ANNUAL FINANCIAL REPORT

ROANE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2005

Comptroller of the Treasury
Department of Audit
Division of County Audit
Nashville, Tennessee

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ROANE COUNTY, TENNESSEE
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Audit Highlights

Annual Financial Report
Roane County, Tennessee
For the Year Ended June 30, 2005

Scope

We have audited the basic financial statements of Roane County as of and for the year ended June 30, 2005.

Results

Our report on the aggregate discretely presented component units is qualified because the financial statements did not include one component unit whose financial statements were not available from other auditors at the date of this report. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.

Our audit resulted in two findings and recommendations, which we have reviewed with Roane County management. Detailed findings and recommendations are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- The utility billing software did not have adequate applications controls.

OFFICE OF REGISTER

- Duties were not segregated adequately in the Office of Register.

INTRODUCTORY SECTION

Roane County Officials
June 30, 2005

Officials:

Kenneth Yager, County Mayor
Thomas Hamby, Road Superintendent
Gary Collins, Director of Schools
Wilma Eblen, Trustee
Teresa Kirkham, Assessor of Property
Dorothy Marshall, County Clerk
Angela Randolph, Circuit and General Sessions Courts Clerk
Shannon Conley, Clerk and Master
Marlene Henry, Register
David Haggard, Sheriff
Alva Moore, Director of Accounts and Budgets

Board of County Commissioners:

Una Coffman, Chairperson
George Bacon
Kent Calfee
Nadine Jackson
David Currier
Benny East
Troy Beets
Jerry Goddard
James Harmon
Bobby Collier
David Olsen
Howard Rose
Fred Tedder
Don Wicks

Board of Education:

Wade McCullough, Chairperson
Everett Massengill
David High
Sam Cox
Darrell Langley
Tyler Overstreet
Michael Taylor
Michael Miller
Earl Nall
Franklin Mee

FINANCIAL SECTION

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0269
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INDEPENDENT AUDITOR'S REPORT

January 20, 2006

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Roane County, Tennessee, as of and for the year ended June 30, 2005, which collectively comprise Roane County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Roane County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented Roane County Emergency Communications District, which represent 1.1 percent and 1.7 percent, respectively, of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented Roane County Emergency Communications District, is based 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 auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as

evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

The financial statements of the Roane County Industrial Development Board, a discretely presented component unit, had not been made available by the other auditor as of the date of this report. Accordingly, the aggregate discretely presented component units referred to above do not include the financial statements of the Roane County Industrial Development Board, which should be included to conform with accounting principles generally accepted in the United States of America. The effects on the financial statements are not reasonably determinable.

In our opinion, based on our audit and the report of other auditors, and except for the effects of not including the financial statements of the Roane County Industrial Development Board, a discretely presented component unit, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the aggregate discretely presented component units of Roane County, Tennessee, as of June 30, 2005, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Roane County, Tennessee, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated January 20, 2006, on our consideration of Roane County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

As described in Note IV.B., Roane County has implemented Governmental Accounting Standards Board Statement No. 40, Deposit and Investment Risk Disclosures, which modifies the county's disclosures for custodial credit risk and adds disclosures about other types of risk.

The management's discussion and analysis on pages 13 through 21 and the budgetary comparison information on pages 81 through 89 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Very truly yours,

John G. Morgan
Comptroller of the Treasury

JGM/sb

This discussion and analysis of Roane County's financial performance provides an overall view of the county's financial activities for the year ended June 30, 2005. In addition, this discussion and analysis includes an overall view of the Discretely Presented Component Unit (DPCU) Roane County School Department. A separate set of financial statements is not issued for the Roane County School Department. The intent of this discussion and analysis is to look at the county's and the DPCU School Department's financial performance as a whole. Readers should also review the notes to the basic financial statements to enhance their understanding of the county's financial performance as well as the DPCU School Department's financial performance.

FINANCIAL HIGHLIGHTS FOR FY 2005

Key financial highlights for 2005 are as follows

In total, net assets of the primary government increased by $212,000 and net assets of the DPCU School Department increased by $82,000. In the primary government, most of the negative unrestricted net asset balance ($28.8 million) is related to the fact that school buildings constructed with county debt are recorded as an asset for the DPCU School Department while the debt issued to fund those capital assets is recorded as a liability for the primary government. All net assets of the primary government and the DPCU School Department are related to governmental activities.

General revenues of the primary government accounted for $12.7 million in revenue or 57 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions accounted for $9.5 million or 43 percent of total revenues of $22.2 million. General revenues of the DPCU School Department were $43 million.

Total assets of governmental activities in the primary government were $46.5 million as net taxes receivable totaled $9.4 million, cash totaled $9.5 million, and capital assets, net of accumulated depreciation, totaled $25.2 million. Total assets in the DPCU School Department were $81.5 million as taxes receivable totaled $10.8 million, cash totaled $8 million, and capital assets, net of accumulated depreciation, totaled $61.1 million.

The county had $22 million in expenses related to governmental activities, with $9.5 million of these expenses offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes of $9.2 million) were adequate to provide current funding for these programs. The DPCU School Department had $51.7 million in expenses related to governmental activities; $8.8 million of these expenses were offset by program specific charges for services, grants, or contributions. General revenues of the DPCU School Department (primarily Basic Education Program revenues of $25.7 million and property taxes and sales taxes of $10.3 and $5.4 million, respectively) were adequate to provide current funding for these programs.

Among major funds, the General Fund had $10.2 million in revenues and $10.9 million in expenditures. The Ambulance Service Fund had $2.4 million in revenues and $2 million in expenditures. The Highway/Public Works Fund had $3 million in revenues and $2.8 million in expenditures. The General Debt Service Fund had $.7 million in revenues and $1.5 million in expenditures. The Rural Debt Service Fund had $2 million in revenues and $2.4 million in expenditures. Fund balances for the General Fund, General Debt Service Fund, and Rural Debt Service Fund decreased by $.2 million, $.3 million and $.45 million, respectively. Fund balances increased for the Ambulance Service Fund and the Highway/Public Works Fund by $.3 million and $40 thousand, respectively.

Using this Annual Financial Report (AFR)

This annual financial report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Roane County as a financial whole (and entire operating entity). The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statements of Activities present an aggregate view of the entire county's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the county's most significant funds with all other nonmajor funds presented in total in one column. In the case of Roane County, the General Fund is by far the most significant fund. Other major funds include the Ambulance Service Fund, Highway/Public Works Fund, General Debt Service Fund, and the Rural Debt Service Fund. In the case of the DPCU School Department, the General Purpose School Fund is the only major fund.

Reporting the County as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the county and the DPCU School Department to provide programs and activities financially during 2005, the Statement of Net Assets and the Statement of Activities provide a broader picture of the financial activities during 2005. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the county's net assets and changes in those assets as well as those of the county's discretely presented component units. This change in assets is important because it tells the reader that, for the county and its discretely presented component units as a whole, the financial position of the county and the discretely presented component units has improved or diminished. The cause of this change may be the result of many factors, some financial, some not.

In the Statement of Net Assets and the Statement of Activities, the county reports its activities as governmental activities. The county's programs and services are reported here including general government; finance; administration of justice; public safety; public

health and welfare; social, cultural, and recreational services; highways; and other operations. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues. For the DPCU School Department, its activities are also reported as governmental activities. The DPCU School Department's programs and services are reported there. These services are also funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Reporting on the County's Most Significant Funds

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. The county and its DPCU School Department like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the county and the DPCU School Department can be divided into three categories: governmental, proprietary, and fiduciary.

Fund financial reports provide detailed information about the county's major funds. The county uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the county's most significant funds. The county's major governmental funds are the General Fund, Ambulance Service Fund, Highway/Public Works Fund, General Debt Service Fund, and Rural Debt Service Fund. The DPCU School Department's major governmental fund is the General Purpose School Fund.

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

The county and the DPCU School Department maintain a multitude of individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining

statements elsewhere in this report. Please refer to the Table of Contents to locate these statements.

Proprietary funds – The county maintains one proprietary fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the county's various functions. Specifically, the Employee Dental Insurance Fund accounts for risk management activities related to dental insurance provided to county employees and their dependants. Please refer to the Table of Contents to locate these statements.

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

Notes to the Financial Statements – The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. Please refer to the Table of Contents to locate these notes.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and individual fund statements and schedules. Please refer to the Table of Contents to locate these statements and schedules.

Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the county, liabilities exceeded assets by $7.4 million at the close of the most recent fiscal year. For the DPCU School Department, assets exceeded liabilities by $69.3 million at the close of the most recent fiscal year.

A large portion of the county's net assets reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The county uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The same holds true for the DPCU School Department. A large portion of its net assets reflects its investment in capital assets as described above.

Although the county's and the DPCU School Department'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 capital assets themselves cannot be used to liquidate these liabilities.

Table 1 provides a summary of the county's and the DPCU School Department's net assets for 2005, as well as a comparison to the prior year.

An additional portion of the county's net assets, $5.8 million, represent resources that are subject to external restrictions on how they may be used. In the DPCU School Department, $3.3 million of net assets are subject to external restriction.

Table 2 shows the changes in net assets for fiscal year 2005 and a comparison to the changes in net assets of the prior year for the primary government and the discretely presented School Department.

Table 1
Roane County Government and DPCU School Department Net Assets
Governmental Activities

	Roane County Government		DPCU School Department	
	2005	2004	2005	2004
Current and Other Assets	$ 21,201,924	$ 22,025,061	$ 20,366,304	$ 18,336,566
Capital Assets	25,244,873	25,375,594	61,118,212	61,829,005
Total Assets	$ 46,446,797	$ 47,400,655	$ 81,484,516	$ 80,165,571
Long-term Liabilities Outstanding	$ 43,380,547	$ 44,944,649	$ 669,987	$ 368,466
Other Liabilities	10,469,847	10,071,633	11,480,435	10,545,448
Total Liabilities	$ 53,850,394	$ 55,016,282	$ 12,150,422	$ 10,913,914
Net Assets:				
Invested in Capital Assets, net Of related debt	$ 15,550,801	$ 15,296,723	$ 61,100,704	$ 61,809,497
Restricted	5,805,106	6,704,041	3,325,631	3,074,747
Unrestricted	(28,759,504)	(29,616,391)	4,907,759	4,367,413
Total Net Assets	$ (7,403,597)	$ (7,615,627)	$ 69,334,094	$ 69,251,657

Table 2
Roane County Government and DPCU School Department Changes in Net Assets
Governmental Activities

	Roane County Government		Roane County School Dept.	
	2005	2004	2005	2004
Revenues:				
Program Revenues:				
Charges for Services	$ 5,652,315	$ 5,254,030	$ 1,736,149	$ 1,750,684
Operating Grants and Contributions	3,213,455	3,226,016	7,041,404	6,693,304
Capital Grants and Contributions	619,159	2,764,854	0	23,115,063
General Revenues:				
Property Taxes	9,234,840	8,769,444	10,311,717	9,825,356
Sales Taxes	533,319	515,201	5,379,895	4,930,717
Other Taxes	1,001,709	928,424	0	0
Grants and Contributions not restricted to specific programs	1,665,395	2,578,157	26,955,106	24,915,758
Unrestricted Investment Income	239,887	152,691	216,671	97,918
Gain on Sale of Capital Assets	0	54,964	0	35,000
Miscellaneous	31,133	11,462	120,204	45,938
Total Revenues	$ 22,191,212	$ 24,255,243	$ 51,761,146	$ 71,409,738
Expenses:				
General Government	$ 1,250,401	$ 1,141,142	$ 0	$ 0
Finance	1,279,845	1,186,338	0	0
Administration of Justice	1,065,267	1,001,374	0	0
Public Safety	3,565,057	2,998,262	0	0
Public Health and Welfare	4,662,507	4,130,569	0	0
Social, Cultural, and Recreational Services	108,831	100,119	0	0
Agricultural and Natural Resources	101,278	98,586	0	0
Other Operations	3,957,159	4,703,274	0	0
Highways	3,003,066	2,886,670	0	0
Education	273,934	1,521,428	51,678,709	48,727,470
Interest	1,833,532	1,422,798	0	0
Other Debt Service	878,305	852,822	0	0
Total Expenses	$ 21,979,182	$ 22,043,382	$ 51,678,709	$ 48,727,470
Increase/Decrease in Net Assets	$ 212,030	$ 2,211,861	$ 82,437	$ 22,682,268
Net Assets, July 1	(7,615,627)	(9,827,488)	69,251,657	46,569,389
Net Assets, June 30	$ (7,403,597)	$ (7,615,627)	$ 69,334,094	$ 69,251,657

Public Health and Welfare of $4.7 million, consisting primarily of the Ambulance Service and Sanitation Department operations, accounted for approximately 21 percent of the $22 million total expenses for governmental activities. Of that $22 million in governmental activities expenses, $5.7 million was covered by direct charges to users of the services. A

significant portion of those charges is for constitutional officers' fees and commission and for ambulance service patient charges.

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the county's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the county's and the DPCU School Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the county's governmental funds reported combined ending fund balances of $9.2 million. Approximately $7.9 million of this total amount constitutes unreserved fund balance, which is available for appropriation at the government's discretion within certain legal constraints and purpose restrictions. The remainder of fund balance is reserved to indicate that it is not available for new spending. In the DPCU School Department's governmental funds, combined ending fund balances were $8.1 million. Approximately $5.5 million of this total amount constitutes unreserved fund balance.

Financial Comparisons - Primary Government

The General Fund is the chief operating fund of the county. At the end of the current fiscal year, unreserved fund balance of the General Fund was $1.2 million, while total fund balance reached $2.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents approximately 11 percent of total General Fund expenditures, while total fund balance represents 22 percent of that same amount.

The fund balance of the county's General Fund decreased by $.2 million during the current fiscal year. This decrease is primarily due to operating expenditures exceeding operating revenues.

The fund balance of the Ambulance Service Fund increased by $.3 million, ending at $1 million.

The Highway/Public Works Fund continues to hold its own in terms of funding the needs of the department. Revenues exceeded expenditures and other uses by only $40,371. Fund balance remains low at $223,255.

The General Debt Service Fund had a net decrease of $.3 million in fund balance and the Rural Debt Service Fund finished with a fund balance of $1.45 million, a decrease of $0.5 million.

Roane County's budgeting process is prescribed by Tennessee Code Annotated. Essentially the budget is the county's appropriations that are restricted by the amounts of anticipated revenues, therefore the county's plans and desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

Proprietary funds. The financial statements of the Internal Service Fund reflect the operations of the county's dental self-insured risk financing activities. These activities have been consolidated under the revenue and expenses for governmental activities on the government-wide financial statements.

Financial Comparison - DPCU School Department

The General Purpose School Fund is the chief operating fund of the DPCU School Department. At the end of the current fiscal year, unreserved fund balance of the General Purpose School Fund was $3.8 million, while total fund balance reached $5.35 million. As a measure of the General Purpose School Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents approximately 9.2 percent of total General Purpose School Fund expenditures, while total fund balance represents 13 percent of that same amount.

Capital Asset and Debt Administration

Capital Assets. The county's investment in capital assets for its governmental activities as of June 30, 2005, amounts to $15.6 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, equipment, roads, highways, and bridges. The DPCU School Department's investment in capital assets for its governmental activities as of June 30, 2005, amounts to $61.1 million (net of accumulated depreciation and related debt). The Notes to the Financial Statements provide additional information on capital asset activity for the year.

Long-term debt. At the end of the 2005 fiscal year, the county had total long-term debt obligations outstanding of $43.6 million. Of this amount, all is backed by the full faith and credit of the county. The county maintains an A2 rating for Moody's and an A rating for Standard and Poor's for general obligation debt.

In addition to the debt noted above, county long-term obligations include compensated absences and landfill postclosure care costs. Additional information on the county's long-term obligations can be found in the Notes to the Financial Statements.

Interest and fiscal charges amounted to 12.3 percent of the total expenses for governmental activities.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the county is currently 6.4 percent compared to 5.6 percent a year ago. The state's average unemployment rate is currently 5.9 percent and the national average is five percent. Inflationary trends in the region compare favorably to national indices. All of these factors were considered in preparing the county's budget for the 2006

fiscal year. At the end of the 2005 fiscal year, unreserved fund balance in the General Fund was $1.2 million. The county has budgeted to use $457,145 of this fund balance for spending on fiscal year 2006.

Request for Information

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. For questions concerning any of the information provided in this report, please contact the Accounting and Budgeting Office at 200 East Race Street, Suite 1, Kingston, Tennessee 37763.

BASIC FINANCIAL STATEMENTS

Exhibit A

Roane County, Tennessee
Statement of Net Assets
June 30, 2005

	Primary Government	Component Units	
	Governmental Activities	Roane County School Department	Emergency Communica-tions District
ASSETS			
Cash	$ 38,884	$ 37,500	$ 296,110
Equity in Pooled Cash and Investments	9,475,158	7,986,920	0
Accounts Receivable	642,459	74,840	79,428
Due from Other Governments	870,098	1,504,869	0
Property Taxes Receivable	9,903,765	11,368,471	0
Allowance for Uncollectible Property Taxes	(531,850)	(606,296)	0
Prepaid Items	704	0	10,762
Unamortized Debt Issuance Cost	802,706	0	0
Other Current Assets	0	0	1,065
Capital Assets:			
Assets Not Depreciated:			
Land	3,693,746	1,387,525	30,056
Construction in Progress	95,622	217,454	0
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	3,154,167	57,316,866	0
Other Capital Assets	1,596,069	2,196,367	461,067
Infrastructure - Roads, Streets, and Bridges	16,705,269	0	0
Total Assets	$ 46,446,797	$ 81,484,516	$ 878,488
LIABILITIES			
Accounts Payable	$ 322,141	$ 1,021,059	$ 15,086
Accrued Payroll	275,016	26,133	13,722
Accrued Interest Payable	258,412	0	0
Payroll Deductions Payable	0	2,620	46
Retainage Payable	0	13,237	0
Due to State of Tennessee	149	0	0
Other Current Liabilities	90,221	0	0
Deferred Revenue - Property Taxes	9,044,051	10,417,386	0
Unamortized Premiums on Debt	479,857	0	0
Noncurrent Liabilities:			
Due Within One Year	2,089,631	194,680	10,455
Due in More than One Year	41,290,916	475,307	0
Total Liabilities	$ 53,850,394	$ 12,150,422	$ 39,309

(Continued)

Exhibit A

Roane County, Tennessee
Statement of Net Assets

	Primary Government	Component Units	
	Governmental Activities	Roane County School Department	Emergency Communica-tions District
NET ASSETS			
Invested in Capital Assets, net of related debt	$ 15,550,801	$ 61,100,704	$ 0
Invested in Capital Assets	0	0	472,376
Restricted for:			
Highways	455,460	0	0
Debt Service	3,458,823	0	0
Other Purposes	1,870,426	3,325,631	0
Permanent Endowment:			
Nonexpendable	20,397	0	0
Unrestricted	(28,759,504)	4,907,759	366,803
Total Net Assets	$ (7,403,597)	$ 69,334,094	$ 839,179

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

Exhibit B

Roane County, Tennessee
Statement of Activities
For the Year Ended June 30, 2005

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
					Primary Government	Component Units	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Roane County School Department	Emergency Communica-tions District
Primary Government:							
Governmental Activities:							
General Government	$ 1,250,401	$ 662,770	$ 16,380	$ 0	$ (571,251)	$ 0	$ 0
Finance	1,279,845	981,291	0	0	(298,554)	0	0
Administration of Justice	1,065,267	722,630	10,057	0	(332,580)	0	0
Public Safety	3,565,057	147,456	404,031	0	(3,013,570)	0	0
Public Health and Welfare	4,662,507	2,795,034	286,356	11,164	(1,569,953)	0	0
Social, Cultural, and Recreational Services	108,831	22,236	0	136,327	49,732	0	0
Agricultural and Natural Resources	101,278	0	0	0	(101,278)	0	0
Other Operations	3,957,159	0	522,664	0	(3,434,495)	0	0
Highways	3,003,066	40,462	1,903,327	471,668	(587,609)	0	0
Education	273,934	280,436	70,640	0	77,142	0	0
Debt Service:							
Interest	1,833,532	0	0	0	(1,833,532)	0	0
Other Debt Service	878,305	0	0	0	(878,305)	0	0
Total Primary Government	$ 21,979,182	$ 5,652,315	$ 3,213,455	$ 619,159	$ (12,494,253)	$ 0	$ 0
Component Units:							
Roane County School Department	$ 51,678,709	$ 1,736,149	$ 7,041,404	$ 0	$ 0	$ (42,901,156)	$ 0
Emergency Communications District	750,801	856,496	0	10,000	0	0	115,695
Total Component Units	$ 52,429,510	$ 2,592,645	$ 7,041,404	$ 10,000	$ 0	$ (42,901,156)	$ 115,695

(Continued)

Exhibit B

Roane County, Tennessee
Statement of Activities

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Total Governmental Activities	Component Units: Roane County School Department	Component Units: Emergency Communications District
General Revenues:							
Property Taxes					$ 9,234,840	$ 10,311,717	$ 0
Sales Taxes					533,319	5,379,895	0
Other Taxes					1,001,709	0	0
Grants and Contributions not restricted to specific programs					1,665,395	26,955,106	0
Unrestricted Investment Income					239,887	216,671	2,508
Miscellaneous					31,133	120,204	7,669
Total General Revenues					$ 12,706,283	$ 42,983,593	$ 10,177
Change in Net Assets					$ 212,030	$ 82,437	$ 125,872
Net Assets, July 1, 2004					(7,615,627)	69,251,657	713,307
Net Assets, June 30, 2005					$ (7,403,597)	$ 69,334,094	$ 839,179

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

Exhibit C-1

Roane County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2005

	Major Funds					Nonmajor Funds	
	General	Ambulance Service	Highway / Public Works	General Debt Service	Rural Debt Service	Other Govern-mental Funds	Total Govern-mental Funds
ASSETS							
Cash	$ 3,313	$ 100	$ 0	$ 0	$ 0	$ 35,471	$ 38,884
Equity in Pooled Cash and Investments	2,090,335	658,974	64,299	1,910,931	1,441,914	2,348,058	8,514,511
Accounts Receivable	103,838	403,169	17,111	53,783	0	64,558	642,459
Due from Other Governments	501,644	0	318,659	0	862	48,933	870,098
Due from Other Funds	35,482	0	8,453	0	0	1,488	45,423
Property Taxes Receivable	5,466,277	0	911,046	574,232	1,759,199	1,193,011	9,903,765
Allowance for Uncollectible Property Taxes	(291,373)	0	(48,562)	(30,136)	(98,455)	(63,324)	(531,850)
Prepaid Items	704	0	0	0	0	0	704
Total Assets	$ 7,910,220	$ 1,062,243	$ 1,271,006	$ 2,508,810	$ 3,103,520	$ 3,628,195	$ 19,483,994
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 40,932	$ 7,157	$ 3,448	$ 2,473	$ 0	$ 268,131	$ 322,141
Accrued Payroll	193,288	36,549	26,721	0	0	18,458	275,016
Due to Other Funds	8,453	0	0	0	0	36,970	45,423
Due to State of Tennessee	149	0	0	0	0	0	149
Other Current Liabilities	90,221	0	0	0	0	0	90,221
Deferred Revenue - Current Property Taxes	5,009,310	0	834,885	527,296	1,587,469	1,085,091	9,044,051
Deferred Revenue - Delinquent Property Taxes	148,579	0	24,763	15,074	67,450	41,079	296,945
Other Deferred Revenues	45,625	0	157,934	0	417	48,627	252,603
Total Liabilities	$ 5,536,557	$ 43,706	$ 1,047,751	$ 544,843	$ 1,655,336	$ 1,498,356	$ 10,326,549
Fund Balances							
Reserved for Encumbrances	$ 643,268	$ 5,009	$ 0	$ 0	$ 0	$ 113,299	$ 761,576
Reserved for Sexual Offender Registration	660	0	0	0	0	0	660
Reserved for Courthouse and Jail Maintenance	203,847	0	0	0	0	0	203,847
Reserved for Computer System - Register	106,702	0	0	0	0	0	106,702
Reserved for Automation Purposes - Circuit Court	3,994	0	0	0	0	0	3,994
Reserved for Automation Purposes - General Sessions Court	24,356	0	0	0	0	0	24,356
Reserved for Other General Purposes	178,949	0	0	0	0	0	178,949

(Continued)

Exhibit C-1

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

	Major Funds					Nonmajor Funds	
	General	Ambulance Service	Highway / Public Works	General Debt Service	Rural Debt Service	Other Govern-mental Funds	Total Govern-mental Funds
LIABILITIES AND FUND BALANCES (Cont.)							
Fund Balances (Cont.)							
Unreserved, Reported In:							
General Fund	$ 1,211,887	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,211,887
Special Revenue Funds	0	1,013,528	223,255	0	0	1,707,961	2,944,744
Debt Service Funds	0	0	0	1,963,967	1,448,184	209,822	3,621,973
Capital Projects Funds	0	0	0	0	0	78,360	78,360
Permanent Funds	0	0	0	0	0	20,397	20,397
Total Fund Balances	$ 2,373,663	$ 1,018,537	$ 223,255	$ 1,963,967	$ 1,448,184	$ 2,129,839	$ 9,157,445
Total Liabilities and Fund Balances	$ 7,910,220	$ 1,062,243	$ 1,271,006	$ 2,508,810	$ 3,103,520	$ 3,628,195	$ 19,483,994

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

Exhibit C-2

Roane County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
June 30, 2005

Amounts reported for governmental activities in the statement of net assets (Exhibit A) are different because:		
Total fund balances - balance sheet - governmental funds (Exhibit C-1)		$ 9,157,445
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		25,244,873
(2) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		549,548
(3) Internal service funds are used by management to charge the cost of employee dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net assets.		960,647
(4) Debt issuance costs are expensed when paid in the governmental funds. The unamortized portion of these charges is reflected on the statement of net assets.		802,706
(5) Interest costs of long-term debt are expensed when due in the governmental funds. Interest costs incurred as of the balance sheet date are accrued in the statement of net assets.		(258,412)
(6) Long-term liabilities, including other loans payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Notes payable	$ 5,587,571	
Other loans payable	13,825,000	
Bonds payable	24,180,961	
Landfill closure/postclosure care cost	972,520	
Compensated absences	253,626	
Unamortized debt premiums	479,857	
Less: Deferred charge on refunding (to be amortized as interest expense)	(1,439,131)	(43,860,404)
Net assets of governmental activities (Exhibit A)		$ (7,403,597)

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

Exhibit C-3

Roane County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2005

	Major Funds					Nonmajor Funds	
	General	Ambulance Service	Highway / Public Works	General Debt Service	Rural Debt Service	Other Govern-mental Funds	Total Governmental Funds
Revenues							
Local Taxes	$ 6,111,043	$ 5	$ 911,845	$ 506,114	$ 1,830,159	$ 2,233,218	$ 11,592,384
Licenses and Permits	240,003	0	0	0	0	0	240,003
Fines, Forfeitures, and Penalties	169,188	0	0	0	0	46,618	215,806
Charges for Current Services	107,657	2,356,332	748	0	0	515,754	2,980,491
Other Local Revenues	45,998	0	40,482	176,158	56,507	152,936	472,081
Fees Received from County Officials	1,836,117	0	0	0	0	0	1,836,117
State of Tennessee	585,109	0	1,946,715	0	0	460,588	2,992,412
Federal Government	1,088,316	0	63,862	0	0	391,043	1,543,221
Other Governments and Citizens Groups	37,790	0	0	63,000	105,000	0	205,790
Total Revenues	$ 10,221,221	$ 2,356,337	$ 2,963,652	$ 745,272	$ 1,991,666	$ 3,800,157	$ 22,078,305
Expenditures							
Current:							
General Government	$ 1,246,130	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,246,130
Finance	1,290,050	0	0	0	0	0	1,290,050
Administration of Justice	1,041,836	0	0	0	0	24,710	1,066,546
Public Safety	3,590,649	0	0	0	0	40,318	3,630,967
Public Health and Welfare	539,375	2,032,855	0	0	0	1,947,114	4,519,344
Social, Cultural, and Recreational Services	118,694	0	0	0	0	0	118,694
Agricultural and Natural Resources	101,273	0	0	0	0	0	101,273
Other Operations	2,886,539	0	0	0	0	1,083,085	3,969,624
Highways	57,314	0	2,801,509	0	0	0	2,858,823
Debt Service:							
Debt Service Principal	0	0	0	668,260	855,000	215,000	1,738,260
Debt Service Interest	0	0	0	688,842	883,042	48,575	1,620,459
Other Debt Service	0	0	0	103,464	703,312	7,363	814,139
Capital Projects	0	0	0	0	0	102,514	102,514
Total Expenditures	$ 10,871,860	$ 2,032,855	$ 2,801,509	$ 1,460,566	$ 2,441,354	$ 3,468,679	$ 23,076,823
Excess (Deficiency) of Revenues Over Expenditures	$ (650,639)	$ 323,482	$ 162,143	$ (715,294)	$ (449,688)	$ 331,478	$ (998,518)
Other Financing Sources (Uses)							
Transfers In	$ 661,000	$ 0	$ 0	$ 892,528	$ 0	$ 254,000	$ 1,807,528
Transfers Out	(200,000)	0	(121,772)	(465,000)	0	(1,020,756)	(1,807,528)
Total Other Financing Sources (Uses)	$ 461,000	$ 0	$ (121,772)	$ 427,528	$ 0	$ (766,756)	$ 0

(Continued)

Exhibit C-3

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

	Major Funds					Nonmajor Funds	
	General	Ambulance Service	Highway / Public Works	General Debt Service	Rural Debt Service	Other Govern-mental Funds	Total Governmental Funds
Net Change in Fund Balances	$ (189,639)	$ 323,482	$ 40,371	$ (287,766)	$ (449,688)	$ (435,278)	$ (998,518)
Fund Balance, July 1, 2004	2,563,302	695,055	182,884	2,251,733	1,897,872	2,565,117	10,155,963
Fund Balance, June 30, 2005	$ 2,373,663	$ 1,018,537	$ 223,255	$ 1,963,967	$ 1,448,184	$ 2,129,839	$ 9,157,445

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

Exhibit C-4

Roane 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, 2005

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)		$ (998,518)
(1) Governmental funds report capital outlay 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 outlays in the current period	$ 1,306,590	
Less: Current year depreciation	(1,437,312)	(130,722)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
For the year ended June 30, 2004	$ (717,076)	
For the year ended June 30, 2005	549,548	(167,528)
(3) The issuance of long-term debt (e.g., notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Add: Principal payment on notes	$ 61,641	
Add: Principal payment on other loans	435,000	
Add: Principal payment on bonds	1,241,619	1,738,260
(4) Governmental funds report the effect of issuance costs, and similar items related to long-term debt issuance when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This adjustment reflects debt issuance cost expensed during the year recorded in the statement of activities.		
Amortization of debt issuance premiums	$ 28,584	
Amortization of debt issuance costs	(64,166)	
Amortization of deferred amount on refunding	(216,504)	(252,086)

(Continued)

Exhibit C-4

Roane County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Cont.)

