.0	91.0	77.0	75.0
Social, Cultural, and Recreational Services	12.8	8.0	6.0	7.0	8.0	5.0	7.0	7.0	8.0	10.0
Agriculture and Natural Resources	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	1.0	1.0
Other Operations	6.1	6.0	4.0	4.0	4.0	3.0	4.0	6.0	5.0	5.0
Solid Waste	3.0	3.0	3.0	1.0	3.0	3.0	3.0	3.0	3.0	3.0
Highways	33.8	34.0	30.0	33.0	35.0	31.0	28.0	26.0	25.0	25.0
Water and Sewer (1)	21.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	<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>	<u>418.0</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:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Register of Deeds										
Documents Filed	14,708	14,042	12,793	11,114	11,341	14,824	10,969	10,157	10,881	11,096
Chancery Court										
Cases Filed	2,121	2,396	2,215	2,167	2,102	2,066	2,029	1,753	1,617	1,919
Case Dispositions	1,704	2,146	1,889	1,951	1,744	2,293	2,076	1,629	2,292	1,805
General Sessions Court I										
Civil Cases Filed	2,087	2,185	2,138	2,062	1,959	1,369	2,019	1,761	1,531	1,761
Criminal Cases Files	7,887	7,671	7,825	7,491	7,462	5,131	3,120	5,524	5,883	7,054
General Sessions Court II										
Civil Cases Filed	519	700	615	607	748	979	1,146	772	984	1,062
Criminal Cases Files	4,584	5,442	5,104	5,121	5,158	3,540	3,770	3,982	4,014	4,550
Circuit Court										
Cases Filed	713	638	606	571	455	337	458	271	273	225
Case Dispositions	880	741	664	655	566	391	325	255	270	301
Criminal Court										
Cases Filed	1,729	1,640	2,441	2,651	2,609	1,084	708	761	1,124	1,049
Case Dispositions	519	1,411	1,691	1,289	1,337	1,275	1,034	947	1,434	1,177
Sheriff's Department										
Physical Arrests	2,717	3,157	2,779	3,551	3,323	2,371	2,172	2,165	2,027	2,315
Traffic Violations	406	702	674	950	979	790	895	528	441	596
Back-Up Units Required	7,985	9,836	9,357	9,234	7,680	8,296	7,442	7,819	8,811	9,248
Emergency Dispatch										
Calls for Service										
Sherriff	28,645	34,016	36,115	34,357	29,925	27,387	26,558	24,845	26,322	28,699
Ambulance	22,101	25,440	29,373	29,982	22,313	32,908	31,882	29,774	29,831	25,975
Fire and Rescue Calls	4,152	4,992	4,490	4,158	4,152	5,383	4,894	7,495	4,894	4,706
Ambulance Service										
Transports (1)	15,244	16,372	15,420	17,568	19,209	17,777	17,210	16,250	17,243	17,157
Highway Department										
Road Resurfacing (miles)	17	14	14	4	9.3	13.8	0	8.2	3.1	19.5
Water										
New Connections	209	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Gallons Produced and Purchased	476,752	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Gallons Sold	376,930	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Wastewater										
Average Daily Sewage Treatment (thousands of gallons)	80	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)

Sources: Various respective government departments.

(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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Buildings	5	5	5	5	5	5	5	5	5	6
Vehicles	6	6	8	9	9	11	13	10	10	7
Finance										
Vehicles	0	0	0	0	0	0	0	0	4	4
Administration of Justice										
Vehicles	1	1	1	1	1	1	1	1	1	1
Public Safety										
Buildings	4	4	4	4	5	6	6	6	6	5
Vehicles	91	110	115	123	137	111	108	112	113	113
Haz-mat Vehicle	1	1	1	1	1	1	1	1	1	1
Public Health and Welfare										
Buildings	2	3	3	3	3	3	3	4	4	7
Ambulances	19	21	19	20	22	22	19	21	19	19
Vehicles	5	9	7	8	8	9	9	10	9	8
Social, Cultural, and Recreational										
Buildings	1	1	1	1	1	1	2	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	66	66	67	68	68	69	69	69	69	69
Roads (miles)	536	538	504	530	506	506	507	507	507	509
Water										
Water Mains (miles)	480	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Fire Hydrants	220	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Sewer										
Sanitary Sewers (miles)	57	(1)	(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.