(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	$ (25,153)	
Change in accrued leave	3,347	
Change in landfill postclosure care cost	39,000	$ 17,194
(6) Internal service funds are used by management to charge the cost of dental benefits to individual funds. The net revenue/expense of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		5,430
Change in net assets of governmental activities (Exhibit B)		$ 212,030

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

Exhibit D-1

Roane County, Tennessee
Statement of Net Assets
Proprietary Fund
June 30, 2005

	Governmental Activities- Internal Service Fund
	Employee Dental Insurance Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Investments	$ 960,647
Total Assets	$ 960,647
NET ASSETS	
Unrestricted	$ 960,647
Total Net Assets	$ 960,647

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

Exhibit D-2

Roane County, Tennessee
Statement of Revenues, Expenses, and
Changes in Net Assets
Proprietary Fund
For the Year Ended June 30, 2005

	Governmental Activities- Internal Service Fund
	Employee Dental Insurance Fund
Operating Revenues	
Self Insurance Premiums/Contributions	$ 340,103
Total Operating Revenues	$ 340,103
Operating Expenses	
Other Salaries and Wages	$ 12,149
Medical and Dental Services	298,180
Handling Charges and Administration	42,487
Total Operating Expenses	$ 352,816
Operating Income (Loss)	$ (12,713)
Nonoperating Revenues (Expenses)	
Investment Income	$ 18,143
Total Nonoperating Revenue (Expenses)	$ 18,143
Change in Net Assets	5,430
Net Assets, July 1, 2004	$ 955,217
Net Assets, June 30, 2005	$ 960,647

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

Exhibit D-3

Roane County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2005

	Governmental Activities- Internal Service Fund
	Employee Dental Insurance Fund
Cash Flows from Operating Activities	
Receipts from self insurance premiums	$ 340,522
Payments for claims	(298,356)
Payments to employees	(12,149)
Payments for administrative costs	(42,487)
Net Cash Provided By (Used In) Operating Activities	$ (12,470)
Cash Flows from Investing Activities	
Investment income	$ 18,143
Net Cash Provided By (Used In) Noncapital Financing Activities	$ 18,143
Net Increase (Decrease) In Cash and Cash Equivalents	$ 5,673
Cash and Cash Equivalents, July 1, 2004	954,974
Cash and Cash Equivalents, June 30, 2005	$ 960,647
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	$ (12,713)
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:	
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivable	419
(Decrease) increase in accounts payable	(176)
Net Cash Provided By (Used In) Operating Activities	$ (12,470)
Reconciliation of Cash and Cash Equivalents with Net Assets	
Equity in Pooled Cash and Investments	$ 960,647
Cash and Cash Equivalents, June 30, 2005	$ 960,647

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

Exhibit E-1

Roane County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2005

	Agency Funds
ASSETS	
Cash	$ 1,181,362
Equity in Pooled Cash and Investments	293,022
Accounts Receivable	1,084
Due from Other Governments	960,430
Property Taxes Receivable	619,793
Allowance for Uncollectible Property Taxes	(33,054)
Notes Receivable - Long-term	566,185
Total Assets	$ 3,588,822
LIABILITIES	
Accounts Payable	$ 177
Accrued Payroll	2,112
Due to Other Taxing Units	1,544,341
Due to Litigants, Heirs, and Others	1,181,362
Due to Joint Ventures	12,189
Other Current Liabilities	848,641
Total Liabilities	$ 3,588,822

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

ROANE COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2005

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Roane 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 Roane County:

A. Reporting Entity

Roane County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Roane County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Roane County School Department operates the public school system in the county, and the voters of Roane County elect its board. The School Department is fiscally dependent on the county because it may not issue debt without county approval, and its budget and property tax levy are subject to the County Commission's approval. 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 Industrial Development Board of Roane County was organized to promote industrial development and provide additional job opportunities in Roane County and the surrounding counties in accordance with Title 7, Chapter 53, of Tennessee Code Annotated. The Industrial Development Board of Roane County is governed by a nine-member board of directors appointed by the Roane County Commission. During the year, Roane County provided $246,120 to the Industrial Development Board to be applied toward operations of the board. The financial statements of the Industrial Development Board of Roane County were not available from other auditors in time for inclusion in this report.

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

The Roane County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the Roane County School Department are included in this report as listed in the table of contents. Although required by GAAP, the financial statements of the Industrial Development Board of Roane County were not available in time for inclusion, as previously mentioned. Complete financial statements of the Industrial Development Board of Roane County and the Roane County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Industrial Development Board of Roane County
1209 N. Kentucky Street
Kingston, Tennessee 37763

Roane County Emergency Communications District
P. O. Box 236
Rockwood, Tennessee 37854

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Roane County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Roane 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.

Roane County issues all debt for the discretely presented Roane County School Department.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. 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 Roane County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Roane County reports one proprietary fund, an internal service fund. It has no enterprise funds to report. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and the fiduciary funds in total are reported in a single column 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. Roane 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 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.

Roane 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.

Ambulance Service Fund – This fund accounts for transactions of the county's Ambulance Department.

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

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

Rural Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt issued for school purposes and repaid by governmental funds.

Additionally, Roane County reports the following fund types:

Capital Projects Fund – The Highway Capital Projects Fund is used to account for road construction and renovations of the county road system.

Permanent Fund – The Endowment Fund is used to account for an endowment received by the county. The principal amount must remain intact while interest earned on the principal may be expended for restricted purposes.

Internal Service Fund – The Employee Dental Insurance Fund accounts for the self-insured employee dental program managed by the county for the primary government and the discretely presented School Department.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes, and property taxes received by the trustee to be forwarded to the various cities in Roane County, the city school system's share of educational revenues, and assets held in a custodial capacity for a joint venture and for an industrial revolving loan program. 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 Roane 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 School Department reports the following fund types:

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are self-insurance premiums. Operating expenses for the internal service fund include dental claims and administrative charges.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

For purposes of the Statement of Cash Flows of the internal service fund, cash includes cash on hand, demand deposits, equity in pooled cash and investments, and cash equivalents. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less.

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

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

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

2. Receivables and Payables

Activity between funds for unremitted current collections or that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds.

Long-term loans to entities outside the primary government, as reported in the agency fund financial statements, are reported as long-term notes receivable.

All property taxes receivable are shown net of an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 2.9 percent of total taxes levied.

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

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet with offsetting deferred revenue to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable

that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

3. Prepaid Items

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. Prepaid items in the General Fund ($704) represent amounts paid for postage for the 2005-06 year.

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 column 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 five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	40
Other Capital Assets	5 -10
Infrastructure	10 - 100

5. Compensated Absences

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

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method. Debt issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types 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. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is netted against the new debt and amortized over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

recognized to the extent that the liabilities have matured (come due for payment) each period.

7. Net Assets and Fund Equity

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

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

b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net assets – All other net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

As of June 30, 2005, Roane County had $33,716,766 in outstanding debt for capital purposes of other entities (schools of $23,118,146 and industrial purposes of $10,598,620). This debt is a liability of Roane County; but the capital assets acquired are reported in the financial statements of the other entities. Therefore, Roane County has incurred a liability, significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

On the government-wide Statement of Net Assets (Exhibit A), the account Restricted for Other Purposes for the primary government consists of various restrictions totaling $1,870,426, with the primary restrictions being for: (1) Industrial Development ($466,498); (2) Solid Waste/Sanitation ($512,029); (3) Recycling Center ($320,857); (4) Register of Deeds' Computer System ($106,702); and (5) Courthouse and Jail Maintenance ($203,847). For the discretely presented Roane County School Department, the account balance in Restricted for Other Purposes ($3,325,631) consists of restrictions for various federal assistance programs, primarily the School Federal Projects ($773,884), the School Lunch and Breakfast Program ($815,684); and proceeds restricted for Education Capital Projects ($715,694).

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

On the Balance Sheet – Governmental Funds (Exhibit C-1), the account Reserve for Other General Purposes in the General Fund ($178,949) consists primarily of unexpended Health Department grants.

The account Other Local Education Reserves in the General Purpose School Fund (Exhibit J-1) ($780,016) consists primarily of Early Retirement Incentives ($526,459).

Management has designated a portion of the unreserved fund balance of certain primary government funds for the following purposes.

Fund Type/Fund	Purpose	Amount
Governmental Funds:		
General	Cash Management	$ 500,000
Industrial/Economic Development	Cash Management	100,000
General Debt Service	Cash Management	300,000
Rural Debt Service	Cash Management	480,264
Solid Waste/Sanitation	Cash Management	200,000
Ambulance Service	Cash Management	100,000
Other Special Revenue	Cash Management	100,000

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

Primary Government

Exhibit C-2 in the basic financial statements includes explanations of the nature of individual elements of items required to reconcile fund balances reported on the Governmental Funds Balance Sheet (Exhibit C-1) to net assets reported in the primary government-governmental activities column of the Statement of Net Assets (Exhibit A).

Discretely Presented Roane County School Department

The discretely presented Roane County School Department's Exhibit J-2 includes explanations of the nature of individual elements of items required to reconcile fund balances – total governmental funds and net assets of governmental activities reported in the government-wide statement of net assets.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Primary Government

Exhibit C-4 in the basic financial statements includes explanations of the nature of individual elements of items required to reconcile net changes in fund balances – governmental funds (Exhibit C-3) to changes in net assets reported in the primary government-governmental activities column of the Statement of Activities (Exhibit B).

Discretely Presented Roane County School Department

The discretely presented Roane County School Department's Exhibit J-4 includes explanations of the nature of individual elements of items required to reconcile net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Roane County and the Roane 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, depositing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Cash and investments reflected on the balance sheets or statements of net assets represent nonpooled amounts held separately by individual funds.

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk exposure.

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

Investments

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

Investment Balances. As of June 30, 2005, Roane County had the following investments carried at cost. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Roane County and the discretely presented Roane County School Department since both pool their deposits and investments through the county trustee.

Investment	Maturities	Cost
State Treasurer's Investment Pool	Daily	$ 12,021,623
Total		$ 12,021,623

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. Roane 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. Roane County has no investment policy that would further limit its investment choices. As of June 30, 2005, Roane County's investment in the State Treasurer's Investment Pool was unrated.

B. Notes Receivable

Notes receivable consists of industrial loans of $566,185, that represent loans made from the Community Development – Agency Fund to local businesses.

C. Capital Assets

Capital asset activity for the year ended June 30, 2005, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-04	Increases	Decreases	Balance 6-30-05
Capital Assets Not Depreciated:				
Land	$ 3,693,746	$ 0	$ 0	$ 3,693,746
Construction in Progress	84,491	14,919	(3,788)	95,622
Total Capital Assets Not Depreciated	$ 3,778,237	$ 14,919	$ (3,788)	$ 3,789,368
Capital Assets Depreciated:				
Buildings and Improvements	$ 5,007,097	$ 28,800	$ 0	$ 5,035,897
Roads, Streets and Bridges	21,128,203	789,377	0	21,917,580
Other Capital Assets	4,346,591	477,283	(177,117)	4,646,757
Total Capital Assets Depreciated	$ 30,481,891	$ 1,295,460	$ (177,117)	$ 31,600,234
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 1,752,314	$ 129,416	$ 0	$ 1,881,730
Roads, Streets and Bridges	4,357,579	854,732	0	5,212,311
Other Capital Assets	2,774,641	437,800	(161,753)	3,050,688
Total Accumulated Depreciation	$ 8,884,534	$ 1,421,948	$ (161,753)	$ 10,144,729
Total Capital Assets Depreciated, Net	$ 21,597,357	$ (126,488)	$ (15,364)	$ 21,455,505
Governmental Activities Capital Assets, Net	$ 25,375,594	$ (111,569)	$ (19,152)	$ 25,244,873

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

Governmental Activities:

General Government	$ 83,092
Finance	21,216
Administration of Justice	12,967
Public Safety	173,720
Public Health and Welfare	230,045
Social, Cultural, and Recreational	8,033
Highways	908,239
Total Depreciation Expense - Governmental Activities	$ 1,437,312

Discretely Presented Roane County School Department

Governmental Activities:

	Balance 7-1-04	Increases	Decreases	Balance 6-30-05
Capital Assets Not Depreciated:				
Land	$ 1,387,525	$ 0	$ 0	$ 1,387,525
Construction in Progress	685,020	184,869	(652,435)	217,454
Total Capital Assets Not Depreciated	$ 2,072,545	$ 184,869	$ (652,435)	$ 1,604,979
Capital Assets Depreciated:				
Buildings and Improvements	$ 74,105,003	$ 1,369,637	$ 0	$ 75,474,640
Other Capital Assets	5,354,738	697,522	(265,032)	5,787,228
Total Capital Assets Depreciated	$ 79,459,741	$ 2,067,159	$ (265,032)	$ 81,261,868
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 16,299,477	$ 1,858,297	$ 0	$ 18,157,774
Other Capital Assets	3,403,804	436,657	(249,600)	3,590,861
Total Accumulated Depreciation	$ 19,703,281	$ 2,294,954	$ (249,600)	$ 21,748,635
Total Capital Assets Depreciated, Net	$ 59,756,460	$ (227,795)	$ (15,432)	$ 59,513,233
Governmental Activities Capital Assets, Net	$ 61,829,005	$ (42,926)	$ (667,867)	$ 61,118,212

Depreciation expense totaling $2,310,386 was charged by the discretely presented Roane County School Department.

D. Construction Commitments

At June 30, 2005, the county had various uncompleted construction projects, including approximately $53,370 in the Industrial/Economic Development Fund and $64,874 in the discretely presented School Department's Education Capital Projects Fund. Funding for these projects has been provided through capital outlay note proceeds and undesignated fund equity.

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2005, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	$ 35,482
Highway/Public Works	General	8,453
Nonmajor governmental	Nonmajor governmental	1,488
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	30,905

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

Interfund Transfers:

Interfund transfers for the year ended June 30, 2005, consisted of the following amounts:

Primary Government

	Transfers In	
Transfers Out	General Fund	General Debt Service Fund
Highway/Public Works Fund	$ 0	$ 121,772
General Debt Service Fund	411,000	0
Nonmajor governmental funds	250,000	770,756
Total	$ 661,000	$ 892,528

Transfers Out	Transfers In Nonmajor Governmental Funds
General Fund	$ 200,000
General Debt Service Fund	54,000
Total	$ 254,000

Discretely Presented Roane County School Department

Transfers Out	Transfers In General Purpose School Fund	Transfers In Nonmajor Governmental Funds
General Purpose School Fund	$ 0	$ 708,000
Nonmajor governmental funds	30,905	0
Total	$ 30,905	$ 708,000

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

F. Payables

Most payables are disaggregated on the face of the financial statements. The balance in Retainage Payable ($13,237) on the Statement of Net Assets for the discretely presented Roane County School Department consists of liabilities for construction related contracts for school renovations. The amount reflected as retainage payable is held by the county trustee as Equity in Pooled Cash and Investments.

G. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

The county issues general obligation bonds, and other loans to provide funds for major capital expenditures such as industrial parks, landfill closure costs, and infrastructure. In addition, general obligation bonds and public building

authority loans have been issued to refund other general obligation bonds and capital outlay notes.

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 38 years for bonds, up to 17 years for notes, and up to 19 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2005, will be retired from the county's debt service funds.

Included in the county's outstanding debt as of June 30, 2005 is $855,000 of bonded debt assumed from the City of Harriman as a result of the merger of the two school systems on July 1, 2003. This assumed debt will be retired from the Education Debt Service Fund.

General obligation bonds, capital outlay notes, and other loans outstanding as of June 30, 2005, are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-05
General Obligation Bonds	3 to 4.65%	$ 1,700,000	$ 1,440,000
General Obligation Refunding Bonds	4	500,000	95,000
Revenue and Tax Bonds	4.75	620,000	600,961
Rural School Bonds	4.1 to 4.65	775,000	775,000
Rural School Refunding Bonds	2 to 4.3	23,250,000	20,415,000
School Refunding Bonds	4.2 to 4.75	1,280,000	855,000
Capital Outlay Notes	3 to 5.25	5,827,000	5,587,571
Other Loans - Variable Rate	Variable	14,225,000	9,775,000
Other Loans - Fixed	1.6 to 5.85	4,475,000	4,050,000

Roane County has entered into various loan agreements with Public Building Authorities (PBAs) to finance various capital projects for the county and the discretely presented Roane County School Department. Under the loan agreements, the PBAs issued their revenue bonds and made the proceeds available for loan to Roane County. The following table summarizes loan agreements outstanding at June 30, 2005:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-05	Interest Type	Interest Rates as of 6-30-05	Other Fees on Variable Rate Debt
Sevier County Public Building Authority (Series III-A-4)					
Industrial Park	$ 3,800,000	$ 1,200,000	Variable	2.3 %	0.53 %
Landfill Closure	1,200,000	205,000	Variable	2.3	0.53
Blount County Public Building Authority (Series A-1-F)					
Voting Machines	386,000	293,686	Variable	2.3	0.56
General Improvement Projects	450,000	344,300	Variable	2.3	0.56
School Buses	645,000	491,596	Variable	2.3	0.56
Retire Capital Outlay Notes	2,119,000	1,615,418	Variable	2.3	0.56
Sevier County Public Building Authority (Series V-C-3)					
Refunding	5,060,000	5,060,000	Variable	2.3	0.5
Health Facilities	565,000	565,000	Variable	2.3	0.5
Sevier County Public Building Authority (Series B-3-A)					
Industrial Park Refunding	3,640,000	3,294,983	Fixed	1.6 to 5.85	N/A
Industrial Park - Land	835,000	755,017	Fixed	1.6 to 5.85	N/A
Total		$ 13,825,000			

The annual requirements to amortize all bonds, notes, and other loans outstanding as of June 30, 2005, including interest payments, are presented in the following table. Estimated interest payments of $3,542,129 and estimated other fees of $548,495 are included for the loan agreements. The Series III-A-4, A-1-F, and V-C-3 carry variable interest rates that are functions of the Bond Market Association Index with the rates changing daily or weekly. Interest payments included in the table for the variable rate issues are computed based on the rates in effect at June 30, 2005. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with the variable rate loans.

Year Ending June 30	Bonds Principal	Bonds Interest	Notes Principal	Notes Interest
2006	$ 1,306,940	$ 985,989	$ 62,891	$ 231,732
2007	1,252,277	952,676	94,177	229,395
2008	1,297,630	902,769	95,503	225,445
2009	1,243,001	856,457	50,000	221,455
2010	1,138,389	811,121	700,000	218,830
2011-2015	6,348,464	3,386,051	4,585,000	554,645
2016-2020	7,711,427	1,881,598	0	0
2021-2025	3,507,858	320,342	0	0
2026-2030	98,683	78,017	0	0
2031-2035	125,079	51,621	0	0
2036-2040	151,213	18,188	0	0
Total	$ 24,180,961	$ 10,244,829	$ 5,587,571	$ 1,681,502

Year Ending June 30	Other Loans Principal	Other Loans Interest	Other Loans Other Fees
2006	$ 450,000	$ 412,112	$ 50,944
2007	990,000	400,337	49,544
2008	1,030,000	368,115	48,060
2009	1,070,000	330,523	46,492
2010	465,000	288,833	44,840
2011-2015	2,315,000	1,192,896	194,602
2016-2020	7,505,000	549,313	114,013
Total	$ 13,825,000	$ 3,542,129	$ 548,495

There is $3,621,973 available in the debt service funds to service long-term debt. Bonded debt per capita amounted to $562, based on the 2000 federal census for residents living outside the Harriman and Oak Ridge school districts, $59 for residents living inside the Harriman school district, and $41 for residents living inside the Oak Ridge school district. Total debt per capita, including bonds, notes, and other loans, amounted to $936, for residents living outside the Harriman and Oak Ridge school districts, $433 for residents living inside the Harriman school district, and $415 for residents living inside the Oak Ridge school district based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2005, was as follows:

Governmental Activities:

	Bonds	Notes
Balance, July 1, 2004	$ 25,422,580	$ 5,649,212
Deductions	(1,241,619)	(61,641)
Balance, June 30, 2005	$ 24,180,961	$ 5,587,571
Balance Due Within One Year	$ 1,306,940	$ 62,891

	Other Loans	Compensated Absences
Balance, July 1, 2004	$ 14,260,000	$ 256,972
Additions	0	133,628
Deductions	(435,000)	(136,974)
Balance, June 30, 2005	$ 13,825,000	$ 253,626
Balance Due Within One Year	$ 450,000	$ 230,800

	Landfill Postclosure Care Costs
Balance, July 1, 2004	$ 1,011,520
Deductions	(39,000)
Balance, June 30, 2005	$ 972,520
Balance Due Within One Year	$ 39,000

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2005	$ 44,819,678
Less: Balance Due Within One Year	(2,089,631)
Less: Deferred Amount on Refunding	(1,439,131)
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	$ 41,290,916

Compensated absences will be paid from the employing funds. Landfill postclosure care costs will be paid by the Other Special Revenue Fund.

Defeasance of Prior Debt

In the prior year, Roane County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the

defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2005, the 2000 Rural School Series Bonds ($8,700,000) are considered defeased.

Discretely Presented Roane County School Department

Capital Outlay Notes

Capital outlay notes were issued to fund capital expenditures for asbestos abatement. Capital outlay notes are direct obligations and pledge the full faith and credit of the government. Debt obligations outstanding were issued for original terms of 17 years for notes. These notes carry no interest rate and are repayable annually in the amount of $2,000 until retired. Capital outlay notes outstanding as of June 30, 2005, are as follows:

Type	Interest Rate	Original Amount of Issue	Amount
Capital Outlay Note	0%	$ 31,508	$ 17,508

This capital outlay note is to be retired from the General Purpose School Fund of the discretely presented Roane County School Department.

The annual requirements to amortize the note outstanding as of June 30, 2005, is presented in the following table:

Year Ending June 30	Notes Principal
2006	$ 2,000
2007	2,000
2008	2,000
2009	2,000
2010	2,000
2011-2015	7,508
Total	$ 17,508

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Roane County School Department for the year ended June 30, 2005, was as follows:

	Notes	Compensated Absences
Balance, July 1, 2004	$ 19,508	$ 115,935
Additions	0	123,816
Deductions	(2,000)	(113,731)
Balance, June 30, 2005	$ 17,508	$ 126,020
Balance Due Within One Year	$ 2,000	$ 113,418

	Early Retirement Incentives
Balance, July 1, 2004	$ 233,023
Additions	370,678
Deductions	(77,242)
Balance, June 30, 2005	$ 526,459
Balance Due Within One Year	$ 79,262

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2005	$ 669,987
Less: Balance Due Within One Year	(194,680)
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	$ 475,307

Compensated absences will be paid from the employing funds.

The discretely presented Roane County School Department offered an early retirement incentive plan to certain state-certified employees. The School Department has recorded a noncurrent liability of $526,459 on the Statement of Net Assets representing a commitment to fund these future retirement incentive payments, which will be retired by the General Purpose School Fund.

H. Internal Financing

In-lieu-of issuing debt with financial institutions, Roane County often chooses to internally finance various projects with idle county funds. These debt issues that will be repaid from the same fund in which the loan was obtained

are reflected as operating transfers or revenue/expenditures if the loan is between the primary government and a component unit (not notes receivable) in the financial statements of this report. Internally reported notes receivable from idle funds loaned from debt service funds that will subsequently be paid by these debt service funds are reflected below:

Internally Reported Interfund Notes Receivable/Payable through Debt Service Funds

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
General Debt Service Fund				
General Capital Outlay	$ 345,000	2 %	6-1-04	6-1-07
Industrial Development Projects	300,000	2	6-1-04	6-1-07
General Capital Outlay	411,000	2	6-1-05	6-1-08
Industrial Development Projects	54,000	2.5	6-1-05	6-1-08
Rural Debt Service Fund				
School Vehicle Purchases	650,000	2	6-1-05	6-1-08
School Capital Projects	750,000	2	6-1-04	3-1-07

	Outstanding 7-01-04	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-05
General Debt Service Fund				
General Capital Outlay	$ 345,000	$ 0	$ (41,400)	$ 303,600
Industrial Development Projects	300,000	0	(36,000)	264,000
General Capital Outlay	0	411,000	0	411,000
Industrial Development Projects	0	54,000	0	54,000
Rural Debt Service Fund				
School Vehicle Purchases	0	650,000	0	650,000
School Capital Projects	750,000	0	(90,000)	660,000

I. Donor-restricted Endowments

The county accounts for an endowment totaling $20,000 in a permanent fund, the Endowment Fund. The principal amount must remain intact while interest earned on the principal will be expended to county residents awarded educational scholarships. During the year ended June 30, 2005, interest earned totaled $397, resulting in a balance of $20,397 on June 30, 2005.

IV. OTHER INFORMATION

A. Risk Management

Roane County has chosen to establish a self-insurance fund for risks associated with the employees' dental insurance plan. The self-insurance fund is accounted for as an internal service fund where assets are set aside for claim settlements. All full-time employees of the primary government and the discretely presented Roane County School Department are eligible to participate in the dental program. A premium charge for the dental program is allocated to each fund that accounts for employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims. A reserve of $960,647 existed in this fund at June 30, 2005. Liabilities of this fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The self-insurance fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claims adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Dental

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2003-2004	$ 176	$ 268,260	$ (268,260)	$ 176
2004-2005	176	298,180	(298,356)	0

Roane County and the discretely presented Roane County School Department participate in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that were established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, Tennessee Code Annotated, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF 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. The state statute provides for the LGGIF to be self-sustaining through member premiums.

In previous years, Roane County and several other counties, cities, and local government entities were members of the Local Government Insurance Cooperative (LOGIC) for their workers' compensation insurance. LOGIC obtained their excess coverage insurance from Reliance Insurance Company for their claims that exceeded specific amounts. Reliance Insurance Company is now in insolvency proceedings and is unable to pay the claims presented to them by LOGIC for the fiscal years 1996-97, 1997-98, and 1999-2000. The board of directors for LOGIC met on October 14, 2003, and approved a formal assessment of $29,078 against Roane County for these outstanding claims unpaid by Reliance Insurance Company. Roane County was also assessed $61,143 by LOGIC for insufficient premiums for the 2000-01 year. These amounts are reflected as current liabilities in the General Fund. The county is formally contesting these assessments as of the date of this report.

Roane County and the discretely presented Roane County School Department joined the Tennessee School Boards Risk Management Trust (TSB-RMT), which is a public entity risk pool established by the Tennessee School Boards Association, an association of member school districts. The county and the School Department pay an annual premium to the TSB-RMT for their workers' compensation coverage. The creation of the TSB-RMT provides for it to be self-sustaining through member premiums.

The county and the discretely presented Roane County School Department continue to carry commercial insurance for other risks of loss, including general liability, property, casualty, and environmental. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Accounting Change

During the year, Roane County adopted the provisions of Governmental Accounting Standards Board Statement No. 40, Deposit and Investment Risk Disclosures. These provisions modified the county's previous custodial risk disclosures for deposits and investments and related collateral. These provisions also added disclosures about other types of risk, including credit, interest rate, foreign currency, and concentrations of credit. Governments are also required to provide brief disclosures about their deposit and investment policies that are related to any of the risks required to be disclosed.

C. Subsequent Event

On July 1, 2005, Gary Collins left the Office of Director of Schools and was succeeded by Dr. Toni McGriff.

D. Contingent Liabilities

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

E. Change in Administration

Gerald Hensley, county trustee, died on June 27, 2005. Wilma Eblen served as interim trustee through July 10, 2005. On July 11, 2005, the Roane County Commission appointed Ms. Eblen as trustee for a term that will expire on August 31, 2006.

F. Landfill Closure/Postclosure Care Costs

During the 1997-98 year, Roane County stopped accepting solid waste at the county's landfill (formerly operated by the now dissolved Roane County Solid Waste Authority) and contracted with Santec Environmental to transport and dispose of the county's solid waste. The county operates a number of convenience and recycling centers and transports construction and yard debris waste to the Rhea County landfill operated by Santec Environmental.