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## SINGLE AUDIT SECTION

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

**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, 2017, 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 29, 2017. Our report includes a reference to other auditors who audited the financial statements of the 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: 2017-002.

### **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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2017-001.

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

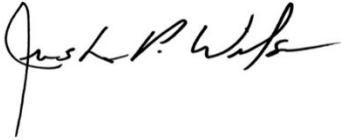
Anderson County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Anderson County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion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



## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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,

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

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

November 29, 2017

JPW/sb



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF LOCAL GOVERNMENT AUDIT  
SUITE 1500  
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**Independent Auditor's Report on Compliance for Each Major Program and on  
Internal Control Over Compliance and on the Schedule of Expenditures of  
Federal Awards Required by the 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, 2017. 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, 2017.

### **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.

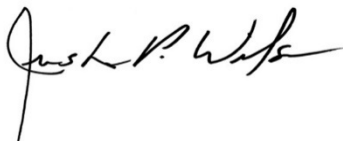
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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, 2017, and the related notes to the financial statements, which collectively comprise Anderson County's basic financial statements. We issued our report thereon dated November 29, 2017, 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,

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

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

November 29, 2017

JPW/sb

Anderson County, Tennessee, and the Anderson County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2)  
For the Year-Ended June 30, 2017

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 Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 703,315
National School Lunch Program	10.555	N/A	1,796,386 (5)
Fresh Fruits and Vegetables	10.582	N/A	32,625
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	254,762 (5)
Passed-through State Department of Human Services:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	N/A	86,487
Child and Adult Care Food Program	10.558	N/A	120,029
Total U.S. Department of Agriculture			<u>\$ 2,993,604</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	(3)	\$ 525,000
Total U.S. Department of Housing and Urban Development			<u>\$ 525,000</u>
U.S. Department of Interior:			
Passed-through State Department of Economic and Community Development:			
Abandoned Mine Land Reclamation (AMLR) Program	15.252	(3)	\$ 124,343
Total U.S. Department of Interior			<u>\$ 124,343</u>
U.S. Department of Justice:			
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(3)	\$ 20,007
Passed-through Tennessee Bureau of Investigation:			
Public Safety Partnership and Community Policing Grants	16.710	(3)	4,820
Direct Program:			
Bulletproof Vest Partnership Program	16.607	(3)	3,915
Equitable Sharing Program	16.922	(3)	24,944
Total U.S. Department of Justice			<u>\$ 53,686</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
State and Community Highway Safety	20.600	(3)	\$ 30,115
Total U.S. Department of Transportation			<u>\$ 30,115</u>
U.S. Department of Energy:			
Passed-through State Department of Military:			
Environmental Monitoring/Cleanup, Cultural and Resource Management, Emergency Response Research, Outreach, Technical Analysis	81.214	(3)	\$ 15,816
Total U.S. Department of Energy			<u>\$ 15,816</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 1,689,381
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	1,618,449
Special Education - Preschool Grants	84.173	N/A	67,584
Career and Technical Education - Basic Grants to States	84.048	N/A	145,202
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	7,138
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	195,168
Improving Teacher Quality State Grants	84.367	N/A	232,070
Total U.S. Department of Education			<u>\$ 3,954,992</u>

(Continued)