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. A postclosure care liability of $972,520 is reported in noncurrent liabilities on the Statement of Net Assets at June 30, 2005. This amount represents an estimate of the cost of postclosure care for the remaining 25 years. This amount is based on what it would cost to perform all postclosure care in 2005. Actual cost may vary from the estimate due to inflation, changes in technology, or changes in regulations. The now dissolved Roane County Solid Waste Authority oversaw the landfill closure, which was completed during the 1999-2000 year. Closure costs were funded primarily through transfers from the county from issuance of long-term debt. The county is funding postclosure care costs by annual appropriations from the Other Special Revenue Fund.

G. Jointly Governed Organization

The County Commission is responsible for appointing three members to the board of directors of the Roane Alliance, Inc. The total number of board members fluctuates from 29 to 48 members. The remaining members are appointed by other entities or are ex-officio's from various organizations. The county's accountability for this organization does not extend beyond making these three appointments.

H. Retirement Commitments

Plan Description

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

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

Funding Policy

Roane County requires employees to contribute five percent of earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2005, was 6.86 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Roane County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2005, Roane County's annual pension cost of $845,765 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the

July 1, 2003, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post-retirement increases of three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. Roane County's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2003, was 12 years.

Trend Information

Fiscal Year Ended	Annual Pension Cost(APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-05	$845,765	100%	$0
6-30-04	644,241	100	0
6-30-03	569,691	100	0

Required Supplementary Information
Schedule of Funding Progress for Roane County

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-03	$21,561	$23,143	$1,582	93.16%	$10,193	15.52%
6-30-01	19,314	21,152	1,838	91.31	9,081	20.24
6-30-99	16,615	17,379	764	95.60	7,479	10.22

SCHOOL TEACHERS

Plan Description

The Roane County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the

member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service, or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. A cost of living adjustment (COLA) is provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2005, was 5.5 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2005, 2004, and 2003, were $1,311,593, $772,078, and $605,569, respectively, equal to the required contributions for each year.

I. Office of Central Accounting

Roane County operates under provisions of the Fiscal Control Acts of 1957, which provide for a central system of accounting, budgeting, and purchasing covering all county departments. These funds were maintained in the Office of Central Accounting and Purchasing under the supervision of the director of accounts and budgets.

J. Purchasing Laws

Purchasing procedures for the Offices of County Mayor and Road Superintendent are governed by the County Purchasing Law of 1957, Section 5-14-101, et seq., Tennessee Code Annotated, (TCA). Purchasing procedures for the Road Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, TCA. These acts provide for a purchasing agent and require competitive bids on all purchases exceeding $5,000 for the Office of County Mayor and $10,000 for the Office of Road Superintendent. Chapter 477, Private Acts of 1933, and the County Purchasing Law of 1957 provide for School Department purchases to be made by the purchasing agent and for bids to be solicited on purchases exceeding $5,000.

V. OTHER NOTE – DISCRETELY PRESENTED ROANE COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

1. Reporting Entity

The Roane County Emergency Communications District was established January 1, 1991, pursuant to the provisions of Chapter 867 of the Public Acts of 1984 of the State of Tennessee. The district provides local emergency telephone services and a primary emergency telephone number for residents and businesses of Roane County, Tennessee.

The district is considered a discrete component unit of Roane County, Tennessee, and is financially accountable to the County Commission of Roane County. The district is governed by a nine-member board of directors appointed by the Roane County Commission. The district's board has the authority to levy an emergency telephone service charge to be used to fund the operations of the district and to contract with local governments for their share of the costs to dispatch emergency calls. The district requires approval of the Roane County Commission to incur long-term debt.

The district began collecting telephone user fees as of January 1, 1991. The district completed mapping the emergency communications district and began operations March 1, 1995.

2. Basis of Accounting

The financial statements of the district are accounted for on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred.

The district complies with all relevant Governmental Accounting Standards Board (GASB) pronouncements issued subsequent to November 30, 1989, and does not follow any FASB guidance issued subsequent to that date.

3. Assets, Liabilities, and Net Assets

a. Cash and Cash Equivalents

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

b. Receivables and Payables

Accounts receivable consist of the service fees collected by Bell South, State of Tennessee wireless fees, and other phone service fees due to the district during each month. All fees are remitted to the district less a small collection fee; therefore, no provision is made for uncollectible accounts.

c. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items when paid, and expensed in the applicable future accounting period.

d. Capital Assets

Capital assets, which include land, buildings, communications equipment, furniture and fixtures, and transportation equipment are recorded at cost if purchased or constructed. These assets are depreciated using the straight-line method over the following estimated useful lives of the assets:

Assets	Years
Buildings	30-40
Communications Equipment	5-15
Furniture & Fixtures	5-10
Transportation Equipment	5

Maintenance and repairs are charged to operations as incurred; major renewals and betterments are capitalized. When capital assets are sold, the related costs and accumulated depreciation are removed from the respective accounts, and any gain or loss is charged or credited to operations.

e. Intangibles

Intangible assets are stated at cost and are amortized over 60 months using the straight-line method.

f. Budget

The district adopted an operating budget prepared on the modified accrual basis.

g. Compensated Absences Payable

It is the district's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The sick leave is accumulated at one-half day per month up to 240 hours. There is no liability for unpaid accumulated sick leave since it is the district's policy that, upon separation or retirement, employees do not receive any payment for unused sick time. Vacation leave is earned at a rate of one-half day per month through the six months probation period and one day per month thereafter. Employees are permitted to accrue vacation time up to a maximum of 160 hours.

As of June 30, 2005, the compensated absences payable was $10,455.

h. Fee Income

Emergency telephone user service fees are recognized on the accrual basis. They are recorded when received, but allocated to the period for which the service providers collected them.

i. Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

B. Budgetary Information

As required by state statutes, the district adopts an annual operating budget. Accounting principles used in developing data an a budgetary basis differ from those used in preparing financial statements in conformity with accounting principles generally accepted in the United States of America.

C. Restricted Fund Accounts

The Operations and Maintenance Fund was established per a bond agreement to supplement normal operations and maintenance, if necessary.

On May 30, 2003, all bonds were paid in full, thereby releasing restrictions on many cash funds.

D. Cash and Investments

Cash on the balance sheet includes cash on hand and deposits with financial institutions including demand deposits and passbook savings. Investments are certificates of deposit and are carried at cost, which approximates market value. The district considers short-term, highly liquid investments with maturity of three months or less to be cash or cash equivalents. The carrying amounts of the district's deposits (cash and certificates of deposit) with financial institutions amounted to $296,110 at June 30, 2005. The bank balances are summarized as follows:

	6-30-05
Amounts insured with FDIC	$ 160,851
Amounts insured by the State of Tennessee collateral pool	204,479
Total	$ 365,330

Banks shall be fully insured by the Federal Depository Insurance Corporation (FDIC). In addition, accounts with balances in excess of FDIC insurance levels must participate in the bank collateral pool administered by the Treasurer of the State of Tennessee. At June 30, 2005, all deposits of the district were either fully insured or held in financial institutions that participate in the Tennessee Bank Collateral Pool administered by the Treasurer's Office of the State of Tennessee.

State statutes authorize the district to invest in obligations of the federal government, federal agencies, state government, state investment pool, certificates of deposit, and other time deposits and repurchase agreements. The district's investment policies are in accordance with state law which outlines authorized investments for emergency communications districts in Tennessee Code Annotated, Section 5-8-301. The district's policy is to limit investments to certificates of deposit for a maximum length of three years. The district places no limit on the amount that the district may invest with any one issuer.

E. Capital Assets

A summary of capital assets as of June 30, 2005, follows:

	2005
Capital assets being depreciated:	
Beginning of year, 7-1-04	$ 569,175
Additions during the year	167,644
Retirements during the year	(331)
End of year	$ 736,488
Less accumulated depreciation	(264,112)
Total	$ 472,376

F. Depreciation Expense

Depreciation expense for the year ended June 30, 2005, is summarized as follows:

	2005
Building	$ 9,414
Vehicle	4,437
Office Equipment	4,641
Communications Equipment	21,191
Total	$ 39,683

G. Intangibles

The district's intangibles consist of the initial cost of mapping the district prior to March 1, 1995. The mapping cost was fully amortized as of June 30, 2003.

During 2001, the district acquired and implemented a new Computer Assisted Drawing system costing $102,694. The system's cost will be amortized over five years using the straight-line method. Amortization expense totaled $20,539 for the year ended June 30, 2005.

H. Contract With Local Governments

The district has entered into five contracts with local governments to provide 24-hour dispatching services. Each contract is payable on the first of each month for one-twelfth of the annual contract. Amounts of each contract for the year ended June 30, 2005, are as follows:

	2005 Contract Amount
The City of Harriman	$ 52,694
Roane County Ambulance Service	64,088
Roane County Sheriff's Department	85,451
The City of Kingston	34,182
The City of Rockwood	39,876
The City of Midtown	0
Total	$ 276,291

I. Retirement Plan

1. Plan Description

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

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

2. Funding Policy

Roane County Emergency Communications District requires employees to contribute five percent of earnable compensation. Roane County Emergency Communications District is required to contribute at an actuarially determined rate; the rate for fiscal year ended June 30, 2005, was 4.86 percent of annual covered payroll. The contribution requirements of plan members are set by state statute. The contribution requirement for Roane County Emergency Communications District is established and may be amended by the TCRS Board of Trustees.

3. Annual Pension Cost

For the year ended June 30, 2005, Roane County Emergency Communications District's annual pension cost of $20,533 to TCRS was equal to Roane County Emergency Communications District's required and actual contributions. The required contribution was determined as part of July 1, 2003, actuarial valuation using the frozen initial liability actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post-retirement increases of three annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period.

Roane County Emergency Communications District's unfunded actuarial liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2004, was 20 years.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-05	$ 20,533	100%	$ 0
6-30-04	19,683	100	0
6-30-03	18,379	100	0

Schedule of Funding Progress for Roane County Emergency Communications District:

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) – (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7-1-03	$ 178	$ 229	$ 51	77.73%	$ 324	15.74%
7-1-01	109	137	28	79.56	244	11.48
7-1-99	79	86	7	91.86	199	3.52

J. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. The district carries commercial general liability insurance coverage as well as workmens' compensation, fire and theft insurance, and employee fidelity bonds. The district has incurred no material uninsured losses in the last five years. There have been no reductions in insurance coverage.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 6,111,043	$ 0	$ 0	$ 6,111,043	$ 5,996,100	$ 5,996,700	$ 114,343
Licenses and Permits	240,003	0	0	240,003	234,500	234,500	5,503
Fines, Forfeitures, and Penalties	169,188	0	0	169,188	213,000	213,700	(44,512)
Charges for Current Services	107,657	0	0	107,657	73,100	107,300	357
Other Local Revenues	45,998	0	0	45,998	26,250	39,150	6,848
Fees Received from County Officials	1,836,117	0	0	1,836,117	1,833,500	1,833,500	2,617
State of Tennessee	585,109	0	0	585,109	1,011,203	1,218,899	(633,790)
Federal Government	1,088,316	0	0	1,088,316	551,400	1,389,142	(300,826)
Other Governments and Citizens Groups	37,790	0	0	37,790	19,775	32,239	5,551
Total Revenues	$ 10,221,221	$ 0	$ 0	$ 10,221,221	$ 9,958,828	$ 11,065,130	$ (843,909)
Expenditures							
General Government							
County Commission	$ 37,525	$ 0	$ 0	$ 37,525	$ 44,374	$ 44,374	$ 6,849
Board of Equalization	6,500	0	0	6,500	5,400	6,700	200
Beer Board	1,628	0	0	1,628	3,050	3,050	1,422
Budget and Finance Committee	7,718	0	0	7,718	9,550	9,550	1,832
Other Boards and Committees	34,636	0	0	34,636	35,000	35,000	364
County Mayor/County Executive	164,446	0	0	164,446	163,145	167,532	3,086
County Attorney	78,994	0	0	78,994	78,359	78,994	0
Election Commission	225,344	(8,187)	400	217,557	251,965	271,282	53,725
Register of Deeds	176,244	(2,582)	8,313	181,975	194,445	196,542	14,567
Planning	125,653	(137)	0	125,516	125,887	126,947	1,431
County Buildings	301,619	(34,751)	21,393	288,261	292,371	320,802	32,541
Other General Administration	30,794	0	0	30,794	34,200	34,200	3,406
Preservation of Records	55,029	(972)	0	54,057	54,532	54,991	934

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Finance							
Accounting and Budgeting	$ 233,010	$ 0	$ 0	$ 233,010	$ 234,267	$ 235,175	$ 2,165
Purchasing	100,233	(681)	347	99,899	100,452	101,112	1,213
Property Assessor's Office	334,892	(53,201)	50,214	331,905	348,285	349,192	17,287
Reappraisal Program	117,992	(4,824)	3,273	116,441	120,345	120,345	3,904
County Trustee's Office	175,070	(4,704)	0	170,366	187,919	188,827	18,461
County Clerk's Office	328,853	(401)	4,970	333,422	322,751	341,294	7,872
Administration of Justice							
Circuit Court	109,788	(461)	546	109,873	124,214	125,122	15,249
General Sessions Court	251,455	(405)	208	251,258	264,028	264,028	12,770
General Sessions Judge	270,480	0	0	270,480	268,346	274,128	3,648
Chancery Court	175,954	(480)	855	176,329	186,829	187,737	11,408
Juvenile Court	215,109	(2,400)	800	213,509	161,690	218,057	4,548
Other Administration of Justice	19,050	0	0	19,050	24,875	24,875	5,825
Public Safety							
Sheriff's Department	1,624,240	(26,983)	2,004	1,599,261	1,604,417	1,616,217	16,956
Jail	1,197,220	(16,800)	17,881	1,198,301	1,106,028	1,217,094	18,793
Fire Prevention and Control	179,500	0	0	179,500	179,500	179,500	0
Civil Defense	520,623	(28,490)	130,054	622,187	353,165	783,605	161,418
Rescue Squad	30,000	0	0	30,000	30,000	30,000	0
Other Emergency Management	3,538	(1,029)	9,270	11,779	12,275	12,275	496
County Coroner/Medical Examiner	33,232	0	0	33,232	23,400	37,900	4,668
Other Public Safety	2,296	0	0	2,296	7,500	7,500	5,204
Public Health and Welfare							
Local Health Center	285,026	(6,523)	224	278,727	293,167	295,742	17,015
Rabies and Animal Control	44,244	0	0	44,244	40,000	45,000	756
Maternal and Child Health Services	2,780	0	0	2,780	2,780	2,780	0

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Public Health and Welfare (Cont.)							
Dental Health Program	$ 82,817	$ (1,862)	$ 0	$ 80,955	$ 175,300	$ 128,383	$ 47,428
Appropriation to State	0	0	0	0	52,781	52,781	52,781
Other Local Welfare Services	89,670	0	0	89,670	85,123	89,670	0
Sanitation Management	34,838	(648)	0	34,190	37,540	37,540	3,350
Social, Cultural, and Recreational Services							
Libraries	18,184	0	988	19,172	19,300	19,300	128
Parks and Fair Boards	100,510	(21,576)	1,295	80,229	296,203	318,869	238,640
Agriculture & Natural Resources							
Agriculture Extension Service	75,121	0	0	75,121	75,325	75,325	204
Soil Conservation	26,152	0	0	26,152	27,665	27,743	1,591
Other Operations							
Industrial Development	609,541	(3,687)	2,797	608,651	550,000	722,933	114,282
Veterans' Services	3,000	0	0	3,000	4,000	4,000	1,000
Employee Benefits	1,478,607	0	0	1,478,607	1,526,700	1,526,700	48,093
Miscellaneous	795,391	(22,665)	387,436	1,160,162	765,549	1,272,058	111,896
Highways							
Litter and Trash Collection	57,314	0	0	57,314	51,000	51,000	(6,314)
Total Expenditures	$ 10,871,860	$ (244,449)	$ 643,268	$ 11,270,679	$ 10,954,997	$ 12,333,771	$ 1,063,092
Excess (Deficiency) of Revenues Over Expenditures	$ (650,639)	$ 244,449	$ (643,268)	$ (1,049,458)	$ (996,169)	$ (1,268,641)	$ 219,183
Other Financing Sources (Uses)							
Notes Issued	$ 0	$ 0	$ 0	$ 0	$ 411,000	$ 0	$ 0
Transfers In	661,000	0	0	661,000	250,000	661,000	0
Transfers Out	(200,000)	0	0	(200,000)	(148,000)	(200,000)	0
Total Other Financing Sources (Uses)	$ 461,000	$ 0	$ 0	$ 461,000	$ 513,000	$ 461,000	$ 0

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Net Change in Fund Balance	$ (189,639)	$ 244,449	$ (643,268)	$ (588,458)	$ (483,169)	$ (807,641)	$ 219,183
Fund Balance, July 1, 2004	2,563,302	(244,449)	0	2,318,853	2,368,987	2,368,987	(50,134)
Fund Balance, June 30, 2005	$ 2,373,663	$ 0	$ (643,268)	$ 1,730,395	$ 1,885,818	$ 1,561,346	$ 169,049

Exhibit F-2

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Ambulance Service Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 5	$ 0	$ 0	$ 5	$ 0	$ 0	$ 5
Charges for Current Services	2,356,332	0	0	2,356,332	2,046,964	2,082,039	274,293
Total Revenues	$ 2,356,337	$ 0	$ 0	$ 2,356,337	$ 2,046,964	$ 2,082,039	$ 274,298
Expenditures							
Public Health and Welfare							
Ambulance/Emergency Medical Services	$ 2,032,855	$ (3,690)	$ 5,009	$ 2,034,174	$ 2,105,441	$ 2,179,658	$ 145,484
Total Expenditures	$ 2,032,855	$ (3,690)	$ 5,009	$ 2,034,174	$ 2,105,441	$ 2,179,658	$ 145,484
Excess (Deficiency) of Revenues Over Expenditures	$ 323,482	$ 3,690	$ (5,009)	$ 322,163	$ (58,477)	$ (97,619)	$ 419,782
Net Change in Fund Balance	$ 323,482	$ 3,690	$ (5,009)	$ 322,163	$ (58,477)	$ (97,619)	$ 419,782
Fund Balance, July 1, 2004	695,055	(3,690)	0	691,365	836,041	836,041	(144,676)
Fund Balance, June 30, 2005	$ 1,018,537	$ 0	$ (5,009)	$ 1,013,528	$ 777,564	$ 738,422	$ 275,106

Exhibit F-3

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 911,845	$ 0	$ 911,845	$ 872,000	$ 925,300	$ (13,455)
Charges for Current Services	748	0	748	2,000	2,000	(1,252)
Other Local Revenues	40,482	0	40,482	28,500	59,200	(18,718)
State of Tennessee	1,946,715	0	1,946,715	2,069,502	2,019,502	(72,787)
Federal Government	63,862	0	63,862	41,500	91,500	(27,638)
Total Revenues	$ 2,963,652	$ 0	$ 2,963,652	$ 3,013,502	$ 3,097,502	$ (133,850)
Expenditures						
Highways						
Administration	$ 144,716	$ 0	$ 144,716	$ 143,746	$ 146,356	$ 1,640
Highway and Bridge Maintenance	1,703,223	(3,918)	1,699,305	1,752,710	1,742,126	42,821
Operation and Maintenance of Equipment	325,334	0	325,334	295,646	327,584	2,250
Traffic Control	32,128	0	32,128	33,994	32,994	866
Other Charges	207,523	0	207,523	195,250	210,450	2,927
Employee Benefits	311,918	0	311,918	353,475	340,575	28,657
Capital Outlay	76,667	0	76,667	93,000	77,000	333
Total Expenditures	$ 2,801,509	$ (3,918)	$ 2,797,591	$ 2,867,821	$ 2,877,085	$ 79,494
Excess (Deficiency) of Revenues Over Expenditures	$ 162,143	$ 3,918	$ 166,061	$ 145,681	$ 220,417	$ (54,356)
Other Financing Sources (Uses)						
Transfers Out	$ (121,772)	$ 0	$ (121,772)	$ (121,772)	$ (121,772)	$ 0
Total Other Financing Sources (Uses)	$ (121,772)	$ 0	$ (121,772)	$ (121,772)	$ (121,772)	$ 0

(Continued)

Exhibit F-3

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Net Change in Fund Balance	$ 40,371	$ 3,918	$ 44,289	$ 23,909	$ 98,645	$ (54,356)
Fund Balance, July 1, 2004	182,884	(3,918)	178,966	180,535	180,535	(1,569)
Fund Balance, June 30, 2005	$ 223,255	$ 0	$ 223,255	$ 204,444	$ 279,180	$ (55,925)

ROANE COUNTY, TENNESSEE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2005

BUDGETARY INFORMATION

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

The budgetary level of control is at the major category level established by the State Uniform Chart of Accounts as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, 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 generally accepted accounting principles (GAAP), except instances in which encumbrances are treated as budgeted expenditures. Therefore, actual amounts in the accompanying budgetary statements for the major funds are presented on this budgetary basis. A reconciliation of the differences between the budgetary basis and the GAAP basis is presented on the face of each budgetary statement.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

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

Urban Services Fund – The Urban Services Fund is used to account for transactions of the Roane County Animal Shelter.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of the Roane County Solid Waste Program other than landfill operations.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for transactions relating to the promotion of tourism in Roane County and for certain industrial transactions of the county.

Local Purpose Tax Fund – The Local Purpose Tax Fund was established to account for transactions related to funding received for in-lieu-of tax payments from the U. S. Department of Energy.

Special Purpose Fund – The Special Purpose Fund is used to account for transactions related to the treatment of wastewater.

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

District Attorney General Fund – The District Attorney General Fund is used to account for revenues received for the benefit of the Office of District Attorney General.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions related to the operations of the recycling center and transactions for postclosure care cost of the landfill.

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

Debt Service Fund

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

Education Debt Service Fund – The Education Debt Service Fund is used to account for the accumulation of resources for, and the payment of debt principal, interest, and related costs of the Harriman City School Debt that was assumed in the school consolidation on July 1, 2003.

Capital Projects Fund

Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for road construction and renovations of the county road system.

Permanent Fund

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the government's programs.

Endowment Fund – The Endowment Fund is used to account for an endowment received by the county for which the principal amount must remain intact while interest earned on the principal may be expended for restricted purposes.

Exhibit G-1

Roane County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2005

	Special Revenue Funds						
	Urban Services	Solid Waste / Sanitation	Industrial / Economic Development	Local Purpose Tax	Special Purpose	Drug Control	District Attorney General
ASSETS							
Cash	$ 0	$ 0	$ 0	$ 0	$ 200	$ 0	$ 0
Equity in Pooled Cash and Investments	82,862	566,235	669,007	9,909	372,460	22,044	1,843
Accounts Receivable	0	0	10,878	0	45,517	0	0
Due from Other Governments	0	48,627	0	0	0	0	306
Due from Other Funds	0	0	0	0	0	0	0
Property Taxes Receivable	0	341,305	192,149	0	0	0	0
Allowance for Uncollectible Property Taxes	0	(18,243)	(10,384)	0	0	0	0
Total Assets	$ 82,862	$ 937,924	$ 861,650	$ 9,909	$ 418,177	$ 22,044	$ 2,149
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 1,858	$ 45,200	$ 214,003	$ 0	$ 3,534	$ 0	$ 0
Accrued Payroll	4,206	8,458	0	0	3,667	0	0
Due to Other Funds	0	1,488	0	0	0	0	0
Deferred Revenue - Current Property Taxes	0	305,624	175,766	0	0	0	0
Deferred Revenue - Delinquent Property Taxes	0	16,498	5,383	0	0	0	0
Other Deferred Revenues	0	48,627	0	0	0	0	0
Total Liabilities	$ 6,064	$ 425,895	$ 395,152	$ 0	$ 7,201	$ 0	$ 0
Fund Balances							
Reserved for Encumbrances	$ 0	$ 5,388	$ 90,888	$ 0	$ 9,567	$ 0	$ 0
Unreserved	76,798	506,641	375,610	9,909	401,409	22,044	2,149
Total Fund Balances	$ 76,798	$ 512,029	$ 466,498	$ 9,909	$ 410,976	$ 22,044	$ 2,149
Total Liabilities and Fund Balances	$ 82,862	$ 937,924	$ 861,650	$ 9,909	$ 418,177	$ 22,044	$ 2,149

(Continued)

Exhibit G-1

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

	Special Revenue Funds (Cont.)			Debt Service Fund	Capital Projects Fund	Permanent Fund	
	Other Special Revenue	Constitutional Officers - Fees	Total	Education Debt Service	Highway Capital Projects	Endowment	Total Nonmajor Governmental Funds
ASSETS							
Cash	$ 200	$ 35,071	$ 35,471	$ 0	$ 0	$ 0	$ 35,471
Equity in Pooled Cash and Investments	316,340	0	2,040,700	208,601	78,360	20,397	2,348,058
Accounts Receivable	7,752	411	64,558	0	0	0	64,558
Due from Other Governments	0	0	48,933	0	0	0	48,933
Due from Other Funds	1,488	0	1,488	0	0	0	1,488
Property Taxes Receivable	239,632	0	773,086	419,925	0	0	1,193,011
Allowance for Uncollectible Property Taxes	(12,726)	0	(41,353)	(21,971)	0	0	(63,324)
Total Assets	$ 552,686	$ 35,482	$ 2,922,883	$ 606,555	$ 78,360	$ 20,397	$ 3,628,195
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 3,536	$ 0	$ 268,131	$ 0	$ 0	$ 0	$ 268,131
Accrued Payroll	2,127	0	18,458	0	0	0	18,458
Due to Other Funds	0	35,482	36,970	0	0	0	36,970
Deferred Revenue - Current Property Taxes	219,706	0	701,096	383,995	0	0	1,085,091
Deferred Revenue - Delinquent Property Taxes	6,460	0	28,341	12,738	0	0	41,079
Other Deferred Revenues	0	0	48,627	0	0	0	48,627
Total Liabilities	$ 231,829	$ 35,482	$ 1,101,623	$ 396,733	$ 0	$ 0	$ 1,498,356
Fund Balances							
Reserved for Encumbrances	$ 7,456	$ 0	$ 113,299	$ 0	$ 0	$ 0	$ 113,299
Unreserved	313,401	0	1,707,961	209,822	78,360	20,397	2,016,540
Total Fund Balances	$ 320,857	$ 0	$ 1,821,260	$ 209,822	$ 78,360	$ 20,397	$ 2,129,839
Total Liabilities and Fund Balances	$ 552,686	$ 35,482	$ 2,922,883	$ 606,555	$ 78,360	$ 20,397	$ 3,628,195

Exhibit G-2

Roane County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2005

	Special Revenue Funds						
	Urban Services	Solid Waste / Sanitation	Industrial / Economic Development	Local Purpose Tax	Special Purpose	Drug Control	District Attorney General
Revenues							
Local Taxes	$ 0	$ 629,362	$ 295,700	$ 726,162	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	0	29,279	17,339
Charges for Current Services	85,231	0	0	0	379,916	0	0
Other Local Revenues	8,925	0	37,480	0	10	4,400	0
State of Tennessee	0	415,000	11,164	0	0	0	0
Federal Government	0	0	362,677	0	0	0	0
Total Revenues	$ 94,156	$ 1,044,362	$ 707,021	$ 726,162	$ 379,926	$ 33,679	$ 17,339
Expenditures							
Current:							
Administration of Justice	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 18,992
Public Safety	0	0	0	0	0	40,318	0
Public Health and Welfare	236,595	1,043,089	0	0	290,618	0	0
Other Operations	0	0	1,082,861	0	0	0	0
Debt Service:							
Debt Service Principal	0	0	0	0	0	0	0
Debt Service Interest	0	0	0	0	0	0	0
Other Debt Service	0	0	0	0	0	0	0
Capital Projects	0	0	0	0	0	0	0
Total Expenditures	$ 236,595	$ 1,043,089	$ 1,082,861	$ 0	$ 290,618	$ 40,318	$ 18,992
Excess (Deficiency) of Revenues Over Expenditures	$ (142,439)	$ 1,273	$ (375,840)	$ 726,162	$ 89,308	$ (6,639)	$ (1,653)
Other Financing Sources (Uses)							
Transfers In	$ 148,000	$ 0	$ 106,000	$ 0	$ 0	$ 0	$ 0
Transfers Out	0	0	0	(978,000)	(42,756)	0	0
Total Other Financing Sources (Uses)	$ 148,000	$ 0	$ 106,000	$ (978,000)	$ (42,756)	$ 0	$ 0
Net Change in Fund Balances	$ 5,561	$ 1,273	$ (269,840)	$ (251,838)	$ 46,552	$ (6,639)	$ (1,653)
Fund Balance, July 1, 2004	71,237	510,756	736,338	261,747	364,424	28,683	3,802
Fund Balance, June 30, 2005	$ 76,798	$ 512,029	$ 466,498	$ 9,909	$ 410,976	$ 22,044	$ 2,149

(Continued)

Exhibit G-2

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

	Special Revenue Funds (Cont.)			Debt Service Fund	Capital Projects Fund	Permanent Fund	
	Other Special Revenue	Constitu - tional Officers - Fees	Total	Education Debt Service	Highway Capital Projects	Endowment	Total Nonmajor Governmental Funds
Revenues							
Local Taxes	$ 215,033	$ 0	$ 1,866,257	$ 366,961	$ 0	$ 0	$ 2,233,218
Fines, Forfeitures, and Penalties	0	0	46,618	0	0	0	46,618
Charges for Current Services	44,889	5,718	515,754	0	0	0	515,754
Other Local Revenues	94,899	0	145,714	3,719	3,106	397	152,936
State of Tennessee	34,424	0	460,588	0	0	0	460,588
Federal Government	28,366	0	391,043	0	0	0	391,043
Total Revenues	$ 417,611	$ 5,718	$ 3,425,974	$ 370,680	$ 3,106	$ 397	$ 3,800,157
Expenditures							
Current:							
Administration of Justice	$ 0	$ 5,718	$ 24,710	$ 0	$ 0	$ 0	$ 24,710
Public Safety	0	0	40,318	0	0	0	40,318
Public Health and Welfare	376,812	0	1,947,114	0	0	0	1,947,114
Other Operations	0	0	1,082,861	0	0	224	1,083,085
Debt Service:							
Debt Service Principal	0	0	0	215,000	0	0	215,000
Debt Service Interest	0	0	0	48,575	0	0	48,575
Other Debt Service	0	0	0	7,363	0	0	7,363
Capital Projects	0	0	0	0	102,514	0	102,514
Total Expenditures	$ 376,812	$ 5,718	$ 3,095,003	$ 270,938	$ 102,514	$ 224	$ 3,468,679
Excess (Deficiency) of Revenues Over Expenditures	$ 40,799	$ 0	$ 330,971	$ 99,742	$ (99,408)	$ 173	$ 331,478
Other Financing Sources (Uses)							
Transfers In	$ 0	$ 0	$ 254,000	$ 0	$ 0	$ 0	$ 254,000
Transfers Out	0	0	(1,020,756)	0	0	0	(1,020,756)
Total Other Financing Sources (Uses)	$ 0	$ 0	$ (766,756)	$ 0	$ 0	$ 0	$ (766,756)
Net Change in Fund Balances	$ 40,799	$ 0	$ (435,785)	$ 99,742	$ (99,408)	$ 173	$ (435,278)
Fund Balance, July 1, 2004	280,058	0	2,257,045	110,080	177,768	20,224	2,565,117
Fund Balance, June 30, 2005	$ 320,857	$ 0	$ 1,821,260	$ 209,822	$ 78,360	$ 20,397	$ 2,129,839

Exhibit G-3

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Urban Services Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Charges for Current Services	$ 85,231	$ 0	$ 85,231	$ 80,250	$ 92,150	$ (6,919)
Other Local Revenues	8,925	0	8,925	9,000	9,000	(75)
Total Revenues	$ 94,156	$ 0	$ 94,156	$ 89,250	$ 101,150	$ (6,994)
Expenditures						
Public Health and Welfare						
Rabies and Animal Control	$ 236,595	$ (752)	$ 235,843	$ 246,186	$ 253,067	$ 17,224
Total Expenditures	$ 236,595	$ (752)	$ 235,843	$ 246,186	$ 253,067	$ 17,224
Excess (Deficiency) of Revenues Over Expenditures	$ (142,439)	$ 752	$ (141,687)	$ (156,936)	$ (151,917)	$ 10,230
Other Financing Sources (Uses)						
Transfers In	$ 148,000	$ 0	$ 148,000	$ 148,000	$ 148,000	$ 0
Total Other Financing Sources (Uses)	$ 148,000	$ 0	$ 148,000	$ 148,000	$ 148,000	$ 0
Net Change in Fund Balance	$ 5,561	$ 752	$ 6,313	$ (8,936)	$ (3,917)	$ 10,230
Fund Balance, July 1, 2004	71,237	(752)	70,485	70,485	70,485	0
Fund Balance, June 30, 2005	$ 76,798	$ 0	$ 76,798	$ 61,549	$ 66,568	$ 10,230

Exhibit G-4

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 629,362	$ 0	$ 0	$ 629,362	$ 617,500	$ 617,500	$ 11,862
State of Tennessee	415,000	0	0	415,000	415,000	415,000	0
Total Revenues	$ 1,044,362	$ 0	$ 0	$ 1,044,362	$ 1,032,500	$ 1,032,500	$ 11,862
Expenditures							
Public Health and Welfare							
Convenience Centers	$ 1,043,089	$ (107,180)	$ 5,388	$ 941,297	$ 1,040,295	$ 1,090,548	$ 149,251
Total Expenditures	$ 1,043,089	$ (107,180)	$ 5,388	$ 941,297	$ 1,040,295	$ 1,090,548	$ 149,251
Excess (Deficiency) of Revenues Over Expenditures	$ 1,273	$ 107,180	$ (5,388)	$ 103,065	$ (7,795)	$ (58,048)	$ 161,113
Other Financing Sources (Uses)							
Transfers Out	$ 0	$ 0	$ 0	$ 0	$ (30,000)	$ 0	$ 0
Total Other Financing Sources (Uses)	$ 0	$ 0	$ 0	$ 0	$ (30,000)	$ 0	$ 0
Net Change in Fund Balance	$ 1,273	$ 107,180	$ (5,388)	$ 103,065	$ (37,795)	$ (58,048)	$ 161,113
Fund Balance, July 1, 2004	510,756	(107,180)	0	403,576	402,274	402,274	1,302
Fund Balance, June 30, 2005	$ 512,029	$ 0	$ (5,388)	$ 506,641	$ 364,479	$ 344,226	$ 162,415

Exhibit G-5

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 295,700	$ 0	$ 0	$ 295,700	$ 310,500	$ 310,500	$ (14,800)
Other Local Revenues	37,480	0	0	37,480	0	38,000	(520)
State of Tennessee	11,164	0	0	11,164	478,569	148,001	(136,837)
Federal Government	362,677	0	0	362,677	0	362,677	0
Total Revenues	$ 707,021	$ 0	$ 0	$ 707,021	$ 789,069	$ 859,178	$ (152,157)
Expenditures							
Other Operations							
Industrial Development	$ 1,082,861	$ (622,914)	$ 90,888	$ 550,835	$ 1,372,113	$ 1,596,516	$ 1,045,681
Total Expenditures	$ 1,082,861	$ (622,914)	$ 90,888	$ 550,835	$ 1,372,113	$ 1,596,516	$ 1,045,681
Excess (Deficiency) of Revenues Over Expenditures	$ (375,840)	$ 622,914	$ (90,888)	$ 156,186	$ (583,044)	$ (737,338)	$ 893,524
Other Financing Sources (Uses)							
Transfers In	$ 106,000	$ 0	$ 0	$ 106,000	$ 0	$ 106,000	$ 0
Total Other Financing Sources (Uses)	$ 106,000	$ 0	$ 0	$ 106,000	$ 0	$ 106,000	$ 0
Net Change in Fund Balance	$ (269,840)	$ 622,914	$ (90,888)	$ 262,186	$ (583,044)	$ (631,338)	$ 893,524
Fund Balance, July 1, 2004	736,338	(622,914)	0	113,424	892,332	892,332	(778,908)
Fund Balance, June 30, 2005	$ 466,498	$ 0	$ (90,888)	$ 375,610	$ 309,288	$ 260,994	$ 114,616

Exhibit G-6

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Local Purpose Tax Fund
For the Year Ended June 30, 2005

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 726,162	$ 728,000	$ 728,000	$ (1,838)
Total Revenues	$ 726,162	$ 728,000	$ 728,000	$ (1,838)
Excess (Deficiency) of Revenues Over Expenditures	$ 726,162	$ 728,000	$ 728,000	$ (1,838)
Other Financing Sources (Uses)				
Transfers Out	$ (978,000)	$ (978,000)	$ (978,000)	$ 0
Total Other Financing Sources (Uses)	$ (978,000)	$ (978,000)	$ (978,000)	$ 0
Net Change in Fund Balance	$ (251,838)	$ (250,000)	$ (250,000)	$ (1,838)
Fund Balance, July 1, 2004	261,747	261,747	261,747	0
Fund Balance, June 30, 2005	$ 9,909	$ 11,747	$ 11,747	$ (1,838)

Exhibit G-7

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Special Purpose Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Charges for Current Services	$ 379,916	$ 0	$ 0	$ 379,916	$ 326,500	$ 390,500	$ (10,584)
Other Local Revenues	10	0	0	10	0	100	(90)
State of Tennessee	0	0	0	0	56,534	0	0
Federal Government	0	0	0	0	0	56,534	(56,534)
Total Revenues	$ 379,926	$ 0	$ 0	$ 379,926	$ 383,034	$ 447,134	$ (67,208)
Expenditures							
Public Health and Welfare							
Other Waste Collection	$ 290,618	$ (25,088)	$ 9,567	$ 275,097	$ 311,819	$ 363,660	$ 88,563
Total Expenditures	$ 290,618	$ (25,088)	$ 9,567	$ 275,097	$ 311,819	$ 363,660	$ 88,563
Excess (Deficiency) of Revenues Over Expenditures	$ 89,308	$ 25,088	$ (9,567)	$ 104,829	$ 71,215	$ 83,474	$ 21,355
Other Financing Sources (Uses)							
Transfers Out	$ (42,756)	$ 0	$ 0	$ (42,756)	$ (50,764)	$ (50,764)	$ 8,008
Total Other Financing Sources (Uses)	$ (42,756)	$ 0	$ 0	$ (42,756)	$ (50,764)	$ (50,764)	$ 8,008
Net Change in Fund Balance	$ 46,552	$ 25,088	$ (9,567)	$ 62,073	$ 20,451	$ 32,710	$ 29,363
Fund Balance, July 1, 2004	364,424	(25,088)	0	339,336	338,835	338,835	501
Fund Balance, June 30, 2005	$ 410,976	$ 0	$ (9,567)	$ 401,409	$ 359,286	$ 371,545	$ 29,864

Exhibit G-8

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Fines, Forfeitures, and Penalties	$ 29,279	$ 0	$ 29,279	$ 26,200	$ 28,900	$ 379
Other Local Revenues	4,400	0	4,400	2,500	5,500	(1,100)
Total Revenues	$ 33,679	$ 0	$ 33,679	$ 28,700	$ 34,400	$ (721)
Expenditures						
Public Safety						
Sheriff's Department	$ 40,318	$ (2,671)	$ 37,647	$ 40,700	$ 40,700	$ 3,053
Total Expenditures	$ 40,318	$ (2,671)	$ 37,647	$ 40,700	$ 40,700	$ 3,053
Excess (Deficiency) of Revenues Over Expenditures	$ (6,639)	$ 2,671	$ (3,968)	$ (12,000)	$ (6,300)	$ 2,332
Net Change in Fund Balance	$ (6,639)	$ 2,671	$ (3,968)	$ (12,000)	$ (6,300)	$ 2,332
Fund Balance, July 1, 2004	28,683	(2,671)	26,012	26,012	26,012	0
Fund Balance, June 30, 2005	$ 22,044	$ 0	$ 22,044	$ 14,012	$ 19,712	$ 2,332

Exhibit G-9

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
District Attorney General Fund
For the Year Ended June 30, 2005

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Fines, Forfeitures, and Penalties	$ 17,339	$ 64,000	$ 64,000	$ (46,661)
Total Revenues	$ 17,339	$ 64,000	$ 64,000	$ (46,661)
Expenditures				
Administration of Justice				
District Attorney General	$ 18,992	$ 63,559	$ 63,559	$ 44,567
Total Expenditures	$ 18,992	$ 63,559	$ 63,559	$ 44,567
Excess (Deficiency) of Revenues Over Expenditures	$ (1,653)	$ 441	$ 441	$ (2,094)
Net Change in Fund Balance	$ (1,653)	$ 441	$ 441	$ (2,094)
Fund Balance, July 1, 2004	3,802	3,801	3,801	1
Fund Balance, June 30, 2005	$ 2,149	$ 4,242	$ 4,242	$ (2,093)

Exhibit G-10

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 215,033	$ 0	$ 0	$ 215,033	$ 213,600	$ 220,100	$ (5,067)
Charges for Current Services	44,889	0	0	44,889	57,600	57,600	(12,711)
Other Local Revenues	94,899	0	0	94,899	48,450	85,500	9,399
State of Tennessee	34,424	0	0	34,424	39,681	39,681	(5,257)
Federal Government	28,366	0	0	28,366	0	28,400	(34)
Total Revenues	$ 417,611	$ 0	$ 0	$ 417,611	$ 359,331	$ 431,281	$ (13,670)
Expenditures							
Public Health and Welfare							
Recycling Center	$ 311,429	$ (6,931)	$ 3,072	$ 307,570	$ 289,862	$ 315,838	$ 8,268
Postclosure Care Costs	65,383	0	4,384	69,767	91,000	91,000	21,233
Total Expenditures	$ 376,812	$ (6,931)	$ 7,456	$ 377,337	$ 380,862	$ 406,838	$ 29,501
Excess (Deficiency) of Revenues Over Expenditures	$ 40,799	$ 6,931	$ (7,456)	$ 40,274	$ (21,531)	$ 24,443	$ 15,831
Net Change in Fund Balance	$ 40,799	$ 6,931	$ (7,456)	$ 40,274	$ (21,531)	$ 24,443	$ 15,831
Fund Balance, July 1, 2004	280,058	(6,931)	0	273,127	289,022	289,022	(15,895)
Fund Balance, June 30, 2005	$ 320,857	$ 0	$ (7,456)	$ 313,401	$ 267,491	$ 313,465	$ (64)

Exhibit G-11

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Education Debt Service Fund
For the Year Ended June 30, 2005

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 366,961	$ 356,000	$ 377,200	$ (10,239)
Other Local Revenues	3,719	0	2,500	1,219
Total Revenues	$ 370,680	$ 356,000	$ 379,700	$ (9,020)
Expenditures				
Debt Service Principal				
Education	$ 215,000	$ 215,000	$ 215,000	$ 0
Debt Service Interest				
Education	48,575	48,575	48,575	0
Other Debt Service				
Education	7,363	7,000	10,000	2,637
Total Expenditures	$ 270,938	$ 270,575	$ 273,575	$ 2,637
Excess (Deficiency) of Revenues Over Expenditures	$ 99,742	$ 85,425	$ 106,125	$ (6,383)
Other Financing Sources (Uses)				
Transfers In	$ 0	$ 105,000	$ 0	$ 0
Total Other Financing Sources (Uses)	$ 0	$ 105,000	$ 0	$ 0
Net Change in Fund Balance	$ 99,742	$ 190,425	$ 106,125	$ (6,383)
Fund Balance, July 1, 2004	110,080	108,584	108,584	1,496
Fund Balance, June 30, 2005	$ 209,822	$ 299,009	$ 214,709	$ (4,887)

Major Governmental Funds

Debt Service Funds

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

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

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the accumulation of resources for the retirement of bonds and notes issued for the construction and improvements of county schools.

Exhibit H-1

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2005

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 506,114	$ 506,600	$ 512,300	$ (6,186)
Other Local Revenues	176,158	90,000	167,000	9,158
Other Governments and Citizens Groups	63,000	0	63,000	0
Total Revenues	$ 745,272	$ 596,600	$ 742,300	$ 2,972
Expenditures				
Debt Service Principal				
General Government	$ 578,260	$ 655,661	$ 578,261	$ 1
Highways and Streets	90,000	90,000	90,000	0
Debt Service Interest				
General Government	657,070	977,816	964,916	307,846
Highways and Streets	31,772	31,772	31,772	0
Other Debt Service				
General Government	103,464	107,682	120,582	17,118
Total Expenditures	$ 1,460,566	$ 1,862,931	$ 1,785,531	$ 324,965
Excess (Deficiency) of Revenues Over Expenditures	$ (715,294)	$ (1,266,331)	$ (1,043,231)	$ 327,937
Other Financing Sources (Uses)				
Transfers In	$ 892,528	$ 900,536	$ 900,536	$ (8,008)
Transfers Out	(465,000)	0	(465,000)	0
Total Other Financing Sources (Uses)	$ 427,528	$ 900,536	$ 435,536	$ (8,008)
Net Change in Fund Balance	$ (287,766)	$ (365,795)	$ (607,695)	$ 319,929
Fund Balance, July 1, 2004	2,251,733	2,887,384	2,887,384	(635,651)
Fund Balance, June 30, 2005	$ 1,963,967	$ 2,521,589	$ 2,279,689	$ (315,722)

Exhibit H-2

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Rural Debt Service Fund
For the Year Ended June 30, 2005

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 1,830,159	$ 1,855,800	$ 1,885,300	$ (55,141)
Other Local Revenues	56,507	23,000	37,000	19,507
Other Governments and Citizens Groups	105,000	0	105,000	0
Total Revenues	$ 1,991,666	$ 1,878,800	$ 2,027,300	$ (35,634)
Expenditures				
Debt Service Principal				
General Government	$ 0	$ 855,000	$ 0	$ 0
Education	855,000	0	855,000	0
Debt Service Interest				
General Government	0	883,042	0	0
Education	883,042	0	883,042	0
Other Debt Service				
General Government	35,819	60,500	50,000	14,181
Education	667,493	0	675,500	8,007
Total Expenditures	$ 2,441,354	$ 1,798,542	$ 2,463,542	$ 22,188
Excess (Deficiency) of Revenues Over Expenditures	$ (449,688)	$ 80,258	$ (436,242)	$ (13,446)
Net Change in Fund Balance	$ (449,688)	$ 80,258	$ (436,242)	$ (13,446)
Fund Balance, July 1, 2004	1,897,872	2,640,586	2,640,586	(742,714)
Fund Balance, June 30, 2005	$ 1,448,184	$ 2,720,844	$ 2,204,344	$ (756,160)

Fiduciary Funds

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

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

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for city property taxes collected by the Roane County trustee on behalf of the City of Midtown. These collections are remitted to the City of Midtown on a monthly basis.

City School - ADA - Oak Ridge Fund – The City School - ADA - Oak Ridge Fund is used to account for the Oak Ridge city school system's share of education revenues collected by the county which must be apportioned to the Oak Ridge school system on an average daily attendance basis. These collections are remitted to the Oak Ridge city school system on a monthly basis.

Joint Venture Fund – The Joint Venture 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 Ninth Judicial District.

Community Development - Agency Fund – The Community Development - Agency Fund is used to account for transactions dealing with industrial development and housing and urban development operations of Roane County.

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, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Exhibit I-1

Roane County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2005

	Agency Funds						
	Cities - Sales Tax	Cities - Property Tax	City School ADA - Oak Ridge	Joint Venture	Community Development - Agency	Constitu-tional Officers - Agency	Total
ASSETS							
Equity in Pooled Cash and Investments	$ 0	$ 4,562	$ 573	$ 6,515	$ 281,372	$ 0	$ 293,022
Cash	0	0	0	0	0	1,181,362	1,181,362
Accounts Receivable	0	0	0	0	1,084	0	1,084
Due from Other Governments	899,287	0	53,180	7,963	0	0	960,430
Property Taxes Receivable	0	0	619,793	0	0	0	619,793
Allowance for Uncollectible Property Taxes	0	0	(33,054)	0	0	0	(33,054)
Notes Receivable - Long-term	0	0	0	0	566,185	0	566,185
Total Assets	$ 899,287	$ 4,562	$ 640,492	$ 14,478	$ 848,641	$ 1,181,362	$ 3,588,822
LIABILITIES							
Accounts Payable	$ 0	$ 0	$ 0	$ 177	$ 0	$ 0	$ 177
Accrued Payroll	0	0	0	2,112	0	0	2,112
Due to Other Taxing Units	899,287	4,562	640,492	0	0	0	1,544,341
Due to Litigants, Heirs, and Others	0	0	0	0	0	1,181,362	1,181,362
Due to Joint Ventures	0	0	0	12,189	0	0	12,189
Other Current Liabilities	0	0	0	0	848,641	0	848,641
Total Liabilities	$ 899,287	$ 4,562	$ 640,492	$ 14,478	$ 848,641	$ 1,181,362	$ 3,588,822

Exhibit I-2

Roane County, Tennessee
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended June 30, 2005

	Beginning Balance	Additions	Deductions	Ending Balance
Cities - Sales Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 5,077,076	$ 5,077,076	$ 0
Due From Other Governments	851,683	899,287	851,683	899,287
Total Assets	$ 851,683	$ 5,976,363	$ 5,928,759	$ 899,287
Liabilities				
Due to Other Taxing Units	$ 851,683	$ 5,976,363	$ 5,928,759	$ 899,287
Total Liabilities	$ 851,683	$ 5,976,363	$ 5,928,759	$ 899,287
Cities - Property Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 4,682	$ 0	$ 120	$ 4,562
Total Assets	$ 4,682	$ 0	$ 120	$ 4,562
Liabilities				
Due to Other Taxing Units	$ 4,682	$ 0	$ 120	$ 4,562
Total Liabilities	$ 4,682	$ 0	$ 120	$ 4,562
City School ADA - Oak Ridge Fund				
Assets				
Equity in Pooled Cash and Investments	$ 455	$ 881,646	$ 881,528	$ 573
Due From Other Governments	53,100	53,180	53,100	53,180
Taxes Receivable	634,050	619,793	634,050	619,793
Allowance for Uncollectible Taxes	(44,516)	(33,054)	(44,516)	(33,054)
Total Assets	$ 643,089	$ 1,521,565	$ 1,524,162	$ 640,492

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Liabilities				
Due to Other Taxing Units	$ 643,089	$ 1,521,565	$ 1,524,162	$ 640,492
Total Liabilities	$ 643,089	$ 1,521,565	$ 1,524,162	$ 640,492
Joint Venture - Agency Fund				
Assets				
Equity in Pooled Cash and Investments	$ 20,600	$ 116,614	$ 130,699	$ 6,515
Due From Other Governments	11,753	7,963	11,753	7,963
Total Assets	$ 32,353	$ 124,577	$ 142,452	$ 14,478
Liabilities				
Accounts Payable	$ 174	$ 177	$ 174	$ 177
Accrued Payroll	1,754	2,112	1,754	2,112
Due to Joint Venture	30,425	116,489	134,725	12,189
Total Liabilities	$ 32,353	$ 118,778	$ 136,653	$ 14,478
Community Development - Agency Fund				
Assets				
Equity in Pooled Cash and Investments	$ 339,467	$ 90,458	$ 148,553	$ 281,372
Accounts Receivable	0	1,084	0	1,084
Notes Receivable (Long-term)	492,159	132,500	58,474	566,185
Total Assets	$ 831,626	$ 224,042	$ 207,027	$ 848,641
Liabilities				
Other Current Liabilities	$ 831,626	$ 224,042	$ 207,027	$ 848,641
Total Liabilities	$ 831,626	$ 224,042	$ 207,027	$ 848,641
Constitutional Officers - Agency Fund				
Assets				
Cash	$ 1,673,703	$ 8,626,417	$ 9,118,758	$ 1,181,362
Total Assets	$ 1,673,703	$ 8,626,417	$ 9,118,758	$ 1,181,362
Liabilities				
Due to Litigants, Heirs, and Others	1,673,703	8,626,417	9,118,758	1,181,362
Total Liabilities	$ 1,673,703	$ 8,626,417	$ 9,118,758	$ 1,181,362

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Totals - All Agency Funds				
Assets				
Equity in Pooled Cash and Investments	$ 365,204	$ 6,165,794	$ 6,237,976	$ 293,022
Cash	1,673,703	8,626,417	9,118,758	1,181,362
Accounts Receivable	0	1,084	0	1,084
Due From Other Governments	916,536	960,430	916,536	960,430
Taxes Receivable	634,050	619,793	634,050	619,793
Allowance for Uncollectible Taxes	(44,516)	(33,054)	(44,516)	(33,054)
Notes Receivable (Long-term)	492,159	132,500	58,474	566,185
Total Assets	$ 4,037,136	$ 16,472,964	$ 16,921,278	$ 3,588,822
Liabilities				
Accounts Payable	$ 174	$ 177	$ 174	$ 177
Accrued Payroll	1,754	2,112	1,754	2,112
Due to Other Taxing Units	1,499,454	7,497,928	7,453,041	1,544,341
Due to Litigants, Heirs, and Others	1,673,703	8,626,417	9,118,758	1,181,362
Due to Joint Venture	30,425	116,489	134,725	12,189
Other Current Liabilities	831,626	224,042	207,027	848,641
Total Liabilities	$ 4,037,136	$ 16,467,165	$ 16,915,479	$ 3,588,822

Roane County School Department

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

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

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

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

School Transportation Fund – The School Transportation Fund is used to account for student transportation and school bus maintenance.

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the Before- and After-School Program.

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

Exhibit J-1

Roane County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Roane County School Department
June 30, 2005

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern-mental Funds	Total Govern-mental Funds
ASSETS			
Cash	$ 30,000	$ 7,500	$ 37,500
Equity in Pooled Cash and Investments	5,436,033	2,550,887	7,986,920
Accounts Receivable	39,374	35,466	74,840
Due from Other Governments	915,234	589,635	1,504,869
Due from Other Funds	30,905	0	30,905
Property Taxes Receivable	11,368,471	0	11,368,471
Allowance for Uncollectible Property Taxes	(606,296)	0	(606,296)
Total Assets	$ 17,213,721	$ 3,183,488	$ 20,397,209
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	$ 860,514	$ 160,545	$ 1,021,059
Accrued Payroll	0	26,133	26,133
Payroll Deductions Payable	0	2,620	2,620
Retainage Payable	0	13,237	13,237
Due to Other Funds	0	30,905	30,905
Deferred Revenue - Current Property Taxes	10,417,386	0	10,417,386
Deferred Revenue - Delinquent Property Taxes	309,361	0	309,361
Other Deferred Revenues	277,079	201,641	478,720
Total Liabilities	$ 11,864,340	$ 435,081	$ 12,299,421
Fund Balances			
Reserved for Encumbrances	$ 740,055	$ 405,515	$ 1,145,570
Other Local Education Reserves	780,016	0	780,016
Reserved for Capital Outlay	0	178,739	178,739
Reserved for Career Ladder - Extended Contract	51,234	0	51,234
Reserved for Career Ladder Program	10,380	0	10,380
Reserved for Special Education - Grants to States	0	399,223	399,223
Other Federal Reserves	0	43,266	43,266
Unreserved, Reported In:			
General Fund	3,767,696	0	3,767,696
Special Revenue Funds	0	1,070,844	1,070,844
Capital Projects Funds	0	650,820	650,820
Total Fund Balances	$ 5,349,381	$ 2,748,407	$ 8,097,788
Total Liabilities and Fund Balances	$ 17,213,721	$ 3,183,488	$ 20,397,209

Exhibit J-2

Roane County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
Discretely Presented Roane County School Department
June 30, 2005

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

Total fund balances - balance sheet - governmental funds (Exhibit J-1)		$ 8,097,788
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		61,118,212
(2) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		788,081
(3) Long-term liabilities, including notes payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Notes	$ 17,508	
Early retirement incentives	526,459	
Compensated absences	126,020	(669,987)
Net assets of governmental activities (Exhibit A)		$ 69,334,094

Exhibit J-3

Roane County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Roane County School Department
For the Year Ended June 30, 2005

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern-mental Funds	Total Governmental Funds
Revenues			
Local Taxes	$ 14,633,484	$ 1,250,000	$ 15,883,484
Licenses and Permits	3,888	0	3,888
Charges for Current Services	19,812	1,716,337	1,736,149
Other Local Revenues	291,896	46,095	337,991
State of Tennessee	27,479,763	314,056	27,793,819
Federal Government	407,794	5,048,441	5,456,235
Other Governments and Citizens Groups	0	650,000	650,000
Total Revenues	$ 42,836,637	$ 9,024,929	$ 51,861,566
Expenditures			
Current:			
Instruction	$ 28,073,463	$ 3,114,128	$ 31,187,591
Support Services	12,347,215	2,745,624	15,092,839
Operation of Non-Instructional Services	0	3,171,606	3,171,606
Capital Outlay	183,093	0	183,093
Capital Projects	0	1,031,266	1,031,266
Total Expenditures	$ 40,603,771	$ 10,062,624	$ 50,666,395
Excess (Deficiency) of Revenues Over Expenditures	$ 2,232,866	$ (1,037,695)	$ 1,195,171
Other Financing Sources (Uses)			
Transfers In	$ 30,905	$ 708,000	$ 738,905
Transfers Out	(708,000)	(30,905)	(738,905)
Total Other Financing Sources (Uses)	$ (677,095)	$ 677,095	$ 0
Net Change in Fund Balances	$ 1,555,771	$ (360,600)	$ 1,195,171
Fund Balance, July 1, 2004	3,793,610	3,109,007	6,902,617
Fund Balance, June 30, 2005	$ 5,349,381	$ 2,748,407	$ 8,097,788

Exhibit J-4

Roane County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Discretely Presented Roane County School Department
For the Year Ended June 30, 2005

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:		
Net change in fund balances - total governmental funds (Exhibit J-3)		$ 1,195,171
(1) Governmental funds report capital outlay 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 amount that depreciation differs from capital outlays is itemized as follows:		
Add: Capital outlays in the current period	$ 1,599,593	
Less: Current year depreciation	(2,310,386)	(710,793)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
For the year ended June 30, 2004	$ (888,501)	
For the year ended June 30, 2005	788,081	(100,420)
(3) The issuance of long-term debt (e.g., notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Add: Principal payment on notes	$ 2,000	2,000
(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 retirement incentive	$ (293,436)	
Change in compensated absences	(10,085)	(303,521)
Change in net assets of governmental activities (Exhibit B)		$ 82,437

Exhibit J-5

Roane County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Roane County School Department
June 30, 2005