Anderson County, Tennessee, and the Anderson County School Department  
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	\$ 53,854
Passed-through State Department of Health and Human Services:			
Family Planning Services	93.217	N/A	10,636
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	345,211
Child Care and Development Block Grant	93.575	N/A	49,518
Medical Assistance Program	93.778	N/A	34,861
HIV Prevention Activities - Health Department Based	93.940	N/A	5,120
Preventive Services - Sexually Transmitted Diseases Control Grants	93.977	N/A	3,102
Maternal and Child Health Service Block Grant to the States	93.994	N/A	31,887
Direct Program:			
Head Start	93.600	N/A	2,982,612
Total U.S. Department of Health and Human Services			<u>\$ 3,516,801</u>
Executive Office of the President:			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	(3)	\$ 12,464
Total Executive Office of the President			<u>\$ 12,464</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Hazard Mitigation Grant	97.039	(3)	\$ 35,832
Emergency Management Performance Grants	97.042	(3)	33,409
Homeland Security Grant Program	97.067	(3)	18,985
Total U.S. Department of Homeland Security			<u>\$ 88,226</u>
Total Expenditures of Federal Grants			<u>\$ 11,315,047</u>
State Grants		Contract Number	
Juvenile Services Program - State Children's Services Commission	N/A	(3)	\$ 9,000
Clean Tennessee Energy Grants - Department of Environment and Conservation	N/A	(3)	16,697
Litter Program - State Department of Transportation	N/A	(3)	41,651
Drug Court Grant - State Department of Finance and Administration	N/A	(3)	66,230
Law Enforcement Training Grants	N/A	(3)	36,000
Health Department Grants - State Department of Health	N/A	(3)	146,292
Safety Net Dental Clinic Grant - State Department of Health	N/A	(3)	2,190
Health Built Environment Grant - State Department of Health	N/A	(3)	10,000
Healthier Communities Grant - State Department of Health	N/A	(3)	5,000
Microclinic Grant - State Department of Health	N/A	(3)	1,300
Aging Program - State Office on Aging	N/A	(3)	23,156
Tourism Enhancement - Rural Development Division	N/A	(3)	50,000
Arts Student Ticket Subsidy	N/A	(3)	3,672
Tobacco Cessation Grant - State Department of Health	N/A	(3)	25,200
Internet Connectivity Grant - State Department of Education	N/A	(3)	17,118
Coordinated School Health Program	N/A	(3)	99,967
Family Resource Centers - State Department of Education	N/A	(3)	59,923
Safe Schools Act - State Department of Education	N/A	(3)	32,140
Early Childhood Education - State Department of Education	N/A	(3)	624,074
Total State Grants			<u>\$ 1,269,610</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) Child Nutrition Cluster total \$2,754,463; Special Education Cluster total \$1,686,033.  
(5) Total for CFDA No. 10.555 is \$2,051,148.

SUBRECIPIENTS	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Head Start	93.600	\$748,069	City of Oak Ridge

Anderson County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2017

*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 not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Anderson County, Tennessee, for the year ended June 30, 2017.

***Prior-year Financial Statement Findings***

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
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**OFFICES OF MAYOR AND FINANCE DIRECTOR**

2016	296	2016-001	Two proprietary funds had deficits in unrestricted net position	N/A	Corrected
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***Prior-year Federal Awards Findings***

There were no prior-year federal award findings to report.

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ANDERSON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2017

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

**Financial Statements:**

1. Our report on the financial statements of Anderson County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* CFDA Number 10.553 and 10.555      Nutrition Cluster: School Breakfast Program and National School Lunch Program
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**



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

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plan, whether related to the financial statements or federal awards, is presented separately in the Management's Corrective Action Plan in the Single Audit 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.

### **OFFICE OF FINANCE DIRECTOR**

#### **FINDING 2017-001**                      **THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES** (Noncompliance Under *Government Auditing Standards*)

System backups were not regularly stored off-site. Section 10-7-121, *Tennessee Code Annotated* provides that records required to be retained by any government official may be maintained on a computer or removable storage media as long as certain standards are met. One of these standards requires that all data generated and stored within the computer system be copied daily to storage media, and media more than one week old be stored at an off-site location. This deficiency is the result of management's failure to implement adequate disaster recovery planning procedures. In the event of a disaster, all backup data could be destroyed, resulting in costly delays in generating and recording information accounted for through the automated process. This deficiency was corrected in July 2017 after being brought to the attention of the official.

#### **RECOMMENDATION**

Management should ensure backups are rotated off-site on a routine basis.

#### **MANAGEMENT'S RESPONSE – FINANCE DIRECTOR**

Management concurs with this finding.