	Special Revenue Funds					Capital Projects Fund	
	School Federal Projects	Central Cafeteria	School Transpor-tation	Extended School Program	Total	Education Capital Projects	Total Nonmajor Governmental Funds
ASSETS							
Cash	$ 0	$ 5,000	$ 0	$ 2,500	$ 7,500	$ 0	$ 7,500
Equity in Pooled Cash and Investments	509,262	857,153	408,833	46,708	1,821,956	728,931	2,550,887
Accounts Receivable	0	40	1,512	33,914	35,466	0	35,466
Due from Other Governments	380,134	0	201,641	7,860	589,635	0	589,635
Total Assets	$ 889,396	$ 862,193	$ 611,986	$ 90,982	$ 2,454,557	$ 728,931	$ 3,183,488
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 84,607	$ 46,509	$ 22,384	$ 7,045	$ 160,545	$ 0	$ 160,545
Accrued Payroll	0	0	0	26,133	26,133	0	26,133
Payroll Deductions Payable	0	0	0	2,620	2,620	0	2,620
Retainage Payable	0	0	0	0	0	13,237	13,237
Due to Other Funds	30,905	0	0	0	30,905	0	30,905
Other Deferred Revenues	0	0	201,641	0	201,641	0	201,641
Total Liabilities	$ 115,512	$ 46,509	$ 224,025	$ 35,798	$ 421,844	$ 13,237	$ 435,081
Fund Balances							
Reserved for Encumbrances	$ 331,395	$ 3,120	$ 3,106	$ 3,020	$ 340,641	$ 64,874	$ 405,515
Reserved for Capital Outlay	0	0	178,739	0	178,739	0	178,739
Reserved for Special Education - Grants to States	399,223	0	0	0	399,223	0	399,223
Other Federal Reserves	43,266	0	0	0	43,266	0	43,266
Unreserved	0	812,564	206,116	52,164	1,070,844	650,820	1,721,664
Total Fund Balances	$ 773,884	$ 815,684	$ 387,961	$ 55,184	$ 2,032,713	$ 715,694	$ 2,748,407
Total Liabilities and Fund Balances	$ 889,396	$ 862,193	$ 611,986	$ 90,982	$ 2,454,557	$ 728,931	$ 3,183,488

Exhibit J-6

Roane County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Roane County School Department
For the Year Ended June 30, 2005

	Special Revenue Funds					Capital Projects Fund	
	School Federal Projects	Central Cafeteria	School Transpor-tation	Extended School Program	Total	Education Capital Projects	Total Nonmajor Governmental Funds
Revenues							
Local Taxes	$ 0	$ 0	$ 1,250,000	$ 0	$ 1,250,000	$ 0	$ 1,250,000
Charges for Current Services	0	1,356,838	54,387	305,112	1,716,337	0	1,716,337
Other Local Revenues	0	11,089	34,404	0	45,493	602	46,095
State of Tennessee	0	42,077	240,000	31,979	314,056	0	314,056
Federal Government	3,554,097	1,477,716	0	16,628	5,048,441	0	5,048,441
Other Governments and Citizens Groups	0	0	650,000	0	650,000	0	650,000
Total Revenues	$ 3,554,097	$ 2,887,720	$ 2,228,791	$ 353,719	$ 9,024,327	$ 602	$ 9,024,929
Expenditures							
Current:							
Instruction	$ 3,114,128	$ 0	$ 0	$ 0	$ 3,114,128	$ 0	$ 3,114,128
Support Services	589,276	0	2,156,348	0	2,745,624	0	2,745,624
Operation of Non-Instructional Services	0	2,836,361	0	335,245	3,171,606	0	3,171,606
Capital Projects	0	0	0	0	0	1,031,266	1,031,266
Total Expenditures	$ 3,703,404	$ 2,836,361	$ 2,156,348	$ 335,245	$ 9,031,358	$ 1,031,266	$ 10,062,624
Excess (Deficiency) of Revenues Over Expenditures	$ (149,307)	$ 51,359	$ 72,443	$ 18,474	$ (7,031)	$ (1,030,664)	$ (1,037,695)
Other Financing Sources (Uses)							
Transfers In	$ 0	$ 0	$ 0	$ 0	$ 0	$ 708,000	$ 708,000
Transfers Out	(30,905)	0	0	0	(30,905)	0	(30,905)
Total Other Financing Sources (Uses)	$ (30,905)	$ 0	$ 0	$ 0	$ (30,905)	$ 708,000	$ 677,095
Net Change in Fund Balances	$ (180,212)	$ 51,359	$ 72,443	$ 18,474	$ (37,936)	$ (322,664)	$ (360,600)
Fund Balance, July 1, 2004	954,096	764,325	315,518	36,710	2,070,649	1,038,358	3,109,007
Fund Balance, June 30, 2005	$ 773,884	$ 815,684	$ 387,961	$ 55,184	$ 2,032,713	$ 715,694	$ 2,748,407

Exhibit J-7

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Roane County School Department
General Purpose School Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 14,633,484	$ 0	$ 0	$ 14,633,484	$ 14,493,800	$ 14,475,800	$ 157,684
Licenses and Permits	3,888	0	0	3,888	4,000	3,000	888
Charges for Current Services	19,812	0	0	19,812	15,000	15,000	4,812
Other Local Revenues	291,896	0	0	291,896	255,000	195,000	96,896
State of Tennessee	27,479,763	0	0	27,479,763	26,801,001	27,348,986	130,777
Federal Government	407,794	0	0	407,794	135,000	356,076	51,718
Total Revenues	$ 42,836,637	$ 0	$ 0	$ 42,836,637	$ 41,703,801	$ 42,393,862	$ 442,775
Expenditures							
Instruction							
Regular Instruction Program	$ 21,938,972	$ (614,102)	$ 560,272	$ 21,885,142	$ 22,387,500	$ 22,720,550	$ 835,408
Alternative Instruction Program	235,646	0	963	236,609	300,800	303,585	66,976
Special Education Program	4,068,816	(53,004)	291	4,016,103	4,195,250	4,213,110	197,007
Vocational Education Program	1,830,029	(13,378)	53,088	1,869,739	1,924,690	1,942,735	72,996
Support Services							
Attendance	25,653	(8,418)	1,498	18,733	25,500	36,950	18,217
Health Services	234,573	0	696	235,269	265,740	265,740	30,471
Other Student Support	1,018,487	(4,190)	7,024	1,021,321	1,019,590	1,082,520	61,199
Regular Instruction Program	1,882,170	(4,908)	25,995	1,903,257	2,016,060	2,071,475	168,218
Alternative Instruction Program	2,190	0	0	2,190	2,000	2,000	(190)
Special Education Program	854,133	(1,620)	0	852,513	754,690	917,056	64,543
Vocational Education Program	131,303	(3,696)	4,815	132,422	132,390	132,960	538
Board of Education	746,485	(13,250)	13,800	747,035	747,020	819,820	72,785
Director of Schools	249,725	0	3,370	253,095	279,090	296,785	43,690
Office of the Principal	3,144,490	(31,370)	3,663	3,116,783	3,086,670	3,132,460	15,677
Fiscal Services	232,569	(246)	4,675	236,998	282,110	282,110	45,112

(Continued)

Exhibit J-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Support Services (Cont.)							
Operation of Plant	$ 3,000,025	$ (9,798)	$ 30,588	$ 3,020,815	$ 3,140,390	$ 3,107,290	$ 86,475
Maintenance of Plant	825,412	0	22,689	848,101	866,130	916,901	68,800
Capital Outlay							
Regular Capital Outlay	183,093	(3,265)	6,628	186,456	82,000	189,000	2,544
Total Expenditures	$ 40,603,771	$ (761,245)	$ 740,055	$ 40,582,581	$ 41,507,620	$ 42,433,047	$ 1,850,466
Excess (Deficiency) of Revenues Over Expenditures	$ 2,232,866	$ 761,245	$ (740,055)	$ 2,254,056	$ 196,181	$ (39,185)	$ 2,293,241
Other Financing Sources (Uses)							
Transfers In	$ 30,905	$ 0	$ 0	$ 30,905	$ 15,000	$ 30,000	$ 905
Transfers Out	(708,000)	0	0	(708,000)	(633,000)	(708,000)	0
Total Other Financing Sources (Uses)	$ (677,095)	$ 0	$ 0	$ (677,095)	$ (618,000)	$ (678,000)	$ 905
Net Change in Fund Balance	$ 1,555,771	$ 761,245	$ (740,055)	$ 1,576,961	$ (421,819)	$ (717,185)	$ 2,294,146
Fund Balance, July 1, 2004	3,793,610	(761,245)	0	3,032,365	3,109,421	3,109,421	(77,056)
Fund Balance, June 30, 2005	$ 5,349,381	$ 0	$ (740,055)	$ 4,609,326	$ 2,687,602	$ 2,392,236	$ 2,217,090

Exhibit J-8

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Roane County School Department
School Federal Projects Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Federal Government	$ 3,554,097	$ 0	$ 0	$ 3,554,097	$ 3,951,416	$ 4,233,191	$ (679,094)
Total Revenues	$ 3,554,097	$ 0	$ 0	$ 3,554,097	$ 3,951,416	$ 4,233,191	$ (679,094)
Expenditures							
Instruction							
Regular Instruction Program	$ 1,722,899	$ (35,883)	$ 240,940	$ 1,927,956	$ 1,879,450	$ 2,029,093	$ 101,137
Special Education Program	1,193,830	(35,043)	69,621	1,228,408	1,646,296	1,867,155	638,747
Vocational Education Program	197,399	(50,599)	1,160	147,960	166,000	147,960	0
Support Services							
Other Student Support	26,115	0	287	26,402	75,500	41,290	14,888
Regular Instruction Program	316,369	(20,360)	17,889	313,898	338,790	494,733	180,835
Special Education Program	241,792	(6,287)	1,498	237,003	411,880	399,513	162,510
Vocational Education Program	5,000	0	0	5,000	5,000	5,000	0
Total Expenditures	$ 3,703,404	$ (148,172)	$ 331,395	$ 3,886,627	$ 4,522,916	$ 4,984,744	$ 1,098,117
Excess (Deficiency) of Revenues Over Expenditures	$ (149,307)	$ 148,172	$ (331,395)	$ (332,530)	$ (571,500)	$ (751,553)	$ 419,023
Other Financing Sources (Uses)							
Transfers Out	$ (30,905)	$ 0	$ 0	$ (30,905)	$ (15,000)	$ (45,931)	$ 15,026
Total Other Financing Sources (Uses)	$ (30,905)	$ 0	$ 0	$ (30,905)	$ (15,000)	$ (45,931)	$ 15,026
Net Change in Fund Balance	$ (180,212)	$ 148,172	$ (331,395)	$ (363,435)	$ (586,500)	$ (797,484)	$ 434,049
Fund Balance, July 1, 2004	954,096	(148,172)	0	805,924	804,261	804,261	1,663
Fund Balance, June 30, 2005	$ 773,884	$ 0	$ (331,395)	$ 442,489	$ 217,761	$ 6,777	$ 435,712

Exhibit J-9

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Roane County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Charges for Current Services	$ 1,356,838	$ 0	$ 0	$ 1,356,838	$ 1,595,000	$ 1,595,000	$ (238,162)
Other Local Revenues	11,089	0	0	11,089	5,000	5,000	6,089
State of Tennessee	42,077	0	0	42,077	45,000	45,000	(2,923)
Federal Government	1,477,716	0	0	1,477,716	1,540,000	1,540,000	(62,284)
Total Revenues	$ 2,887,720	$ 0	$ 0	$ 2,887,720	$ 3,185,000	$ 3,185,000	$ (297,280)
Expenditures							
Operation of Non-Instructional Services							
Food Service	$ 2,836,361	$ (3,000)	$ 3,120	$ 2,836,481	$ 3,185,000	$ 3,189,370	$ 352,889
Total Expenditures	$ 2,836,361	$ (3,000)	$ 3,120	$ 2,836,481	$ 3,185,000	$ 3,189,370	$ 352,889
Excess (Deficiency) of Revenues Over Expenditures	$ 51,359	$ 3,000	$ (3,120)	$ 51,239	$ 0	$ (4,370)	$ 55,609
Net Change in Fund Balance	$ 51,359	$ 3,000	$ (3,120)	$ 51,239	$ 0	$ (4,370)	$ 55,609
Fund Balance, July 1, 2004	764,325	(3,000)	0	761,325	761,326	761,326	(1)
Fund Balance, June 30, 2005	$ 815,684	$ 0	$ (3,120)	$ 812,564	$ 761,326	$ 756,956	$ 55,608

Exhibit J-10

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Roane County School Department
School Transportation Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 1,250,000	$ 0	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 0
Charges for Current Services	54,387	0	54,387	50,000	50,000	4,387
Other Local Revenues	34,404	0	34,404	60,000	32,000	2,404
State of Tennessee	240,000	0	240,000	240,000	240,000	0
Other Governments and Citizens Groups	650,000	0	650,000	0	650,000	0
Total Revenues	$ 2,228,791	$ 0	$ 2,228,791	$ 1,600,000	$ 2,222,000	$ 6,791
Expenditures						
Support Services						
Transportation	$ 2,156,348	$ 3,106	$ 2,159,454	$ 2,250,000	$ 2,404,210	$ 244,756
Total Expenditures	$ 2,156,348	$ 3,106	$ 2,159,454	$ 2,250,000	$ 2,404,210	$ 244,756
Excess (Deficiency) of Revenues Over Expenditures	$ 72,443	$ (3,106)	$ 69,337	$ (650,000)	$ (182,210)	$ 251,547
Other Financing Sources (Uses)						
Notes Issued	$ 0	$ 0	$ 0	$ 650,000	$ 0	$ 0
Total Other Financing Sources (Uses)	$ 0	$ 0	$ 0	$ 650,000	$ 0	$ 0
Net Change in Fund Balance	$ 72,443	$ (3,106)	$ 69,337	$ 0	$ (182,210)	$ 251,547
Fund Balance, July 1, 2004	315,518	0	315,518	315,518	315,518	0
Fund Balance, June 30, 2005	$ 387,961	$ (3,106)	$ 384,855	$ 315,518	$ 133,308	$ 251,547

Exhibit J-11

Roane County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Roane County School Department
Extended School Program Fund
For the Year Ended June 30, 2005

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2004	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Charges for Current Services	$ 305,112	$ 0	$ 0	$ 305,112	$ 310,000	$ 310,000	$ (4,888)
State of Tennessee	31,979	0	0	31,979	90,000	45,000	(13,021)
Federal Government	16,628	0	0	16,628	0	25,000	(8,372)
Total Revenues	$ 353,719	$ 0	$ 0	$ 353,719	$ 400,000	$ 380,000	$ (26,281)
Expenditures							
Operation of Non-Instructional Services							
Community Services	$ 335,245	$ (2,900)	$ 3,020	$ 335,365	$ 400,000	$ 400,020	$ 64,655
Total Expenditures	$ 335,245	$ (2,900)	$ 3,020	$ 335,365	$ 400,000	$ 400,020	$ 64,655
Excess (Deficiency) of Revenues Over Expenditures	$ 18,474	$ 2,900	$ (3,020)	$ 18,354	$ 0	$ (20,020)	$ 38,374
Net Change in Fund Balance	$ 18,474	$ 2,900	$ (3,020)	$ 18,354	$ 0	$ (20,020)	$ 38,374
Fund Balance, July 1, 2004	36,710	(2,900)	0	33,810	33,810	33,810	0
Fund Balance, June 30, 2005	$ 55,184	$ 0	$ (3,020)	$ 52,164	$ 33,810	$ 13,790	$ 38,374

MISCELLANEOUS SCHEDULES

Exhibit K-1

Roane County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
Primary Government and Discretely Presented Roane County School Department
For the Year Ended June 30, 2005

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-04	Paid and/or Matured During Period	Outstanding 6-30-05
PRIMARY GOVERNMENT							
NOTES PAYABLE							
Payable through General Debt Service Fund							
Various Capital Projects	$ 2,500,000	5.25 %	4-1-00	4-1-12	$ 2,440,000	$ 20,000	$ 2,420,000
Energy Efficiency Improvements	292,000	3	10-17-00	11-15-07	174,212	41,641	132,571
Various Public Works Projects	3,035,000	3.4	3-1-03	3-1-15	3,035,000	0	3,035,000
Total Notes Payable					$ 5,649,212	$ 61,641	$ 5,587,571
OTHER LOANS PAYABLE							
Payable through General Debt Service Fund							
Industrial Park-Sevier Co. PBA - III-A-4	3,800,000	Variable	3-1-1998	6-1-17	$ 1,200,000	$ 0	$ 1,200,000
Landfill Closure-Sevier Co. PBA - III-A-4	1,200,000	Variable	3-1-1998	6-1-17	205,000	0	205,000
Voting Machines-Blount Co. PBA - A-1-F	386,000	Variable	5-17-01	6-13-13	319,536	25,850	293,686
General Improvement Projects-Blount Co. PBA - A-1-F	450,000	Variable	5-17-01	6-13-13	372,500	28,200	344,300
School Buses-Blount Co. PBA - A-1-F	645,000	Variable	5-17-01	6-13-13	533,896	42,300	491,596
Retire Capital Outlay Notes-Blount Co. PBA - A-1-F	2,119,000	Variable	5-17-01	6-13-13	1,754,068	138,650	1,615,418
Refunding-Sevier Co. PBA - V-C-3	5,060,000	Variable	10-15-03	6-1-20	5,060,000	0	5,060,000
Health Facilities-Sevier Co. PBA - V-C-3	565,000	Variable	10-15-03	6-1-20	565,000	0	565,000
Industrial Park Refunding-Sevier Co. PBA - B-3-A	3,640,000	1.6 to 5.85	9-1-03	6-1-16	3,456,983	162,000	3,294,983
Industrial Park Land-Sevier Co. PBA - B-3-A	835,000	1.6 to 5.85	9-1-03	6-1-16	793,017	38,000	755,017
Total Other Loans Payable					$ 14,260,000	$ 435,000	$ 13,825,000

(Continued)

Exhibit K-1

Roane County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
Primary Government and Discretely Presented Roane County School Department (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-04	Paid and/or Matured During Period	Outstanding 6-30-05
PRIMARY GOVERNMENT (Cont.)							
BONDS PAYABLE							
Payable through General Debt Service Fund							
Bridge Refunding, Series 1999	$ 500,000	4 %	1-1-1999	2-1-06	$ 170,000	$ 75,000	$ 95,000
General Obligation, Series 2002	1,700,000	3 to 4.65	2-1-02	6-1-19	1,530,000	90,000	1,440,000
Water and Sewer Revenue and Tax, Series 2000	620,000	4.75	6-20-02	4-20-40	607,580	6,619	600,961
Total Payable through General Debt Service Fund					$ 2,307,580	$ 171,619	2,135,961
Payable through Rural Debt Service Fund							
Rural School Refunding, Series 1999	4,335,000	4 to 4.25	1-1-1999	6-1-11	$ 2,845,000	$ 465,000	$ 2,380,000
Rural School, Series 2002	775,000	4.1 to 4.65	2-1-02	6-1-19	775,000	0	775,000
Rural School Refunding, Series 2004	18,915,000	2 to 4.3	3-9-04	5-1-22	18,425,000	390,000	18,035,000
Total Payable through Rural Debt Service Fund					$ 22,045,000	$ 855,000	$ 21,190,000
Payable through Education Debt Service Fund							
School Refunding, Series 1998	(1) 1,280,000	4.2 to 4.75	7-1-03	2-1-09	$ 1,070,000	$ 215,000	$ 855,000
Total Payable through Education Debt Service Fund					$ 1,070,000	$ 215,000	$ 855,000
Total Bonds Payable					$ 25,422,580	$ 1,241,619	$ 24,180,961
DISCRETELY PRESENTED ROANE COUNTY SCHOOL DEPARTMENT							
NOTES PAYABLE							
Payable through General Purpose School Fund							
EPA Asbestos Abatement Loan	31,508	0	10-6-1998	5-1-15	$ 19,508	$ 2,000	$ 17,508
Total Notes Payable					$ 19,508	$ 2,000	$ 17,508

(1) - This debt was assumed by the county in the Harriman City School merger, effective July 1, 2003.

Exhibit K-2

Roane County, Tennessee
Schedule of Bond and Interest Requirements by Year

Year Ending June 30	Bond Requirements	Interest Requirements	Total Requirements
2006	$ 1,306,940	$ 985,989	$ 2,292,929
2007	1,252,277	952,676	2,204,953
2008	1,297,630	902,769	2,200,399
2009	1,243,001	856,457	2,099,458
2010	1,138,389	811,121	1,949,510
2011	1,183,796	771,504	1,955,300
2012	1,229,223	729,427	1,958,650
2013	1,259,671	679,984	1,939,655
2014	1,310,141	629,114	1,939,255
2015	1,365,633	576,022	1,941,655
2016	1,416,149	520,506	1,936,655
2017	1,486,690	450,715	1,937,405
2018	1,562,258	377,297	1,939,555
2019	1,637,853	300,002	1,937,855
2020	1,608,477	233,078	1,841,555
2021	1,684,131	167,029	1,851,160
2022	1,774,817	96,203	1,871,020
2023	15,537	19,803	35,340
2024	16,291	19,049	35,340
2025	17,082	18,258	35,340
2026	17,911	17,429	35,340
2027	18,781	16,559	35,340
2028	19,692	15,648	35,340
2029	20,648	14,692	35,340
2030	21,651	13,689	35,340
2031	22,702	12,638	35,340
2032	23,804	11,536	35,340
2033	24,960	10,380	35,340
2034	26,171	9,169	35,340
2035	27,442	7,898	35,340
2036	28,774	6,566	35,340
2037	30,171	5,169	35,340
2038	31,636	3,704	35,340
2039	33,172	2,169	35,341
2040	27,460	580	28,040
Total	$ 24,180,961	$ 10,244,829	$ 34,425,790

Exhibit K-3

Roane County, Tennessee
Schedule of Notes Receivable - All Funds
For the Year Ended June 30, 2005

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-05
Community Development - Agency Fund						
Industrial Loan (Revolving)	Community Development Council of Roane County	$100,000	3-9-00	3-9-15	4.75 %	$ 72,729
Industrial Loan (Revolving)	Valley Communications	65,000	1-10-01	12-10-10	8	43,004
Industrial Loan (Revolving)	Scarbrough Funeral Home	30,000	7-5-01	7-5-08	5.75	18,849
Industrial Loan (Revolving)	Browder Hardware	100,000	6-13-02	6-13-17	3.75	84,225
Industrial Loan (Revolving)	Ivan's Restaurant	40,000	9-23-02	9-25-09	3.75	31,136
Industrial Loan (Revolving)	Understanding The Way	70,000	1-13-03	1-15-18	3.25	60,893
Industrial Loan (Revolving)	Dana Audio	50,000	2-26-03	4-23-10	3.25	40,794
Industrial Loan (Revolving)	Ideal Plumbing	100,000	1-29-04	3-1-14	3.04	88,340
Industrial Loan (Revolving)	Mary Gail's Place	32,500	9-30-04	9-30-11	4	30,125
Industrial Loan (Revolving)	Kiddie Korner Daycare & Preschool	100,000	12-15-04	1-15-14	5	96,090
Total Notes Receivable						$ 566,185

Exhibit K-4

Roane County, Tennessee
Schedule of Transfers - All Funds and Discretely Presented Component Units
For the Year Ended June 30, 2005

From Fund	To Fund	Purpose	Amount
Primary Government			
General	Urban Services	To provide funds for operations	$ 148,000
General	Industrial/Economic Development	To provide funds for operations	52,000
Local Purpose Tax	General	To provide funds for operations	250,000
Local Purpose Tax	General Debt Service	To provide funds for retirement of debt	728,000
Special Purpose	General Debt Service	To provide funds for retirement of debt	42,756
Highway/Public Works	General Debt Service	To provide funds for retirement of debt	121,772
General Debt Service	General	To reflect interfund borrowing	411,000
General Debt Service	Industrial/Economic Development	To reflect interfund borrowing	54,000
Total Transfers Primary Government			$ 1,807,528
Discretely Presented Roane County School Department			
General Purpose School	Education Capital Projects	To provide funds for capital projects	$ 708,000
School Federal Projects	General Purpose School	Indirect costs	30,905
Total Transfers Discretely Presented Roane County School Department			$ 738,905

Exhibit K-5

Roane County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
For the Year Ended June 30, 2005

Official	Authorization of Salary	Salary Paid During Period		Bond	Surety
County Mayor	Section 8-24-102, TCA, and County Commission	$ 83,203	(1)	$ 50,000	RLI Insurance Company
Road Superintendent	Section 8-24-102, TCA	65,863		100,000	"
Director of Schools	State Board of Education and Roane County Board of Education	111,723	(2)	50,000	Western Surety Company
Trustee:					
Gerald Hensley (7-1-04 through 6-27-05)	Section 8-24-102, TCA	58,969		1,115,200	Auto-Owners Insurance Company
Wilma Eblen (6-28-05 through 6-30-05)	Section 8-24-102, TCA	477		1,115,200	"
Assessor of Property	Section 8-24-102, TCA	59,876		50,000	Old Republic Surety Company
Director of Accounts and Budgets	County Commission	68,155	(3)	10,000	Western Surety Company
County Clerk	Section 8-24-102, TCA	59,876		50,000	"
Circuit Court Clerk	Section 8-24-102, TCA	59,876		50,000	Auto-Owners Insurance Company
Clerk and Master	Section 8-24-102, TCA, and Chancery Court Judge	65,538	(4)	50,000	Western Surety Company
Register	Section 8-24-102, TCA	59,876		25,000	"
Sheriff	Section 8-24-102, TCA	66,379	(5)	25,000	RLI Insurance Company
Purchasing Agent	County Commission	43,509		10,000	Western Surety Company
Employee Blanket Bond					
Public Employee Dishonesty				250,000	Continental Insurance Company

(1) Includes $6,329 salary supplement for serving as sanitation supervisor and $750 for board and committee meetings.
(2) Includes incentive bonus of $5,250, chief executive officer supplement of $1,000 and payment for accrued vacation days of $7,499 paid at the termination of the director's contract.
(3) Includes $1,574 for board and committee meetings, $1,682 for Workforce Network administration, and $5,023 for insurance administration.
(4) Includes special commissioner fees of $5,662.
(5) Includes law enforcement training supplement of $519.

Exhibit K-6

Roane County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2005

		Special Revenue Funds				
	General	Urban Services	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax
Local Taxes						
County Property Taxes						
Current Property Tax	$ 4,642,258	$ 0	$ 300,091	$ 0	$ 168,194	$ 0
Trustee's Collections - Prior Year	183,857	0	11,901	0	6,661	0
Circuit/Clerk & Master Collections - Prior Years	121,819	0	14,989	5	3,747	0
Interest and Penalty	31,015	0	2,117	0	1,124	0
Pick-up Taxes	2,438	0	264	0	88	0
Payments in-Lieu-of Taxes - T.V.A.	19,763	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	48,724	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	0	0	213	726,162
County Local Option Taxes						
Local Option Sales Tax	234,017	0	300,000	0	0	0
Hotel/Motel Tax	0	0	0	0	115,673	0
Litigation Tax - General	260,863	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	49,101	0	0	0	0	0
Business Tax	374,073	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	23,896	0	0	0	0	0
Wholesale Beer Tax	119,219	0	0	0	0	0
Interstate Telecommunications Tax	0	0	0	0	0	0
Total Local Taxes	$ 6,111,043	$ 0	$ 629,362	$ 5	$ 295,700	$ 726,162
Licenses and Permits						
Licenses						
Cable TV Franchise	$ 164,449	$ 0	$ 0	$ 0	$ 0	$ 0
Permits						
Beer Permits	3,990	0	0	0	0	0
Building Permits	71,564	0	0	0	0	0
Total Licenses and Permits	$ 240,003	$ 0	$ 0	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	$ 5,989	$ 0	$ 0	$ 0	$ 0	$ 0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				
	General	Urban Services	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax
Fines, Forfeitures, and Penalties (Cont.)						
Circuit Court (Cont.)						
Officers Costs	$ 8,967	$ 0	$ 0	$ 0	$ 0	$ 0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	583	0	0	0	0	0
Jail Fees	2,344	0	0	0	0	0
District Attorney General Fees	0	0	0	0	0	0
DUI Treatment Fines	1,752	0	0	0	0	0
Data Entry Fee - Circuit Court	508	0	0	0	0	0
General Sessions Court						
Fines	41,503	0	0	0	0	0
Officers Costs	63,190	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	1,546	0	0	0	0	0
Jail Fees	13,896	0	0	0	0	0
District Attorney General Fees	0	0	0	0	0	0
DUI Treatment Fines	10,964	0	0	0	0	0
Data Entry Fee - General Sessions Court	10,698	0	0	0	0	0
Juvenile Court						
Fines	2,976	0	0	0	0	0
Chancery Court						
Officers Costs	3,116	0	0	0	0	0
Data Entry Fee - Chancery Court	1,156	0	0	0	0	0
Courts in Other District Counties						
District Attorney General Fees	0	0	0	0	0	0
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	$ 169,188	$ 0	$ 0	$ 0	$ 0	$ 0
Charges for Current Services						
General Service Charges						
Transfer Waste Stations Collection Charge	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Solid Waste Disposal Fee	0	0	0	0	0	0
Water Treatment Charges	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				
	General	Urban Services	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax
Charges for Current Services (Cont.)						
General Service Charges (Cont.)						
Patient Charges	$ 0	$ 0	$ 0	$ 2,350,158	$ 0	$ 0
Past Due Collections - Ambulance	0	0	0	5,764	0	0
Other General Service Charges	3,326	85,231	0	0	0	0
Water Tap Sales	0	0	0	0	0	0
Fees						
Recreation Fees	22,236	0	0	0	0	0
Copy Fees	17,712	0	0	410	0	0
Telephone Commissions	11,912	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	25,228	0	0	0	0	0
Data Processing Fee - Sheriff	4,583	0	0	0	0	0
Sexual Offender Registration Fee	660	0	0	0	0	0
Other Charges for Services						
Other Charges for Services	22,000	0	0	0	0	0
Total Charges for Current Services	$ 107,657	$ 85,231	$ 0	$ 2,356,332	$ 0	$ 0
Other Local Revenues						
Recurring Items						
Investment Income	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Lease/Rentals	9,702	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	0
Commissary Sales	7,364	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
Commodity Rebates	134	0	0	0	0	0
Miscellaneous Refunds	104	0	0	0	0	0
Nonrecurring Items						
Insurance Recovery	7,197	0	0	0	0	0
Sale of Equipment	0	0	0	0	0	0
Sale of Property	650	575	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				
	General	Urban Services	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax
Other Local Revenues (Cont.)						
Nonrecurring Items (Cont.)						
Contributions & Gifts	$ 1,750	$ 8,350	$ 0	$ 0	$ 37,480	$ 0
Other Local Revenues						
Other Local Revenues	19,097	0	0	0	0	0
Total Other Local Revenues	$ 45,998	$ 8,925	$ 0	$ 0	$ 37,480	$ 0
Fees Received from County Officials						
Excess Fees						
Clerk and Master	$ 101	$ 0	$ 0	$ 0	$ 0	$ 0
Fees In Lieu of Salary						
County Clerk	352,900	0	0	0	0	0
Circuit Court Clerk	51,706	0	0	0	0	0
General Sessions Court Clerk	269,795	0	0	0	0	0
Clerk and Master	179,504	0	0	0	0	0
Register	334,119	0	0	0	0	0
Sheriff	19,601	0	0	0	0	0
Trustee	628,391	0	0	0	0	0
Total Fees Received from County Officials	$ 1,836,117	$ 0	$ 0	$ 0	$ 0	$ 0
State of Tennessee						
General Government Grants						
Juvenile Services Program	$ 9,000	$ 0	$ 0	$ 0	$ 0	$ 0
Solid Waste Grants	0	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	10,374	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	0
Litter Program	46,990	0	0	0	0	0
Other State Revenues						
Income Tax	70,474	0	0	0	0	0
Beer Tax	21,835	0	0	0	0	0
Alcoholic Beverage Tax	49,769	0	0	0	0	0
Mixed Drink Tax	2,213	0	0	0	0	0

(Continued)

Exhibit K-6

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

	General	Special Revenue Funds				
		Urban Services	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
State Revenue Sharing - T.V.A.	$ 0	$ 0	$ 415,000	$ 0	$ 0	$ 0
Contracted Prisoner Boarding	93,248	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
Reappraisal Program Reimbursement	20,768	0	0	0	0	0
Registrar's Salary Supplement	16,380	0	0	0	0	0
Other State Grants	244,058	0	0	0	11,164	0
Total State of Tennessee	$ 585,109	$ 0	$ 415,000	$ 0	$ 11,164	$ 0
Federal Government						
Federal Through State						
Adult Education State Grant Program	$ 56,236	$ 0	$ 0	$ 0	$ 0	$ 0
Job Training Partnership Act	537,548	0	0	0	0	0
Disaster Relief	0	0	0	0	0	0
Homeland Security Grants	325,016	0	0	0	0	0
Other Federal through State	168,959	0	0	0	362,677	0
Direct Federal Revenue						
Other Direct Federal Revenue	557	0	0	0	0	0
Total Federal Government	$ 1,088,316	$ 0	$ 0	$ 0	$ 362,677	$ 0
Other Governments and Citizens Groups						
Other Governments						
Contributions	$ 17,263	$ 0	$ 0	$ 0	$ 0	$ 0
Other						
Other	20,527	0	0	0	0	0
Total Other Governments and Citizens Groups	$ 37,790	$ 0	$ 0	$ 0	$ 0	$ 0
Total	$ 10,221,221	$ 94,156	$ 1,044,362	$ 2,356,337	$ 707,021	$ 726,162

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu-tional Officers - Fees	Highway / Public Works
Local Taxes						
County Property Taxes						
Current Property Tax	$ 0	$ 0	$ 0	$ 201,837	$ 0	$ 773,710
Trustee's Collections - Prior Year	0	0	0	7,995	0	30,642
Circuit/Clerk & Master Collections - Prior Years	0	0	0	3,747	0	20,610
Interest and Penalty	0	0	0	1,348	0	5,169
Pick-up Taxes	0	0	0	106	0	406
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	80,398
Statutory Local Taxes						
Bank Excise Tax	0	0	0	0	0	0
Wholesale Beer Tax	0	0	0	0	0	910
Interstate Telecommunications Tax	0	0	0	0	0	0
Total Local Taxes	$ 0	$ 0	$ 0	$ 215,033	$ 0	$ 911,845
Licenses and Permits						
Licenses						
Cable TV Franchise	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Permits						
Beer Permits	0	0	0	0	0	0
Building Permits	0	0	0	0	0	0
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu-tional Officers - Fees	Highway / Public Works
Fines, Forfeitures, and Penalties (Cont.)						
Circuit Court (Cont.)						
Officers Costs	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Drug Control Fines	0	2,381	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
District Attorney General Fees	0	0	5,360	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
General Sessions Court						
Fines	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	0	18,562	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
District Attorney General Fees	0	0	3,852	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0
Juvenile Court						
Fines	0	0	0	0	0	0
Chancery Court						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
Courts in Other District Counties						
District Attorney General Fees	0	0	8,127	0	0	0
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	0	8,336	0	0	0	0
Total Fines, Forfeitures, and Penalties	$ 0	$ 29,279	$ 17,339	$ 0	$ 0	$ 0
Charges for Current Services						
General Service Charges						
Transfer Waste Stations Collection Charge	$ 0	$ 0	$ 0	$ 17,000	$ 0	$ 0
Solid Waste Disposal Fee	0	0	0	27,889	0	0
Water Treatment Charges	359,366	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu-tional Officers - Fees	Highway / Public Works
Charges for Current Services (Cont.)						
General Service Charges (Cont.)						
Patient Charges	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Past Due Collections - Ambulance	0	0	0	0	0	0
Other General Service Charges	0	0	0	0	0	748
Water Tap Sales	20,550	0	0	0	0	0
Fees						
Recreation Fees	0	0	0	0	0	0
Copy Fees	0	0	0	0	0	0
Telephone Commissions	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	55	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	5,663	0
Data Processing Fee - Register	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee	0	0	0	0	0	0
Other Charges for Services						
Other Charges for Services	0	0	0	0	0	0
Total Charges for Current Services	$ 379,916	$ 0	$ 0	$ 44,889	$ 5,718	$ 748
Other Local Revenues						
Recurring Items						
Investment Income	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Lease/Rentals	0	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	729
Commissary Sales	0	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	18,395
Sale of Recycled Materials	0	0	0	71,350	0	305
Commodity Rebates	0	0	0	0	0	0
Miscellaneous Refunds	0	0	0	0	0	0
Nonrecurring Items						
Insurance Recovery	0	0	0	23,549	0	0
Sale of Equipment	0	0	0	0	0	63
Sale of Property	10	0	0	0	0	20,800
Damages Recovered from Individuals	0	0	0	0	0	150

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu-tional Officers - Fees	Highway / Public Works
Other Local Revenues (Cont.)						
Nonrecurring Items (Cont.)						
Contributions & Gifts	$ 0	$ 4,400	$ 0	$ 0	$ 0	$ 0
Other Local Revenues						
Other Local Revenues	0	0	0	0	0	40
Total Other Local Revenues	$ 10	$ 4,400	$ 0	$ 94,899	$ 0	$ 40,482
Fees Received from County Officials						
Excess Fees						
Clerk and Master	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Fees In Lieu of Salary						
County Clerk	0	0	0	0	0	0
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Trustee	0	0	0	0	0	0
Total Fees Received from County Officials	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
State of Tennessee						
General Government Grants						
Juvenile Services Program	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Solid Waste Grants	0	0	0	34,424	0	0
Public Safety Grants						
Law Enforcement Training Programs	0	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	108,991
Litter Program	0	0	0	0	0	0
Other State Revenues						
Income Tax	0	0	0	0	0	0
Beer Tax	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu-tional Officers - Fees	Highway / Public Works
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
State Revenue Sharing - T.V.A.	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	1,799,446
Petroleum Special Tax	0	0	0	0	0	38,278
Reappraisal Program Reimbursement	0	0	0	0	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Total State of Tennessee	$ 0	$ 0	$ 0	$ 34,424	$ 0	$ 1,946,715
Federal Government						
Federal Through State						
Adult Education State Grant Program	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Job Training Partnership Act	0	0	0	0	0	0
Disaster Relief	0	0	0	0	0	63,862
Homeland Security Grants	0	0	0	0	0	0
Other Federal through State	0	0	0	28,366	0	0
Direct Federal Revenue						
Other Direct Federal Revenue	0	0	0	0	0	0
Total Federal Government	$ 0	$ 0	$ 0	$ 28,366	$ 0	$ 63,862
Other Governments and Citizens Groups						
Other Governments						
Contributions	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Other						
Other	0	0	0	0	0	0
Total Other Governments and Citizens Groups	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Total	$ 379,926	$ 33,679	$ 17,339	$ 417,611	$ 5,718	$ 2,963,652

(Continued)

Exhibit K-6

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

	Debt Service Funds			Capital Projects Fund	Permanent Fund	
	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Endowment	Total
Local Taxes						
County Property Taxes						
Current Property Tax	$ 470,953	$ 1,657,732	$ 349,042	$ 0	$ 0	$ 8,563,817
Trustee's Collections - Prior Year	18,652	71,558	15,108	0	0	346,374
Circuit/Clerk & Master Collections - Prior Years	13,116	82,443	0	0	0	260,476
Interest and Penalty	3,146	12,235	2,599	0	0	58,753
Pick-up Taxes	247	1,131	212	0	0	4,892
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	19,763
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	48,724
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	726,375
County Local Option Taxes						
Local Option Sales Tax	0	0	0	0	0	534,017
Hotel/Motel Tax	0	0	0	0	0	115,673
Litigation Tax - General	0	0	0	0	0	260,863
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	49,101
Business Tax	0	0	0	0	0	374,073
Mineral Severance Tax	0	0	0	0	0	80,398
Statutory Local Taxes						
Bank Excise Tax	0	0	0	0	0	23,896
Wholesale Beer Tax	0	0	0	0	0	120,129
Interstate Telecommunications Tax	0	5,060	0	0	0	5,060
Total Local Taxes	$ 506,114	$ 1,830,159	$ 366,961	$ 0	$ 0	$ 11,592,384
Licenses and Permits						
Licenses						
Cable TV Franchise	$ 0	$ 0	$ 0	$ 0	$ 0	$ 164,449
Permits						
Beer Permits	0	0	0	0	0	3,990
Building Permits	0	0	0	0	0	71,564
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 0	$ 0	$ 240,003
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	$ 0	$ 0	$ 0	$ 0	$ 0	$ 5,989

(Continued)

Exhibit K-6

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

	Debt Service Funds			Capital Projects Fund	Permanent Fund	
	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Endowment	Total
Fines, Forfeitures, and Penalties (Cont.)						
Circuit Court (Cont.)						
Officers Costs	$ 0	$ 0	$ 0	$ 0	$ 0	$ 8,967
Drug Control Fines	0	0	0	0	0	2,381
Drug Court Fees	0	0	0	0	0	583
Jail Fees	0	0	0	0	0	2,344
District Attorney General Fees	0	0	0	0	0	5,360
DUI Treatment Fines	0	0	0	0	0	1,752
Data Entry Fee - Circuit Court	0	0	0	0	0	508
General Sessions Court						
Fines	0	0	0	0	0	41,503
Officers Costs	0	0	0	0	0	63,190
Drug Control Fines	0	0	0	0	0	18,562
Drug Court Fees	0	0	0	0	0	1,546
Jail Fees	0	0	0	0	0	13,896
District Attorney General Fees	0	0	0	0	0	3,852
DUI Treatment Fines	0	0	0	0	0	10,964
Data Entry Fee - General Sessions Court	0	0	0	0	0	10,698
Juvenile Court						
Fines	0	0	0	0	0	2,976
Chancery Court						
Officers Costs	0	0	0	0	0	3,116
Data Entry Fee - Chancery Court	0	0	0	0	0	1,156
Courts in Other District Counties						
District Attorney General Fees	0	0	0	0	0	8,127
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	8,336
Total Fines, Forfeitures, and Penalties	$ 0	$ 0	$ 0	$ 0	$ 0	$ 215,806
Charges for Current Services						
General Service Charges						
Transfer Waste Stations Collection Charge	$ 0	$ 0	$ 0	$ 0	$ 0	$ 17,000
Solid Waste Disposal Fee	0	0	0	0	0	27,889
Water Treatment Charges	0	0	0	0	0	359,366

(Continued)

Exhibit K-6

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

	Debt Service Funds			Capital Projects Fund	Permanent Fund	
	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Endowment	Total
Charges for Current Services (Cont.)						
General Service Charges (Cont.)						
Patient Charges	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,350,158
Past Due Collections - Ambulance	0	0	0	0	0	5,764
Other General Service Charges	0	0	0	0	0	89,305
Water Tap Sales	0	0	0	0	0	20,550
Fees						
Recreation Fees	0	0	0	0	0	22,236
Copy Fees	0	0	0	0	0	18,122
Telephone Commissions	0	0	0	0	0	11,912
Constitutional Officers' Fees and Commissions	0	0	0	0	0	55
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	5,663
Data Processing Fee - Register	0	0	0	0	0	25,228
Data Processing Fee - Sheriff	0	0	0	0	0	4,583
Sexual Offender Registration Fee	0	0	0	0	0	660
Other Charges for Services						
Other Charges for Services	0	0	0	0	0	22,000
Total Charges for Current Services	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,980,491
Other Local Revenues						
Recurring Items						
Investment Income	$ 176,158	$ 56,507	$ 3,719	$ 3,106	$ 397	$ 239,887
Lease/Rentals	0	0	0	0	0	9,702
Sale of Materials and Supplies	0	0	0	0	0	729
Commissary Sales	0	0	0	0	0	7,364
Sale of Gasoline	0	0	0	0	0	18,395
Sale of Recycled Materials	0	0	0	0	0	71,655
Commodity Rebates	0	0	0	0	0	134
Miscellaneous Refunds	0	0	0	0	0	104
Nonrecurring Items						
Insurance Recovery	0	0	0	0	0	30,746
Sale of Equipment	0	0	0	0	0	63
Sale of Property	0	0	0	0	0	22,035
Damages Recovered from Individuals	0	0	0	0	0	150

(Continued)

Exhibit K-6

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

	Debt Service Funds			Capital Projects Fund	Permanent Fund	
	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Endowment	Total
Other Local Revenues (Cont.)						
Nonrecurring Items (Cont.)						
Contributions & Gifts	$ 0	$ 0	$ 0	$ 0	$ 0	$ 51,980
Other Local Revenues						
Other Local Revenues	0	0	0	0	0	19,137
Total Other Local Revenues	$ 176,158	$ 56,507	$ 3,719	$ 3,106	$ 397	$ 472,081
Fees Received from County Officials						
Excess Fees						
Clerk and Master	$ 0	$ 0	$ 0	$ 0	$ 0	$ 101
Fees In Lieu of Salary						
County Clerk	0	0	0	0	0	352,900
Circuit Court Clerk	0	0	0	0	0	51,706
General Sessions Court Clerk	0	0	0	0	0	269,795
Clerk and Master	0	0	0	0	0	179,504
Register	0	0	0	0	0	334,119
Sheriff	0	0	0	0	0	19,601
Trustee	0	0	0	0	0	628,391
Total Fees Received from County Officials	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,836,117
State of Tennessee						
General Government Grants						
Juvenile Services Program	$ 0	$ 0	$ 0	$ 0	$ 0	$ 9,000
Solid Waste Grants	0	0	0	0	0	34,424
Public Safety Grants						
Law Enforcement Training Programs	0	0	0	0	0	10,374
Public Works Grants						
State Aid Program	0	0	0	0	0	108,991
Litter Program	0	0	0	0	0	46,990
Other State Revenues						
Income Tax	0	0	0	0	0	70,474
Beer Tax	0	0	0	0	0	21,835
Alcoholic Beverage Tax	0	0	0	0	0	49,769
Mixed Drink Tax	0	0	0	0	0	2,213

(Continued)

Exhibit K-6

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

	Debt Service Funds			Capital Projects Fund	Permanent Fund	
	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Endowment	Total
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
State Revenue Sharing - T.V.A.	$ 0	$ 0	$ 0	$ 0	$ 0	$ 415,000
Contracted Prisoner Boarding	0	0	0	0	0	93,248
Gasoline and Motor Fuel Tax	0	0	0	0	0	1,799,446
Petroleum Special Tax	0	0	0	0	0	38,278
Reappraisal Program Reimbursement	0	0	0	0	0	20,768
Registrar's Salary Supplement	0	0	0	0	0	16,380
Other State Grants	0	0	0	0	0	255,222
Total State of Tennessee	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,992,412
Federal Government						
Federal Through State						
Adult Education State Grant Program	$ 0	$ 0	$ 0	$ 0	$ 0	$ 56,236
Job Training Partnership Act	0	0	0	0	0	537,548
Disaster Relief	0	0	0	0	0	63,862
Homeland Security Grants	0	0	0	0	0	325,016
Other Federal through State	0	0	0	0	0	560,002
Direct Federal Revenue						
Other Direct Federal Revenue	0	0	0	0	0	557
Total Federal Government	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,543,221
Other Governments and Citizens Groups						
Other Governments						
Contributions	$ 63,000	$ 105,000	$ 0	$ 0	$ 0	$ 185,263
Other						
Other	0	0	0	0	0	20,527
Total Other Governments and Citizens Groups	$ 63,000	$ 105,000	$ 0	$ 0	$ 0	$ 205,790
Total	$ 745,272	$ 1,991,666	$ 370,680	$ 3,106	$ 397	$ 22,078,305

Exhibit K-7

Roane County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Roane County School Department
For the Year Ended June 30, 2005

	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor-tation	Extended School Program	Education Capital Projects	Total
Local Taxes							
County Property Taxes							
Current Property Tax	$ 9,703,475	$ 0	$ 0	$ 0	$ 0	$ 0	$ 9,703,475
Trustee's Collections - Prior Year	345,410	0	0	0	0	0	345,410
Circuit/Clerk & Master Collections - Prior Years	220,274	0	0	0	0	0	220,274
Interest and Penalty	64,578	0	0	0	0	0	64,578
Pick-up Taxes	5,077	0	0	0	0	0	5,077
Payments in Lieu of Taxes - Local Utilities	164,775	0	0	0	0	0	164,775
County Local Option Taxes							
Local Option Sales Tax	4,121,699	0	0	1,250,000	0	0	5,371,699
Statutory Local Taxes							
Interstate Telecommunications Tax	8,196	0	0	0	0	0	8,196
Total Local Taxes	$ 14,633,484	$ 0	$ 0	$ 1,250,000	$ 0	$ 0	$ 15,883,484
Licenses and Permits							
Licenses							
Marriage Licenses	$ 3,888	$ 0	$ 0	$ 0	$ 0	$ 0	$ 3,888
Total Licenses and Permits	$ 3,888	$ 0	$ 0	$ 0	$ 0	$ 0	$ 3,888
Charges for Current Services							
Education Charges							
Tuition - Other	$ 14,579	$ 0	$ 0	$ 0	$ 0	$ 0	$ 14,579
Lunch Payments - Children	0	0	909,790	0	0	0	909,790
Lunch Payments - Adults	0	0	99,062	0	0	0	99,062
Income from Breakfast	0	0	107,678	0	0	0	107,678
Special Milk Sales	0	0	28,756	0	0	0	28,756
A la carte Sales	0	0	193,938	0	0	0	193,938
School Based Health Services - FFS	3,755	0	0	0	0	0	3,755
Receipts from Individual Schools	1,478	0	0	54,387	0	0	55,865
Community Service Fees - Children	0	0	0	0	305,112	0	305,112
Other Charges for Services							
Other Charges for Services	0	0	17,614	0	0	0	17,614
Total Charges for Current Services	$ 19,812	$ 0	$ 1,356,838	$ 54,387	$ 305,112	$ 0	$ 1,736,149
Other Local Revenues							
Recurring Items							
Investment Income	$ 195,581	$ 0	$ 11,089	$ 10,001	$ 0	$ 0	$ 216,671

(Continued)

Exhibit K-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor-tation	Extended School Program	Education Capital Projects	Total
Other Local Revenues (Cont.)							
Recurring Items (Cont.)							
Miscellaneous Refunds	$ 6,840	$ 0	$ 0	$ 0	$ 0	$ 0	$ 6,840
Nonrecurring Items							
Insurance Recovery	0	0	0	23,619	0	0	23,619
Sale of Property	800	0	0	0	0	602	1,402
Damages Recovered from Individuals	5,383	0	0	28	0	0	5,411
Contributions & Gifts	1,116	0	0	0	0	0	1,116
Other Local Revenues							
Other Local Revenues	82,176	0	0	756	0	0	82,932
Total Other Local Revenues	$ 291,896	$ 0	$ 11,089	$ 34,404	$ 0	$ 602	$ 337,991
State of Tennessee							
General Government Grants							
Juvenile Services Program	$ 0	$ 0	$ 0	$ 0	$ 31,979	$ 0	$ 31,979
Public Safety Grants							
Safe and Drug-Free Schools and Communities	42,272	0	0	0	0	0	42,272
State Education Funds							
Basic Education Program	25,699,809	0	0	240,000	0	0	25,939,809
School Food Service	0	0	42,077	0	0	0	42,077
Driver Education	20,040	0	0	0	0	0	20,040
Other State Education Funds	286,890	0	0	0	0	0	286,890
Career Ladder Program	573,087	0	0	0	0	0	573,087
Career Ladder - Extended Contract	275,003	0	0	0	0	0	275,003
Other State Revenues							
State Revenue Sharing - T.V.A.	558,628	0	0	0	0	0	558,628
Other State Grants	24,034	0	0	0	0	0	24,034
Total State of Tennessee	$ 27,479,763	$ 0	$ 42,077	$ 240,000	$ 31,979	$ 0	$ 27,793,819
Federal Government							
Federal Through State							
USDA School Lunch Program	$ 0	$ 0	$ 1,085,733	$ 0	$ 0	$ 0	$ 1,085,733
Breakfast	0	0	391,983	0	0	0	391,983
USDA - Other	0	0	0	0	16,628	0	16,628
Vocational Education - Basic Grants to States	0	162,960	0	0	0	0	162,960
Title I Grants to Local Education Agencies	0	1,567,834	0	0	0	0	1,567,834
Innovative Education Program Strategies	0	38,790	0	0	0	0	38,790

(Continued)

Exhibit K-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor-tation	Extended School Program	Education Capital Projects	Total
Federal Government (Cont.)							
Federal Through State (Cont.)							
Special Education - Grants to States	$ 88,482	$ 1,142,543	$ 0	$ 0	$ 0	$ 0	$ 1,231,025
Special Education Preschool Grants	0	87,960	0	0	0	0	87,960
Other Federal through State	250,360	554,010	0	0	0	0	804,370
Direct Federal Revenue							
Public Law 874 - Maintenance and Operation	68,952	0	0	0	0	0	68,952
Total Federal Government	$ 407,794	$ 3,554,097	$ 1,477,716	$ 0	$ 16,628	$ 0	$ 5,456,235
Other Governments and Citizens Groups							
Other Governments							
Contributions	$ 0	$ 0	$ 0	$ 650,000	$ 0	$ 0	$ 650,000
Total Other Governments and Citizens Groups	$ 0	$ 0	$ 0	$ 650,000	$ 0	$ 0	$ 650,000
Total	$ 42,836,637	$ 3,554,097	$ 2,887,720	$ 2,228,791	$ 353,719	$ 602	$ 51,861,566

Exhibit K-8

Roane County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2005

General Fund		
General Government		
County Commission		
Secretary(s)	$ 1,825	
Board and Committee Members Fees	27,214	
Advertising	84	
Travel	8,202	
Other Supplies and Materials	200	
Total County Commission		$ 37,525
Board of Equalization		
Board and Committee Members Fees	$ 6,475	
Advertising	25	
Total Board of Equalization		6,500
Beer Board		
Board and Committee Members Fees	$ 1,475	
Advertising	153	
Total Beer Board		1,628
Budget and Finance Committee		
Board and Committee Members Fees	$ 6,972	
Advertising	746	
Total Budget and Finance Committee		7,718
Other Boards and Committees		
Board and Committee Members Fees	$ 34,636	
Total Other Boards and Committees		34,636
County Mayor/County Executive		
County Official/Administrative Officer	$ 76,124	
Assistant(s)	34,126	
Secretary(s)	25,746	
Clerical Personnel	19,832	
Temporary Personnel	294	
In-Service Training	723	
Advertising	180	
Communication	195	
Dues and Memberships	535	
Maintenance & Repair Services- Office Equipment	66	
Printing, Stationery, and Forms	920	
Rentals	136	
Travel	5,394	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
General Government (Cont.)		
County Mayor/County Executive (Cont.)		
Premiums on Corporate Surety Bonds	$ 175	
Total County Mayor/County Executive		$ 164,446
County Attorney		
County Official/Administrative Officer	$ 41,914	
Other Charges	37,080	
Total County Attorney		78,994
Election Commission		
Supervisor/Director	$ 53,889	
Deputy(ies)	58,683	
Mechanic(s)	5,750	
Part-time Personnel	10,554	
Overtime Pay	2,402	
Election Commission	8,740	
Election Workers	29,112	
In-Service Training	4,382	
Advertising	7,843	
Communication	1,931	
Dues and Memberships	250	
Maintenance Agreements	6,015	
Maintenance & Repair Services- Equipment	594	
Printing, Stationery, and Forms	4,048	
Rentals	776	
Travel	3,339	
Other Contracted Services	13,349	
Data Processing Supplies	1,989	
Library Books/Media	211	
Other Supplies and Materials	2,874	
Data Processing Equipment	7,780	
Office Equipment	833	
Total Election Commission		225,344
Register of Deeds		
County Official/Administrative Officer	$ 59,876	
Deputy(ies)	80,719	
Part-time Personnel	7,818	
Communication	3	
Data Processing Services	4,590	
Dues and Memberships	546	

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
General Government (Cont.)				
Register of Deeds (Cont.)				
Maintenance Agreements	$	19,880		
Printing, Stationery, and Forms		1,850		
Rentals		48		
Furniture and Fixtures		914		
Total Register of Deeds			$	176,244
Planning				
Assistant(s)	$	16,020		
Supervisor/Director		25,061		
Other Salaries & Wages		46,580		
Board and Committee Members Fees		7,850		
Other Per Diem & Fees		1,800		
Advertising		1,069		
Communication		2,044		
Contracts with Government Agencies		11,500		
Dues and Memberships		135		
Legal Notices, Recording and Court Costs		43		
Maintenance Agreements		484		
Postal Charges		517		
Printing, Stationery, and Forms		852		
Travel		3,664		
Gasoline		2,359		
Uniforms		280		
Other Charges		314		
Data Processing Equipment		4,785		
Office Equipment		296		
Total Planning				125,653
County Buildings				
Foremen	$	51,022		
Custodial Personnel		61,779		
Unemployment Compensation		184		
Communication		3,219		
Engineering Services		6,787		
Maintenance Agreements		11,154		
Maintenance & Repair Services- Buildings		5,041		
Maintenance & Repair Services- Equipment		13,106		
Maintenance & Repair Services- Vehicles		2,681		
Disposal Fees		1,724		
Custodial Supplies		7,960		

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
General Government (Cont.)				
County Buildings (Cont.)				
Electricity	$	64,875		
Gasoline		2,674		
Natural Gas		14,569		
Vehicle Parts		200		
Water and Sewer		14,431		
Other Supplies and Materials		9,474		
Building Improvements		30,739		
Total County Buildings			$	301,619
Other General Administration				
In-Service Training	$	3,090		
Maintenance Agreements		11,587		
Data Processing Supplies		7,060		
Data Processing Equipment		9,057		
Total Other General Administration				30,794
Preservation of Records				
Supervisor/Director	$	28,977		
Temporary Personnel		4,110		
Part-time Personnel		13,526		
Maintenance Agreements		700		
Printing, Stationery, and Forms		3,952		
Electricity		2,250		
Other Charges		1,514		
Total Preservation of Records				55,029
Finance				
Accounting and Budgeting				
Supervisor/Director	$	59,876		
Accountants/Bookkeepers		166,468		
In-Service Training		1,533		
Communication		98		
Dues and Memberships		870		
Maintenance Agreements		1,367		
Maintenance & Repair Services- Office Equipment		24		
Printing, Stationery, and Forms		1,500		
Travel		1,010		
Premiums on Corporate Surety Bonds		50		
Furniture and Fixtures		214		
Total Accounting and Budgeting				233,010

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Finance (Cont.)				
Purchasing				
Supervisor/Director	$	43,509		
Purchasing Personnel		51,815		
In-Service Training		937		
Advertising		1,102		
Communication		922		
Dues and Memberships		509		
Maintenance Agreements		654		
Printing, Stationery, and Forms		531		
Travel		204		
Premiums on Corporate Surety Bonds		50		
Total Purchasing			$	100,233
Property Assessor's Office				
County Official/Administrative Officer	$	59,876		
Assistant(s)		63,957		
Paraprofessionals		117,839		
Communication		2,764		
Contracts with Government Agencies		9,476		
Contracts with Private Agencies		54,655		
Dues and Memberships		1,834		
Maintenance & Repair Services- Office Equipment		6,556		
Printing, Stationery, and Forms		1,616		
Travel		2,924		
Other Supplies and Materials		2,614		
Premiums on Corporate Surety Bonds		621		
Data Processing Equipment		10,160		
Total Property Assessor's Office				334,892
Reappraisal Program				
Data Processing Personnel	$	10,871		
Paraprofessionals		34,965		
Part-time Personnel		30,087		
Communication		5,200		
Data Processing Services		6,589		
Postal Charges		7,974		
Rentals		6,099		
Travel		6,515		
Electricity		781		
Natural Gas		322		
Other Supplies and Materials		1,813		