Backup procedures were occurring and the media was being stored off-site. However, backup procedures were not occurring on the frequency compliant with *Tennessee Code Annotated*, Section 10-7-121. This year was the first that this issue was brought to the attention of management. Management was unaware of the weekly requirement.

Upon notification of the requirement, management immediately remedied the issue and began backing up media and storing it at an off-site location in compliance with state law.

Management will continue the now implemented procedures to rotate backup media on a weekly basis at an off-site location.

## **OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

**FINDING 2017-002**

### **THE COMPUTER SOFTWARE APPLICATION DID NOT GENERATE A REPORT OF OUTSIDE DIRECT PAYMENTS**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The courts' computer software application allowed users to generate receipts that did not flow through the accounting records. These receipts are referred to as outside direct payments because these funds are not deposited with the courts but are disbursed directly to the appropriate party. A report detailing these receipts was not available during the audit period. Because this receipting functionality could be used improperly, a report of these transactions should be available for review by management. Subsequent to the fiscal year-end, the software vendor developed a report of outside direct payments. However, due to formatting issues, the report was difficult to read.

### **RECOMMENDATION**

Management should contact their software vendor to request the report of outside direct payments be reformatted so that all information is clearly presented. This report should be reviewed by management for inappropriate activity.

### **MANAGEMENT'S RESPONSE – CIRCUIT AND GENERAL SESSIONS COURT CLERK**

Even though our office does not use outside direct payments, the software vendor has made changes to the software to ensure that a report can be run for outside direct payments. This report is checked and monitored for inappropriate activity.

### **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, 2017.

**Anderson County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2017**

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 in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF FINANCE DIRECTOR**

2017-001	The Office had Deficiencies in Computer System Backup Procedures	301
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**OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

2017-002	The Computer Software Application did not Generate a Report of Outside Direct Payments	302
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## ANDERSON COUNTY GOVERNMENT

NATALIE ERB, CPA, CTP

FINANCE DIRECTOR

### FINDING 2017

### **THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES**

(Noncompliance Under *Government Auditing Standards*)

#### Management's Corrective Action Plan Prepared by:

Natalie Erb, Director of Finance, Anderson County, Tennessee

Brian Young, Director of Information Technology, Anderson County, Tennessee

#### Persons Responsible for Implementing the Corrective Action:

Natalie Erb, Director of Finance, Anderson County, Tennessee

Brian Young, Director of Information Technology, Anderson County, Tennessee

Anticipated Completion Date of Corrective Action: June 19, 2017

Repeat Finding: No

#### Planned Corrective Action:

Management backup procedures were not occurring on the frequency in compliance with *Tennessee Code Annotated* § 10-7-121. This year was the first that this issue was brought to the attention of management. Management was unaware of the weekly requirement for backing up media. Upon notification of the requirement, management immediately remedied the issue and began backing up media in compliance with state law.

Management will continue the now implemented procedures to rotate backup media on a weekly basis.

Natalie Erb, CPA, CTP  
Director of Finance

Brian Young  
Director of Information Technology



**William T. Jones, Clerk**  
**SEVENTH JUDICIAL DISTRICT**  
OF TENNESSEE  
ANDERSON COUNTY CIRCUIT COURT CLERK  
100 N. MAIN STREET, SUITE 301  
CLINTON, TN 37716-3618  
865-463-6842  
865-259-2345 FAX



December 4, 2017

**Corrective Action Plan**

**Finding:** Computer Software allowed users to generate receipts referred to as outside direct payments with no report detailing these receipts being available during the audit period.

**Response and Corrective Action Plan Prepared by:** William Jones

**Person Responsible for Implementing the Correction Action:** Software Vendor

**Anticipated Completion Date of Corrective Action:** Completed

**Repeat Finding:** No

**Planned Corrective Action:**

Even though our office does not use Outside direct payments, the software vendor has made changes to the software to ensure that a report can be run for outside direct payments. This report is checked and monitored by management for any inappropriate activity.

A handwritten signature in black ink, appearing to read "W. Jones", written over a horizontal line.

William T. Jones  
Anderson County Circuit Court Clerk  
100 N. Main Street, Room 301  
Clinton, TN 37716