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Finance (Cont.)				
Reappraisal Program (Cont.)				
Other Charges	$	1,383		
Data Processing Equipment		5,393		
Total Reappraisal Program			$	117,992
County Trustee's Office				
County Official/Administrative Officer	$	58,969		
Deputy(ies)		80,324		
Part-time Personnel		7,511		
Overtime Pay		52		
Advertising		536		
Communication		538		
Contracts with Government Agencies		10,086		
Dues and Memberships		571		
Legal Notices, Recording and Court Costs		130		
Maintenance Agreements		3,210		
Maintenance & Repair Services- Office Equipment		25		
Printing, Stationery, and Forms		263		
Rentals		76		
Data Processing Supplies		2,079		
Premiums on Corporate Surety Bonds		5,825		
Data Processing Equipment		4,875		
Total County Trustee's Office				175,070
County Clerk's Office				
County Official/Administrative Officer	$	59,876		
Deputy(ies)		209,002		
Part-time Personnel		17,484		
Communication		104		
Dues and Memberships		486		
Maintenance Agreements		15,073		
Maintenance & Repair Services- Office Equipment		1,654		
Printing, Stationery, and Forms		1,167		
Rentals		136		
Travel		1,876		
Periodicals		110		
Other Supplies and Materials		320		
Premiums on Corporate Surety Bonds		199		
Data Processing Equipment		21,366		
Total County Clerk's Office				328,853

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Administration of Justice				
Circuit Court				
County Official/Administrative Officer	$	59,876		
Deputy(ies)		43,762		
Part-time Personnel		968		
Jury and Witness Fees		125		
Communication		507		
Contracts with Private Agencies		377		
Dues and Memberships		531		
Maintenance Agreements		1,141		
Printing, Stationery, and Forms		1,856		
Rentals		48		
Office Equipment		597		
Total Circuit Court			$	109,788
General Sessions Court				
Deputy(ies)	$	232,998		
Part-time Personnel		2,259		
Communication		180		
Contracts with Private Agencies		479		
Dues and Memberships		100		
Maintenance Agreements		11,510		
Printing, Stationery, and Forms		3,111		
Periodicals		347		
Office Equipment		471		
Total General Sessions Court				251,455
General Sessions Judge				
Judge(s)	$	205,618		
Assistant(s)		22,448		
Paraprofessionals		33,589		
Communication		3,215		
Travel		4,561		
Data Processing Equipment		1,049		
Total General Sessions Judge				270,480
Chancery Court				
County Official/Administrative Officer	$	59,876		
Deputy(ies)		91,954		
Part-time Personnel		4,621		
Communication		56		
Contracts with Private Agencies		203		

(Continued)

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

General Fund (Cont.)				
Administration of Justice (Cont.)				
Chancery Court (Cont.)				
Dues and Memberships	$	571		
Legal Notices, Recording and Court Costs		34		
Maintenance Agreements		11,359		
Maintenance & Repair Services- Office Equipment		49		
Printing, Stationery, and Forms		2,621		
Rentals		113		
Travel		552		
Periodicals		53		
Other Supplies and Materials		1,211		
Premiums on Corporate Surety Bonds		275		
Office Equipment		2,406		
Total Chancery Court			$	175,954
Juvenile Court				
Probation Officer(s)	$	25,745		
Youth Service Officer(s)		46,515		
Guidance Personnel		32,153		
Assessment Personnel		26,082		
Attendants		3,280		
Overtime Pay		6,923		
Unemployment Compensation		765		
Communication		5,692		
Contracts with Private Agencies		1,200		
Dues and Memberships		660		
Licenses		320		
Maintenance Agreements		1,098		
Maintenance & Repair Services- Buildings		13,724		
Maintenance & Repair Services- Office Equipment		424		
Maintenance & Repair Services- Vehicles		534		
Medical and Dental Services		791		
Printing, Stationery, and Forms		1,491		
Rentals		76		
Travel		9,432		
Other Contracted Services		6,220		
Electricity		1,220		
Food Supplies		199		
Gasoline		2,238		
Tires and Tubes		508		
Uniforms		1,001		
Vehicle Parts		1,046		

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Juvenile Court (Cont.)		
Premiums on Corporate Surety Bonds	$ 355	
Other Charges	876	
Data Processing Equipment	1,076	
Motor Vehicles	21,407	
Office Equipment	2,058	
Total Juvenile Court		$ 215,109
Other Administration of Justice		
Jury and Witness Fees	$ 18,520	
Advertising	125	
Food Supplies	405	
Total Other Administration of Justice		19,050
Public Safety		
Sheriff's Department		
County Official/Administrative Officer	$ 65,860	
Assistant(s)	35,704	
Deputy(ies)	490,924	
Investigator(s)	135,286	
Sergeant(s)	111,242	
Salary Supplements	9,855	
Foremen	75,150	
Dispatchers/Radio Operators	52,313	
Secretary(s)	56,390	
Part-time Personnel	26,777	
Overtime Pay	99,883	
In-Service Training	10,575	
Unemployment Compensation	1,253	
Communication	12,005	
Contracts with Government Agencies	89,151	
Dues and Memberships	2,065	
Legal Notices, Recording, and Court Costs	21	
Licenses	186	
Maintenance & Repair Services- Buildings	27	
Maintenance & Repair Services- Office Equipment	59	
Maintenance & Repair Services- Vehicles	79,244	
Printing, Stationery, and Forms	2,302	
Rentals	136	
Tow-in Services	768	
Travel	7,948	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Sheriff's Department (Cont.)		
Other Contracted Services	$ 4,311	
Gasoline	76,636	
Law Enforcement Supplies	32,054	
Library Books/Media	622	
Periodicals	244	
Tires and Tubes	6,670	
Uniforms	8,779	
Other Supplies and Materials	3,529	
Premiums on Corporate Surety Bonds	900	
Other Self-Insured Claims	2,000	
Motor Vehicles	110,166	
Office Equipment	1,634	
Other Equipment	11,571	
Total Sheriff's Department		$ 1,624,240
Jail		
Assistant(s)	$ 35,704	
Medical Personnel	3,743	
Guards	539,977	
Cafeteria Personnel	26,882	
Part-time Personnel	25,234	
Overtime Pay	84,887	
In-Service Training	375	
Unemployment Compensation	4,140	
Communication	2,852	
Laundry Service	4,284	
Maintenance Agreements	21,263	
Maintenance & Repair Services- Buildings	15,813	
Maintenance & Repair Services- Equipment	2,942	
Medical and Dental Services	140,650	
Printing, Stationery, and Forms	2,315	
Travel	1,660	
Disposal Fees	1,587	
Custodial Supplies	21,218	
Drugs and Medical Supplies	83,842	
Electricity	26,874	
Food Preparation Supplies	3,012	
Food Supplies	99,730	
Law Enforcement Supplies	1,390	
Library Books/Media	99	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Prisoners Clothing	$ 9,498	
Uniforms	6,555	
Water and Sewer	17,637	
Other Supplies and Materials	2,946	
Data Processing Equipment	5,068	
Office Equipment	1,649	
Other Equipment	3,394	
Total Jail		$ 1,197,220
Fire Prevention and Control		
Contributions	$ 95,000	
Other Contracted Services	2,000	
Other Capital Outlay	82,500	
Total Fire Prevention and Control		179,500
Civil Defense		
Supervisor/Director	$ 41,942	
Secretary(s)	17,738	
Part-time Personnel	13,340	
In-Service Training	3,215	
Communication	9,534	
Licenses	35	
Maintenance Agreements	1,815	
Maintenance & Repair Services- Office Equipment	1,734	
Maintenance & Repair Services- Vehicles	2,366	
Postal Charges	972	
Rentals	76	
Travel	2,391	
Gasoline	3,593	
Instructional Supplies and Materials	4,289	
Office Supplies	2,305	
Small Tools	10,967	
Other Supplies and Materials	41,185	
Other Charges	189,739	
Communication Equipment	3,179	
Other Equipment	1,432	
Other Capital Outlay	168,776	
Total Civil Defense		520,623

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Public Safety (Cont.)				
Rescue Squad				
Contributions	$	15,000		
Other Capital Outlay		15,000		
Total Rescue Squad			$	30,000
Other Emergency Management				
In-Service Training	$	327		
Communication		450		
Dues and Memberships		25		
Maintenance & Repair Services- Office Equipment		205		
Travel		833		
Data Processing Supplies		288		
Office Supplies		100		
Other Supplies and Materials		1,310		
Total Other Emergency Management				3,538
County Coroner/Medical Examiner				
Travel	$	14,775		
Premiums on Corporate Surety Bonds		50		
Other Charges		18,407		
Total County Coroner/Medical Examiner				33,232
Other Public Safety				
Contracts with Private Agencies	$	2,296		
Total Other Public Safety				2,296
Public Health and Welfare				
Local Health Center				
Assistant(s)	$	58,666		
Social Workers		21,815		
Medical Personnel		33,861		
Educational Assistants		1,988		
Maintenance Personnel		26,100		
Part-time Personnel		1,193		
Social Security		8,397		
State Retirement		9,557		
Life Insurance		154		
Medical Insurance		24,830		
Dental Insurance		863		
Advertising		226		
Communication		6,151		

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Local Health Center (Cont.)		
Dues and Memberships	$ 200	
Maintenance & Repair Services- Buildings	8,850	
Maintenance & Repair Services- Equipment	1,490	
Postal Charges	2,583	
Travel	5,712	
Disposal Fees	974	
Other Contracted Services	16,860	
Custodial Supplies	910	
Drugs and Medical Supplies	652	
Electricity	21,681	
Gasoline	282	
Instructional Supplies and Materials	186	
Natural Gas	19,440	
Office Supplies	2,810	
Water and Sewer	2,502	
Other Charges	956	
Building Improvements	5,137	
Total Local Health Center		$ 285,026
Rabies and Animal Control		
Other Charges	$ 44,244	
Total Rabies and Animal Control		44,244
Maternal and Child Health Services		
Contributions	$ 2,780	
Total Maternal and Child Health Services		2,780
Dental Health Program		
Assistant(s)	$ 7,423	
Medical Personnel	50,099	
Social Security	4,209	
State Retirement	2,158	
Life Insurance	19	
Medical Insurance	6,598	
Dental Insurance	195	
Maintenance & Repair Services- Buildings	254	
Travel	8	
Drugs and Medical Supplies	7,674	
Office Supplies	1,163	
Liability Insurance	1,155	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Dental Health Program (Cont.)		
Health Equipment	$ 1,862	
Total Dental Health Program		$ 82,817
Other Local Welfare Services		
Contributions	$ 89,670	
Total Other Local Welfare Services		89,670
Sanitation Management		
Supervisor/Director	$ 32,307	
Advertising	779	
Communication	649	
Travel	1,103	
Total Sanitation Management		34,838
Social, Cultural, and Recreational Services		
Libraries		
Contributions	$ 10,000	
Maintenance and Repair Services - Records	300	
Library Books/Media	7,884	
Total Libraries		18,184
Parks and Fair Boards		
Assistant(s)	$ 21,458	
Supervisor/Director	20,970	
Part-time Personnel	1,495	
Communication	1,606	
Maintenance Agreements	240	
Maintenance & Repair Services- Buildings	15,123	
Maintenance & Repair Services- Equipment	2,463	
Maintenance & Repair Services- Vehicles	450	
Disposal Fees	987	
Custodial Supplies	547	
Diesel Fuel	508	
Electricity	5,010	
Food Supplies	1,065	
Gasoline	1,870	
Propane Gas	728	
Tires and Tubes	328	
Water and Sewer	3,050	
Other Charges	979	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Social, Cultural, and Recreational Services (Cont.)		
Parks and Fair Boards (Cont.)		
Other Equipment	$ 17,000	
Other Construction	4,576	
Other Capital Outlay	57	
Total Parks and Fair Boards		$ 100,510
Agriculture & Natural Resources		
Agriculture Extension Service		
Communication	$ 126	
Contracts with Government Agencies	73,720	
Contributions	500	
Postal Charges	150	
Rentals	325	
Other Supplies and Materials	300	
Total Agriculture Extension Service		75,121
Soil Conservation		
Supervisor/Director	$ 20,212	
Social Security	1,537	
State Retirement	1,394	
Life Insurance	29	
Dental Insurance	195	
Contracts with Private Agencies	2,785	
Total Soil Conservation		26,152
Other Operations		
Industrial Development		
Assistant(s)	$ 246,922	
In-Service Training	54,276	
Social Security	18,381	
State Retirement	12,177	
Life Insurance	153	
Medical Insurance	25,669	
Dental Insurance	977	
Unemployment Compensation	4,440	
Advertising	2,697	
Communication	6,019	
Postal Charges	847	
Rentals	23,724	
Travel	130,434	
Other Contracted Services	55,153	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Other Operations (Cont.)		
Industrial Development (Cont.)		
Office Supplies	$ 22,821	
Workers' Compensation Insurance	491	
Other Charges	3,558	
Other Equipment	802	
Total Industrial Development		$ 609,541
Veterans' Services		
Other Per Diem & Fees	$ 3,000	
Total Veterans' Services		3,000
Employee Benefits		
Social Security	$ 354,918	
State Retirement	309,463	
Life Insurance	3,902	
Medical Insurance	687,839	
Dental Insurance	26,341	
Workers' Compensation Insurance	96,144	
Total Employee Benefits		1,478,607
Miscellaneous		
Bank Charges	$ 630	
Communication	22,962	
Consultants	14,305	
Contracts with Government Agencies	26,880	
Dues and Memberships	10,549	
Engineering Services	1,600	
Legal Services	3,618	
Maintenance Agreements	9,696	
Postal Charges	75,861	
Printing, Stationery, and Forms	9,186	
Penalties	9	
Drugs and Medical Supplies	150	
Duplicating Supplies	5,759	
Office Supplies	12,266	
Boiler Insurance	637	
Building and Contents Insurance	14,680	
Liability Insurance	205,904	
Refunds	77	
Trustee's Commission	138,154	
Vehicle and Equipment Insurance	81,163	

(Continued)

Exhibit K-8

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

General Fund (Cont.)			
Other Operations (Cont.)			
Miscellaneous (Cont.)			
Other Self-Insured Claims	$ 1,529		
Other Charges	23,485		
Building Improvements	2,454		
Other Construction	120,872		
Other Capital Outlay	12,965		
Total Miscellaneous		$ 795,391	
Highways			
Litter and Trash Collection			
Contributions	$ 57,314		
Total Litter and Trash Collection		57,314	
Total General Fund			$ 10,871,860
Urban Services Fund			
Public Health and Welfare			
Rabies and Animal Control			
Supervisor/Director	$ 33,990		
Deputy(ies)	48,630		
Attendants	19,371		
Part-time Personnel	20,882		
In-Service Training	3,004		
Social Security	8,694		
State Retirement	6,965		
Life Insurance	115		
Medical Insurance	22,184		
Dental Insurance	765		
Unemployment Compensation	807		
Advertising	102		
Communication	3,804		
Licenses	240		
Maintenance & Repair Services- Buildings	2,594		
Maintenance & Repair Services- Equipment	1,125		
Maintenance & Repair Services- Vehicles	5,877		
Postal Charges	115		
Printing, Stationery, and Forms	264		
Travel	139		
Disposal Fees	885		
Other Contracted Services	6,215		
Animal Food and Supplies	2,757		

(Continued)

Exhibit K-8

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

Urban Services Fund (Cont.)			
Public Health and Welfare (Cont.)			
Rabies and Animal Control (Cont.)			
Custodial Supplies	$ 2,292		
Drugs and Medical Supplies	2,257		
Electricity	3,074		
Gasoline	6,653		
Natural Gas	16,775		
Tires and Tubes	925		
Uniforms	1,165		
Water and Sewer	2,909		
Other Supplies and Materials	3,673		
Building and Contents Insurance	816		
Liability Insurance	3,220		
Trustee's Commission	568		
Vehicle and Equipment Insurance	2,744		
Total Rabies and Animal Control		$ 236,595	
Total Urban Services Fund			$ 236,595
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Convenience Centers			
Foremen	$ 6,426		
Clerical Personnel	3,313		
Part-time Personnel	210,268		
Overtime Pay	700		
Other Salaries & Wages	50,176		
Social Security	20,445		
State Retirement	4,144		
Life Insurance	56		
Medical Insurance	12,131		
Dental Insurance	505		
Communication	4,932		
Maintenance & Repair Services- Buildings	2,652		
Maintenance & Repair Services- Equipment	5,832		
Maintenance & Repair Services- Vehicles	1,551		
Postal Charges	274		
Disposal Fees	614,350		
Crushed Stone	1,382		
Drugs and Medical Supplies	584		
Electricity	7,642		
Fertilizer, Lime, and Seed	553		

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Convenience Centers (Cont.)			
Gasoline	$ 1,760		
Road Signs	3,485		
Water and Sewer	279		
Other Supplies and Materials	8,349		
Liability Insurance	3,220		
Trustee's Commission	13,606		
Vehicle and Equipment Insurance	2,743		
Workers' Compensation Insurance	14,533		
Other Charges	1,328		
Other Equipment	3,447		
Other Capital Outlay	42,423		
Total Convenience Centers		$ 1,043,089	
Total Solid Waste/Sanitation Fund			$ 1,043,089
Ambulance Service Fund			
Public Health and Welfare			
Ambulance/Emergency Medical Services			
Supervisor/Director	$ 37,124		
Clerical Personnel	84,602		
Attendants	554,288		
Part-time Personnel	87,262		
Overtime Pay	323,447		
Social Security	79,246		
State Retirement	66,771		
Life Insurance	816		
Medical Insurance	139,391		
Dental Insurance	5,291		
Advertising	106		
Communication	10,586		
Contracts with Government Agencies	125,588		
Dues and Memberships	260		
Licenses	1,100		
Maintenance Agreements	6,706		
Maintenance & Repair Services- Buildings	1,964		
Maintenance & Repair Services- Equipment	3,387		
Maintenance & Repair Services- Vehicles	26,311		
Medical and Dental Services	3,471		
Postal Charges	4,542		
Printing, Stationery, and Forms	8,109		

(Continued)

Exhibit K-8

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

Ambulance Service Fund (Cont.)			
Public Health and Welfare (Cont.)			
Ambulance/Emergency Medical Services (Cont.)			
Travel	$ 2,706		
Disposal Fees	4,958		
Custodial Supplies	2,922		
Data Processing Supplies	2,007		
Diesel Fuel	32,573		
Drugs and Medical Supplies	70,135		
Electricity	7,982		
Instructional Supplies and Materials	827		
Natural Gas	4,457		
Tires and Tubes	7,037		
Uniforms	7,958		
Water and Sewer	2,796		
In-Service/Staff Development	7,337		
Other Supplies and Materials	14,987		
Building and Contents Insurance	816		
Liability Insurance	70,424		
Trustee's Commission	22,106		
Vehicle and Equipment Insurance	30,176		
Workers' Compensation Insurance	84,805		
Building Improvements	2,035		
Data Processing Equipment	41,998		
Furniture and Fixtures	1,500		
Office Equipment	2,653		
Health Equipment	37,292		
Total Ambulance/Emergency Medical Services		$ 2,032,855	
Total Ambulance Service Fund			$ 2,032,855
Industrial/Economic Development Fund			
Other Operations			
Industrial Development			
Contracts with Other Public Agencies	$ 100,000		
Contributions	246,120		
Trustee's Commission	11,206		
Other Charges	1,312		
Site Development	724,223		
Total Industrial Development		$ 1,082,861	
Total Industrial/Economic Development Fund			1,082,861

(Continued)

Exhibit K-8

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

Special Purpose Fund			
Public Health and Welfare			
Other Waste Collection			
Assistant(s)	$ 71,210		
Supervisor/Director	35,167		
Social Security	7,589		
State Retirement	7,394		
Life Insurance	115		
Medical Insurance	20,735		
Dental Insurance	781		
Communication	3,015		
Data Processing Services	267		
Dues and Memberships	480		
Licenses	1,160		
Maintenance Agreements	3,780		
Maintenance & Repair Services- Buildings	1,492		
Maintenance & Repair Services- Equipment	25,638		
Maintenance & Repair Services- Vehicles	283		
Postal Charges	296		
Rentals	76		
Travel	1,623		
Disposal Fees	3,062		
Crushed Stone	42		
Diesel Fuel	505		
Electricity	46,165		
Gasoline	2,216		
Lubricants	42		
Uniforms	265		
Water and Sewer	1,633		
Building and Contents Insurance	816		
Liability Insurance	3,220		
Trustee's Commission	3,731		
Vehicle and Equipment Insurance	2,743		
Workers' Compensation Insurance	3,379		
Other Charges	4,394		
Maintenance Equipment	30,330		
Other Equipment	6,974		
Total Other Waste Collection		$ 290,618	
Total Special Purpose Fund			$ 290,618

(Continued)

Exhibit K-8

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

Drug Control Fund			
Public Safety			
Sheriff's Department			
In-Service Training	$ 250		
Communication	597		
Maintenance & Repair Services- Vehicles	2,015		
Travel	748		
Veterinary Services	2,425		
Animal Food and Supplies	2,045		
Law Enforcement Supplies	7,420		
Other Supplies and Materials	2,185		
Trustee's Commission	350		
Motor Vehicles	22,283		
Total Sheriff's Department		$ 40,318	
Total Drug Control Fund			$ 40,318
District Attorney General Fund			
Administration of Justice			
District Attorney General			
Communication	$ 100		
Rentals	4,320		
Travel	51		
Other Supplies and Materials	14,334		
Trustee's Commission	187		
Total District Attorney General		$ 18,992	
Total District Attorney General Fund			18,992
Other Special Revenue Fund			
Public Health and Welfare			
Recycling Center			
Overtime Pay	$ 500		
Other Salaries & Wages	85,772		
Social Security	6,524		
State Retirement	5,864		
Life Insurance	115		
Medical Insurance	16,825		
Dental Insurance	700		
Unemployment Compensation	1,206		
Advertising	558		
Communication	2,191		
Contracts with Private Agencies	6,535		

(Continued)

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

Other Special Revenue Fund (Cont.)
Public Health and Welfare (Cont.)
Recycling Center (Cont.)

Dues and Memberships	$ 416	
Licenses	89	
Maintenance Agreements	2,907	
Maintenance & Repair Services- Buildings	2,488	
Maintenance & Repair Services- Equipment	14,731	
Maintenance & Repair Services- Office Equipment	425	
Maintenance & Repair Services- Vehicles	5,178	
Postal Charges	82	
Printing, Stationery, and Forms	30	
Travel	551	
Disposal Fees	73,949	
Asphalt - Hot Mix	2,500	
Crushed Stone	500	
Custodial Supplies	2,250	
Data Processing Supplies	481	
Diesel Fuel	15,686	
Electricity	6,957	
Fertilizer, Lime, and Seed	779	
Food Supplies	538	
Gasoline	539	
Office Supplies	130	
Propane Gas	315	
Road Signs	63	
Tires and Tubes	4,178	
Uniforms	2,751	
Water and Sewer	1,840	
Other Supplies and Materials	7,281	
Building and Contents Insurance	17,341	
Liability Insurance	3,220	
Trustee's Commission	5,961	
Vehicle and Equipment Insurance	2,743	
Workers' Compensation Insurance	4,410	
Other Charges	3,051	
Office Equipment	279	
Total Recycling Center		$ 311,429

Postclosure Care Costs

Engineering Services	$ 3,281	
Maintenance & Repair Services- Equipment	17,116	
Disposal Fees	30,911	

(Continued)

Exhibit K-8

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

Other Special Revenue Fund (Cont.)			
Public Health and Welfare (Cont.)			
Postclosure Care Costs (Cont.)			
Contracts for Postclosure Care Costs	$ 14,075		
Total Postclosure Care Costs		$ 65,383	
Total Other Special Revenue Fund			$ 376,812
Constitutional Officers - Fees Fund			
Administration of Justice			
Chancery Court			
Special Commissioner Fees/Special Master Fees	$ 5,663		
Constitutional Officers' Operating Expenses	55		
Total Chancery Court		$ 5,718	
Total Constitutional Officers - Fees Fund			5,718
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 65,863		
Assistant(s)	39,959		
Secretary(s)	30,814		
Dues and Memberships	2,733		
Maintenance & Repair Services- Buildings	430		
Maintenance & Repair Services- Office Equipment	150		
Postal Charges	400		
Printing, Stationery, and Forms	216		
Travel	1,120		
Other Contracted Services	295		
Drugs and Medical Supplies	96		
Office Supplies	765		
Furniture and Fixtures	1,875		
Total Administration		$ 144,716	
Highway and Bridge Maintenance			
Foremen	$ 67,339		
Equipment Operators	108,730		
Truck Drivers	141,719		
Laborers	178,382		
Overtime Pay	24,271		
Contracts with Private Agencies	179,650		
Engineering Services	2,355		

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)		
Highways (Cont.)		
Highway and Bridge Maintenance (Cont.)		
Asphalt - Hot Mix	$ 853,812	
Concrete	2,918	
Crushed Stone	70,878	
Fertilizer, Lime, and Seed	648	
Pipe	45,914	
Road Signs	15,765	
Structural Steel	1,498	
Wood Products	336	
Other Supplies and Materials	9,008	
Total Highway and Bridge Maintenance		$ 1,703,223
Operation and Maintenance of Equipment		
Mechanic(s)	$ 84,472	
Overtime Pay	168	
Maintenance & Repair Services- Equipment	27,521	
Custodial Supplies	2,214	
Diesel Fuel	42,716	
Equipment and Machinery Parts	102,775	
Garage Supplies	2,445	
Gasoline	34,300	
Lubricants	2,834	
Tires and Tubes	15,733	
Uniforms	10,156	
Total Operation and Maintenance of Equipment		325,334
Traffic Control		
Part-time Personnel	$ 17,509	
Traffic Control Equipment	14,619	
Total Traffic Control		32,128
Other Charges		
Communication	$ 24,525	
Licenses	83	
Maintenance Agreements	4,836	
Disposal Fees	382	
Electricity	5,426	
Food Supplies	501	
Natural Gas	6,020	
Water and Sewer	1,167	
Building and Contents Insurance	1,631	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Other Charges (Cont.)			
Liability Insurance	$ 67,640		
Premiums on Corporate Surety Bonds	350		
Trustee's Commission	38,082		
Vehicle and Equipment Insurance	54,866		
Other Self-Insured Claims	2,014		
Total Other Charges		$ 207,523	
Employee Benefits			
Social Security	$ 56,440		
State Retirement	49,492		
Life Insurance	733		
Medical Insurance	132,417		
Dental Insurance	5,079		
Unemployment Compensation	3,011		
Workers' Compensation Insurance	64,746		
Total Employee Benefits		311,918	
Capital Outlay			
Highway Equipment	$ 23,777		
Motor Vehicles	45,862		
Traffic Control Equipment	7,028		
Total Capital Outlay		76,667	
Total Highway/Public Works Fund			$ 2,801,509
General Debt Service Fund			
Debt Service Principal			
General Government			
Principal on Bonds	$ 81,619		
Principal on Notes	61,641		
Principal on Other Loans	435,000		
Total General Government		$ 578,260	
Highways and Streets			
Principal on Bonds	$ 90,000		
Total Highways and Streets		90,000	
Debt Service Interest			
General Government			
Interest on Bonds	$ 21,774		

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)			
Debt Service Interest (Cont.)			
General Government (Cont.)			
Interest on Notes	$ 234,031		
Interest on Other Loans	401,265		
Total General Government		$ 657,070	
Highways and Streets			
Interest on Bonds	$ 31,772		
Total Highways and Streets		31,772	
Other Debt Service			
General Government			
Contracts with Private Agencies	$ 45,728		
Trustee's Commission	15,154		
Other Debt Service	42,582		
Total General Government		103,464	
Total General Debt Service Fund			$ 1,460,566
Rural Debt Service Fund			
Debt Service Principal			
Education			
Principal on Bonds	$ 855,000		
Total Education		$ 855,000	
Debt Service Interest			
Education			
Interest on Bonds	$ 883,042		
Total Education		883,042	
Other Debt Service			
General Government			
Trustee's Commission	$ 35,819		
Total General Government		35,819	
Education			
Other Contracted Services	$ 2,493		
Contributions	665,000		
Total Education		667,493	
Total Rural Debt Service Fund			2,441,354

(Continued)

Exhibit K-8

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

Education Debt Service Fund			
Debt Service Principal			
Education			
Principal on Bonds	$ 215,000		
Total Education		$ 215,000	
Debt Service Interest			
Education			
Interest on Bonds	$ 48,575		
Total Education		48,575	
Other Debt Service			
Education			
Trustee's Commission	$ 7,363		
Total Education		7,363	
Total Education Debt Service Fund			$ 270,938
Highway Capital Projects Fund			
Capital Projects			
Highway & Street Capital Projects			
Highway Construction	$ 102,514		
Total Highway & Street Capital Projects		$ 102,514	
Total Highway Capital Projects Fund			102,514
Endowment Fund			
Other Operations			
Other Charges			
Other Charges	$ 224		
Total Other Charges		$ 224	
Total Endowment Fund			224
Total Governmental Funds - Primary Government			$ 23,076,823

Exhibit K-9

Roane County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Roane County School Department
For the Year Ended June 30, 2005

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 14,662,172	
Career Ladder Program	313,276	
Career Ladder Extended Contracts	144,000	
Homebound Teachers	5,330	
Educational Assistants	569,203	
Other Salaries & Wages	1,575	
Certified Substitute Teachers	208,627	
Social Security	953,994	
State Retirement	867,957	
Life Insurance	11,287	
Medical Insurance	2,539,927	
Dental Insurance	74,596	
Unemployment Compensation	5,787	
Employer Medicare	223,115	
Other Fringe Benefits	136,258	
Other Contracted Services	142,281	
Instructional Supplies and Materials	392,353	
Textbooks	518,769	
Other Supplies and Materials	14,466	
Regular Instruction Equipment	153,999	
Total Regular Instruction Program		$ 21,938,972
Alternative Instruction Program		
Teachers	$ 164,417	
Career Ladder Program	4,000	
Career Ladder Extended Contracts	500	
Educational Assistants	11,909	
Social Security	10,992	
State Retirement	10,107	
Life Insurance	144	
Medical Insurance	27,653	
Dental Insurance	977	
Employer Medicare	2,571	
Other Fringe Benefits	1,600	
Instructional Supplies and Materials	776	
Total Alternative Instruction Program		235,646
Special Education Program		
Teachers	$ 2,320,961	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Instruction (Cont.)		
Special Education Program (Cont.)		
Career Ladder Program	$ 41,099	
Career Ladder Extended Contracts	9,000	
Homebound Teachers	4,595	
Educational Assistants	384,598	
Other Salaries & Wages	16,534	
Certified Substitute Teachers	24,295	
Social Security	169,953	
State Retirement	156,460	
Life Insurance	2,311	
Medical Insurance	471,732	
Dental Insurance	15,429	
Unemployment Compensation	7,335	
Employer Medicare	39,747	
Other Fringe Benefits	20,800	
Other Contracted Services	290,435	
Instructional Supplies and Materials	60,216	
Textbooks	9,963	
Other Supplies and Materials	480	
Special Education Equipment	22,873	
Total Special Education Program		$ 4,068,816
Vocational Education Program		
Teachers	$ 1,274,213	
Career Ladder Program	19,833	
Career Ladder Extended Contracts	6,000	
Educational Assistants	14,054	
Certified Substitute Teachers	14,290	
Social Security	80,869	
State Retirement	72,462	
Life Insurance	899	
Medical Insurance	212,795	
Dental Insurance	6,562	
Employer Medicare	18,913	
Other Fringe Benefits	10,560	
Other Contracted Services	4,011	
Instructional Supplies and Materials	31,746	
Textbooks	22,600	
Other Supplies and Materials	8,062	
Vocational Instruction Equipment	32,160	
Total Vocational Education Program		1,830,029

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services		
Attendance		
Travel	$ 308	
Other Contracted Services	4,416	
Other Supplies and Materials	4,091	
Attendance Equipment	16,838	
Total Attendance		$ 25,653
Health Services		
Medical Personnel	$ 160,221	
Social Security	9,422	
State Retirement	10,991	
Life Insurance	144	
Medical Insurance	24,364	
Dental Insurance	1,367	
Employer Medicare	2,204	
Dues and Memberships	80	
Travel	1,638	
Other Contracted Services	9,585	
Drugs and Medical Supplies	8,462	
Other Supplies and Materials	3,692	
In Service/Staff Development	1,527	
Other Charges	876	
Total Health Services		234,573
Other Student Support		
Career Ladder Program	$ 21,000	
Guidance Personnel	723,525	
Career Ladder Extended Contracts	12,000	
Other Salaries & Wages	20,935	
Social Security	47,776	
State Retirement	42,990	
Life Insurance	452	
Medical Insurance	84,097	
Dental Insurance	2,871	
Employer Medicare	11,135	
Other Fringe Benefits	6,000	
Evaluation and Testing	39,702	
Travel	631	
Other Supplies and Materials	3,121	
Other Charges	1,698	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Other Student Support (Cont.)		
Other Equipment	$ 554	
Total Other Student Support		$ 1,018,487
Regular Instruction Program		
Supervisor/Director	$ 164,110	
Career Ladder Program	25,000	
Career Ladder Extended Contracts	11,000	
Librarians	685,230	
Education Media Personnel	121,387	
Instructional Computer Personnel	252,905	
Secretary(s)	37,561	
Other Salaries & Wages	5,260	
Social Security	74,391	
State Retirement	75,016	
Life Insurance	850	
Medical Insurance	157,133	
Dental Insurance	4,609	
Employer Medicare	17,398	
Other Fringe Benefits	8,760	
Travel	4,042	
Other Contracted Services	55,949	
Library Books/Media	98,508	
Periodicals	1,297	
Other Supplies and Materials	23,753	
In Service/Staff Development	3,715	
Other Charges	5,180	
Other Equipment	49,116	
Total Regular Instruction Program		1,882,170
Alternative Instruction Program		
Other Supplies and Materials	$ 1,864	
Other Charges	326	
Total Alternative Instruction Program		2,190
Special Education Program		
Supervisor/Director	$ 70,079	
Career Ladder Program	3,000	
Psychological Personnel	227,654	
Clerical Personnel	30,100	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Special Education Program (Cont.)				
Other Salaries & Wages	$	318,411		
Social Security		39,195		
State Retirement		30,167		
Life Insurance		477		
Medical Insurance		86,903		
Dental Insurance		3,164		
Employer Medicare		9,161		
Other Fringe Benefits		1,600		
Travel		5,220		
Other Contracted Services		26,753		
Other Supplies and Materials		2,249		
Total Special Education Program			$	854,133
Vocational Education Program				
Supervisor/Director	$	63,654		
Career Ladder Program		1,000		
Secretary(s)		31,029		
In-Service Training		2,396		
Social Security		5,833		
State Retirement		5,685		
Life Insurance		43		
Medical Insurance		9,255		
Dental Insurance		391		
Employer Medicare		1,364		
Other Fringe Benefits		400		
Travel		5,696		
Other Supplies and Materials		861		
Vocational Instruction Equipment		3,696		
Total Vocational Education Program				131,303
Board of Education				
Secretary to Board	$	4,008		
Board and Committee Members Fees		26,286		
Social Security		1,842		
State Retirement		1,328		
Medical Insurance		5,699		
Employer Medicare		431		
Payments to Retirees		27,752		
Audit Services		13,250		

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Board of Education (Cont.)		
Dues and Memberships	$ 15,364	
Legal Services	57,707	
Travel	8,342	
Other Contracted Services	3,066	
Liability Insurance	139,360	
Premiums on Corporate Surety Bonds	340	
Trustee's Commission	268,110	
Workers' Compensation Insurance	150,043	
Other Self-Insured Claims	148	
Criminal Investigation of Applicants - TBI	96	
Refund to Applicant for Criminal Investigation	3,672	
Other Charges	19,641	
Total Board of Education		$ 746,485
Director of Schools		
County Official/Administrative Officer	$ 105,473	
Career Ladder Program	1,000	
Secretary(s)	66,106	
Other Salaries & Wages	5,122	
Social Security	10,156	
State Retirement	14,277	
Life Insurance	86	
Medical Insurance	16,082	
Dental Insurance	586	
Employer Medicare	2,623	
Other Fringe Benefits	5,650	
Communication	4,320	
Dues and Memberships	2,601	
Postal Charges	4,393	
Travel	1,121	
Other Contracted Services	1,654	
Office Supplies	5,528	
Other Charges	2,917	
Administration Equipment	30	
Total Director of Schools		249,725
Office of the Principal		
Principals	$ 1,052,225	
Career Ladder Program	45,916	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Office of the Principal (Cont.)		
Career Ladder Extended Contracts	$ 45,000	
Assistant Principals	517,341	
Secretary(s)	574,532	
Other Salaries & Wages	3,710	
Social Security	134,832	
State Retirement	126,225	
Life Insurance	1,606	
Medical Insurance	333,454	
Dental Insurance	11,003	
Employer Medicare	31,527	
Other Fringe Benefits	10,000	
Communication	122,061	
Dues and Memberships	535	
Travel	12,390	
Other Contracted Services	72,068	
In Service/Staff Development	2,107	
Other Charges	10,570	
Administration Equipment	37,388	
Total Office of the Principal		$ 3,144,490
Fiscal Services		
Supervisor/Director	$ 60,570	
Accountants/Bookkeepers	95,842	
Other Salaries & Wages	17,178	
Social Security	10,496	
State Retirement	11,086	
Life Insurance	103	
Medical Insurance	16,116	
Dental Insurance	586	
Employer Medicare	2,645	
Travel	222	
Other Contracted Services	3,888	
Office Supplies	968	
Other Supplies and Materials	2,377	
In Service/Staff Development	60	
Other Charges	1,436	
Administration Equipment	8,996	
Total Fiscal Services		232,569

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Operation of Plant		
Custodial Personnel	$ 78,573	
Social Security	4,847	
State Retirement	5,390	
Life Insurance	104	
Medical Insurance	18,510	
Dental Insurance	781	
Employer Medicare	1,134	
Janitorial Services	871,201	
Licenses	1,175	
Pest Control	12,460	
Rentals	13,812	
Disposal Fees	25,399	
Other Contracted Services	19,039	
Custodial Supplies	58,227	
Electricity	1,220,889	
Natural Gas	264,814	
Water and Sewer	181,103	
Other Supplies and Materials	19,110	
Boiler Insurance	6,159	
Building and Contents Insurance	143,534	
Other Charges	52,181	
Plant Operation Equipment	1,583	
Total Operation of Plant		$ 3,000,025
Maintenance of Plant		
Supervisor/Director	$ 52,848	
Maintenance Personnel	348,088	
Other Salaries & Wages	15,106	
Social Security	24,882	
State Retirement	27,617	
Life Insurance	374	
Medical Insurance	59,962	
Dental Insurance	2,344	
Employer Medicare	5,826	
Communication	17,173	
Maintenance & Repair Services- Buildings	45,714	
Maintenance & Repair Services- Equipment	49,762	
Other Contracted Services	17,037	
Other Supplies and Materials	93,382	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Maintenance of Plant (Cont.)			
Other Charges	$ 24,092		
Other Equipment	41,205		
Total Maintenance of Plant		$ 825,412	
Capital Outlay			
Regular Capital Outlay			
Contributions	$ 105,000		
Principal on Notes	2,000		
Furniture and Fixtures	21,851		
Maintenance Equipment	27,606		
Other Capital Outlay	26,636		
Total Regular Capital Outlay		183,093	
Total General Purpose School Fund			$ 40,603,771
School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Teachers	$ 1,083,135		
Educational Assistants	102,633		
Certified Substitute Teachers	18,280		
Social Security	73,227		
State Retirement	65,947		
Life Insurance	1,004		
Medical Insurance	199,993		
Dental Insurance	6,347		
Employer Medicare	17,129		
Other Fringe Benefits	10,485		
Instructional Supplies and Materials	43,218		
Other Charges	3,278		
Regular Instruction Equipment	98,223		
Total Regular Instruction Program		$ 1,722,899	
Special Education Program			
Teachers	$ 3,446		
Educational Assistants	307,693		
Social Security	18,300		
State Retirement	21,108		
Life Insurance	544		

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)		
Instruction (Cont.)		
Special Education Program (Cont.)		
Medical Insurance	$ 81,644	
Dental Insurance	3,591	
Employer Medicare	4,280	
Tuition	11,771	
Other Contracted Services	502,895	
Textbooks	6,741	
Other Supplies and Materials	105,141	
Special Education Equipment	126,676	
Total Special Education Program		$ 1,193,830
Vocational Education Program		
Travel	$ 15,000	
Instructional Supplies and Materials	32,987	
Vocational Instruction Equipment	149,412	
Total Vocational Education Program		197,399
Support Services		
Other Student Support		
Evaluation and Testing	$ 545	
In Service/Staff Development	10,000	
Other Charges	15,570	
Total Other Student Support		26,115
Regular Instruction Program		
Supervisor/Director	$ 36,404	
Secretary(s)	17,016	
Other Salaries & Wages	25,958	
In-Service Training	250	
Social Security	5,303	
State Retirement	4,950	
Life Insurance	29	
Medical Insurance	4,627	
Dental Insurance	195	
Employer Medicare	1,295	
Travel	6,046	
Other Contracted Services	7,925	
Other Supplies and Materials	40,041	
In Service/Staff Development	116,126	
Other Charges	808	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Regular Instruction Program (Cont.)			
Regular Instruction Equipment	$ 34,461		
Other Equipment	14,935		
Total Regular Instruction Program		$ 316,369	
Special Education Program			
Other Salaries & Wages	$ 99,146		
Social Security	8,003		
State Retirement	6,260		
Life Insurance	200		
Medical Insurance	24,425		
Dental Insurance	1,113		
Employer Medicare	1,861		
Travel	932		
Other Supplies and Materials	34,249		
In Service/Staff Development	56,749		
Other Equipment	8,854		
Total Special Education Program		241,792	
Vocational Education Program			
Travel	$ 5,000		
Total Vocational Education Program		5,000	
Total School Federal Projects Fund			$ 3,703,404
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 48,180		
Accountants/Bookkeepers	31,730		
Clerical Personnel	25,000		
Cafeteria Personnel	1,027,644		
Social Security	70,219		
State Retirement	56,141		
Life Insurance	1,579		
Medical Insurance	260,055		
Dental Insurance	11,093		
Unemployment Compensation	1,154		
Employer Medicare	16,422		
Maintenance & Repair Services- Equipment	34,087		

(Continued)

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

Central Cafeteria Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Food Service (Cont.)			
Pest Control	$ 5,280		
Transportation - Other than Students	22,346		
Travel	155		
Disposal Fees	14,955		
Other Contracted Services	7,990		
Food Preparation Supplies	71,010		
Food Supplies	1,087,188		
Office Supplies	399		
Other Supplies and Materials	3,716		
Workers' Compensation Insurance	23,621		
In Service/Staff Development	4,515		
Other Charges	4,140		
Food Service Equipment	7,742		
Total Food Service		$ 2,836,361	
Total Central Cafeteria Fund			$ 2,836,361
School Transportation Fund			
Support Services			
Transportation			
Supervisor/Director	$ 48,179		
Mechanic(s)	86,407		
Bus Drivers	643,471		
Secretary(s)	18,052		
Other Salaries & Wages	102,647		
Social Security	54,757		
State Retirement	55,784		
Life Insurance	644		
Medical Insurance	112,925		
Dental Insurance	4,472		
Employer Medicare	12,806		
Communication	5,026		
Medical and Dental Services	6,908		
Tow-in Services	1,173		
Travel	216		
Other Contracted Services	8,393		
Diesel Fuel	184,530		
Garage Supplies	14,052		
Gasoline	14,340		

(Continued)

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

School Transportation Fund (Cont.)			
Support Services (Cont.)			
Transportation (Cont.)			
Lubricants	$ 5,414		
Tires and Tubes	30,305		
Vehicle Parts	93,904		
Other Supplies and Materials	5,777		
Vehicle and Equipment Insurance	96,015		
Workers' Compensation Insurance	51,834		
Other Charges	2,580		
Motor Vehicles	489,769		
Transportation Equipment	5,968		
Total Transportation		$ 2,156,348	
Total School Transportation Fund			$ 2,156,348
Extended School Program Fund			
Operation of Non-Instructional Services			
Community Services			
Other Salaries & Wages	$ 215,746		
Social Security	13,092		
State Retirement	9,477		
Life Insurance	195		
Medical Insurance	29,655		
Dental Insurance	1,360		
Employer Medicare	3,062		
Communication	116		
Travel	6,033		
Other Contracted Services	2,900		
Food Supplies	22,785		
Other Supplies and Materials	17,031		
In Service/Staff Development	1,331		
Other Charges	11,578		
Other Equipment	884		
Total Community Services		$ 335,245	
Total Extended School Program Fund			335,245
Education Capital Projects Fund			
Capital Projects			
Education Capital Projects			
Engineering Services	$ 17,833		

(Continued)

Exhibit K-9

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

Education Capital Projects Fund (Cont.)			
Capital Projects (Cont.)			
Education Capital Projects (Cont.)			
Building Improvements	$ 719,225		
Furniture and Fixtures	56,494		
Other Equipment	178,776		
Other Construction	58,938		
Total Education Capital Projects		$ 1,031,266	
Total Education Capital Projects Fund			$ 1,031,266
Total Governmental Funds - Roane County School Department			$ 50,666,395

Exhibit K-10

Roane County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balances - City Agency Funds
For the Year Ended June 30, 2005

	Cities - Sales Tax Fund	Cities - Property Tax Fund	City School ADA - Oak Ridge Fund	Total (Memorandum Only)
Cash Receipts				
Current Property Taxes	$ 0	$ 0	$ 527,280	$ 527,280
Trustee's Collections - Prior Years	0	0	20,857	20,857
Circuit / Clerk and Master Collections - Prior Years	0	0	12,021	12,021
Interest and Penalty	0	0	3,520	3,520
Pick-up Taxes	0	0	277	277
Payments in-Lieu-of Taxes - Local Utilities	0	0	8,111	8,111
Local Option Sales Tax	5,130,546	0	291,597	5,422,143
Interstate Telecommunications Tax	0	0	472	472
Licenses	0	0	216	216
Other Local Revenue	0	0	62	62
Total Cash Receipts	$ 5,130,546	$ 0	$ 864,413	$ 5,994,959
Cash Disbursements				
Remittance of Revenues Collections	$ 5,079,775	$ 120	$ 849,458	$ 5,929,353
Trustee's Commission	50,771	0	14,837	65,608
Total Cash Disbursements	$ 5,130,546	$ 120	$ 864,295	$ 5,994,961
Excess of Cash Receipts Over (Under) Cash Disbursements	$ 0	$ (120)	$ 118	$ (2)
Cash Balance, July 1, 2004	0	4,682	455	5,137
Cash Balance, June 30, 2005	$ 0	$ 4,562	$ 573	$ 5,135

STATISTICAL SECTION

Table 1

Roane County, Tennessee
Uncollected Taxes Filed in Chancery Court
June 30, 2005

Year	Amount
1994	$ 30,331
1995	6,851
1996	10,189
1997	145,511
1998	122,799
1999	94,630
2000	155,275
2001	203,054
2002	388,403
2003	511,268
Total	$ 1,668,311

Table 2

Roane County, Tennessee
Tax Rates and Assessments
Last Ten Years

Fund	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
General	$ 0.63	$ 0.64	$ 0.55	$ 0.55	$ 0.66	$ 0.61	$ 0.63	$ 0.65	$ 0.69	$ 0.69
Solid Waste/Sanitation	0.12	0.10	0.09	0.09	0.09	0.08	0.08	0.08	0.08	0.08
Ambulance Service	0.07	0.03	0.00	0.00	0.00	0.04	0.02	0.00	0.00	0.00
Industrial/Economic Development	0.00	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.03
Other Special Revenue	0.00	0.00	0.00	0.00	0.02	0.02	0.02	0.02	0.03	0.03
Highway/Public Works	0.035	0.04	0.035	0.035	0.105	0.11	0.11	0.11	0.12	0.12
General Purpose School	1.67	1.67	1.435	1.435	1.435	1.24	1.24	1.24	1.52	1.52
General Debt Service	0.04	0.04	0.06	0.06	0.08	0.07	0.07	0.07	0.07	0.07
Sanitation Projects	0.02	0.02	0.02	0.02	0.00	0.00	0.00	0.00	0.00	0.00
Total Inside Tax Rates	$ 2.585	$ 2.56	$ 2.21	$ 2.21	$ 2.41	$ 2.19	$ 2.19	$ 2.19	$ 2.54	$ 2.54
Rural Debt Service	0.42	0.42	0.36	0.36	0.34	0.44	0.44	0.44	0.32	0.32
Education Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.06
Total Tax Rates	$ 3.005	$ 2.980	$ 2.570	$ 2.570	$ 2.750	$ 2.630	$ 2.630	$ 2.630	$ 2.920	$ 2.920
Assessed Valuations										
Real and Personal	$ 392,688,071	$ 402,736,988	$ 490,417,239	$ 499,243,555	$ 514,140,231	$ 602,303,237	$ 628,480,623	$ 639,593,771	$ 668,961,310	$ 880,269,809
Public Utilities	29,652,276	31,566,594	28,431,507	30,244,570	28,525,088	32,065,017	30,834,695	25,837,213	25,837,213	25,083,276
Total Assessed Valuation	$ 422,340,347	$ 434,303,582	$ 518,848,746	$ 529,488,125	$ 542,665,319	$ 634,368,254	$ 659,315,318	$ 665,430,984	$ 694,798,523	$ 905,353,085

SINGLE AUDIT SECTION

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

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

January 20, 2006

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Roane County, Tennessee, as of and for the year ended June 30, 2005, which collectively comprise Roane County's basic financial statements and have issued our report thereon dated January 20, 2006. Our report on the aggregate discretely presented component units' financial information was qualified because the financial statements did not include the financial information of the Roane County Industrial Development Board, a discretely presented component unit, which was not available from other auditors as of the date of this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Roane County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the

internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Roane County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 05.01 and 05.02.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Roane County's statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We have also noted certain other matters that we reported to the management of Roane County in separate communications.

This report is intended solely for the information and use of the Board of County Commissioners, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

John G. Morgan

John G. Morgan
Comptroller of the Treasury

JGM/sb

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

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

January 20, 2006

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

To the County Mayor and Board of County Commissioners:

Compliance

We have audited the compliance of Roane County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. Roane County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Roane County's management. Our responsibility is to express an opinion on Roane County's compliance based on our audit.

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

performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Roane County's compliance with those requirements.

In our opinion, Roane County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of Roane County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Roane County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Roane County, Tennessee, as of and for the year ended June 30, 2005, and have issued our report thereon dated January 20, 2006. Our report on the aggregate discretely presented component units' financial information was qualified because the financial statements did not include the financial information of the Roane County Industrial Development Board, a discretely presented component unit, which was not available from other auditors as of the date of this report. Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Grants is presented for purposes of additional analysis, as required by OMB Circular A-133, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of County Commissioners, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

John G. Morgan
Comptroller of the Treasury

JGM/sb

OTHER 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

For the Roane County Emergency Communications District

The Board of Directors
Roane County Emergency Communications District
Rockwood, Tennessee

We have audited the financial statements of the Roane County Emergency Communications District as of and for the year ended June 30, 2005, and have issued our report thereon. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the district's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the district's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information of the board of directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Roane County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2005

Federal/Pass-through Agency/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Food Donation (Noncash Assistance)	10.550	(2)	$ 231,509
Cooperative Forestry Assistance	10.664	Z-05-021619-00	3,101
Total Passed-through State Department of Agriculture			$ 234,610
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	(2)	$ 391,983
National School Lunch Program	10.555	(2)	1,085,733
Summer Food Service Program For Children	10.559	(2)	16,628
Total Passed-through State Department of Education			$ 1,494,344
Total U.S. Department of Agriculture			$ 1,728,954
U.S. Department of Commerce:			
Direct Program:			
Grants for Public Works and Economic Development Facilities	11.300	N/A	$ 257,716
Total U.S. Department of Commerce			$ 257,716
U.S. Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Program	16.607	N/A	$ 557
Total Direct Program			$ 557
Passed-through State Commission on Children and Youth:			
Juvenile Accountability Incentive Block Grants	16.523	GG-04-10486-00	$ 1,853
Total Passed-through State Commission on Children and Youth			$ 1,853
Total U.S. Department of Justice			$ 2,410
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce Development:			
WIA Cluster:			
WIA Adult Program	17.258	(2)	$ 174,613
WIA Youth Activities	17.259	(2)	169,532
WIA Dislocated Workers	17.260	(2)	137,098
WIA Incentive Grants - Section 503 Grants to States	17.267	Z-04-025656-01	8,778
Total U.S. Department of Labor			$ 490,021
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning & Construction	20.205	(2)	$ 241,288
Total Passed-through State Department of Transportation			$ 241,288
Passed-through State Department of Military:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	GG-05-11713-00	$ 1,048
Total Passed-through State Department of Military			$ 1,048
Total U.S. Department of Transportation			$ 242,336

(Continued)

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

Federal/Pass-through Agency/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Energy:			
Passed-through State Department of Military:			
Regional Economic Diversification Grant	81.502	GG-04-10579-00	$ 6,088
Total U.S. Department of Energy			$ 6,088
U.S. Department of Education:			
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(2)	$ 76,076
Total Passed-through State Department of Human Services			$ 76,076
Passed-through State Department of Education:			
Adult Education - State Grant Program	84.002	Z-05-022285-00	$ 39,468
Title I Grants to Local Educational Agencies	84.010	N/A	1,494,486
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,391,532
Special Education Preschool Grants	84.173	N/A	98,109
Vocational Education - Basic Grants to States	84.048	N/A	212,399
Safe and Drug Free Schools and Communities - State Grants	84.186	(2)	57,668
State Grants for Innovative Programs	84.298	N/A	32,273
Education Technology State Grants	84.318	(2)	24,094
Reading Excellence	84.338	N/A	174,284
Rural Education	84.358	N/A	43,304
Improving Teacher Quality State Grants	84.367	N/A	420,935
Total Passed-through State Department of Education			$ 3,988,552
Total U.S. Department of Education			$ 4,064,628
U.S. Department of Health and Human Services:			
Passed-through East Tennessee Human Resources Agency:			
Temporary Assistance For Needy Families	93.558	Z-05-02371-00	$ 67,494
Total U.S. Department of Health and Human Services			$ 67,494
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
State Domestic Preparedness Equipment Support Program	97.004	(3)	$ 325,017
Public Assistance Grants	97.036	(4)	76,111
Emergency Management Performance Grants	97.042	(5)	18,750
Total U.S. Department of Homeland Security			$ 419,878
Total Expenditures of Federal Awards			$ 7,279,525
State Grants			
Juvenile Services Program - State Children's Services Commission	N/A	(2)	$ 9,000
Litter Program - State Department of Transportation	N/A	(2)	53,325
Families First/Adult Education - State Grant Program	N/A	(2)	3,760
Adult Education - State Grant Program	N/A	(2)	10,491
Waste Tire Options Grant - State Department of Environment and Conservation	N/A	(2)	9,798

(Continued)

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

Federal/Pass-through Agency/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
State Grants (Cont.)			
DGA Grant - State Department of Health	N/A	(2)	$ 265,394
Child Care Assistance - State Department of Human Services	N/A	(2)	31,979
State Reappraisal - Comptroller of the Treasury	N/A	(2)	20,768
Dienamic/Pegasus Sewer Extension - State Dept of Economic and and Community Development	N/A	(2)	11,164
Safe Schools Act Grant - State Department of Education	N/A	(2)	42,272
Total State Grants			$ 457,951

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

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Information not available.
(3) Z-03-017794-00: $24,824; Z-04-020139-01: $131,850; Z-04-022487-00: $168,343
(4) Z-02-010519-03: $28,366; Z-03-017964-00: $1,792; Z-03-015846-00: $37,500; Z-05-024744-01: $8,453
(5) Z-04-020300-00: $3,750; Z-05-025377-00: $15,000

Roane County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2005

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. Presented below is the finding from the Annual Financial Report for Roane County, Tennessee, for the year ended June 30, 2004, which has not been corrected.

OFFICE OF REGISTER

Finding Number	Page Number	Subject
04.01	214	Duties were not segregated adequately

ROANE COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2005

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the aggregate discretely presented component units is qualified. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.

2. The audit of the financial statements disclosed reportable conditions in internal control. None of the conditions were considered to be a material weakness.

3. The audit disclosed no instances of noncompliance which are material to the financial statements of Roane County.

4. The audit disclosed no reportable conditions in internal control over major programs.

5. An unqualified opinion was issued on compliance for major programs.

6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.

7. The Child Nutrition Cluster: the School Breakfast Program, the National School Lunch Program, and the Summer Food Service Program for Children (CFDA Nos. 10.553, 10.555, and 10.559); the Special Education Cluster: the Special Education – Grants to States and the Special Education Preschool Grants (CFDA Nos. 84.027 and 84.173); the Improving Teacher Quality State Grants (CFDA No. 84.367); and the State Domestic Preparedness Equipment Support Program (CFDA No. 97.004) were determined to be major programs.

8. A threshold of $300,000 was used to distinguish between Type A and Type B federal programs.

9. Roane County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Officials offered oral responses to certain findings and recommendations; however, these oral responses have not been included in this report.

OFFICE OF COUNTY MAYOR

FINDING 05.01 **THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS OVER UTILITY BILLING SOFTWARE TO PROTECT ITS INFORMATION RESOURCES**
(Internal Control – Reportable Condition Under Government Auditing Standards)

The office did not implement adequate controls over its utility billing software to protect its information resources. The failure to provide such controls increases the risk that individuals could inappropriately access and manipulate the county's computer system, software applications, and sensitive information.

This finding does not identify specific vulnerabilities that could allow someone to exploit the office's information system or misuse county funds. Disclosing those vulnerabilities could present a potential security risk by providing the readers with information that might be confidential pursuant to Section 10-7-504(i), Tennessee Code Annotated. We provided the official with detailed information regarding the specific vulnerabilities we identified, as well as our recommendations for improvement.

RECOMMENDATION

The office should ensure that adequate controls over information systems and the resources associated with those systems are implemented. Also, the office should take steps to establish or improve any compensating controls until these conditions are remedied.

OFFICE OF REGISTER

FINDING 05.02 **DUTIES WERE NOT SEGREGATED ADEQUATELY**
(Internal Control – Reportable Condition Under Government Auditing Standards)

Duties were not segregated adequately among the official and employees in the Office of Register. The official and employees responsible for maintaining the accounting records were also involved in receipting, depositing, and/or disbursing funds. We realize that due to limited resources and personnel, management may not be able to properly segregate duties among employees. However, our professional standards require that we bring this matter to the reader's attention in this report.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards.

ROANE COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2005

There were no audit findings relative to federal awards presented in the prior audit's Schedule of Findings and Questioned Costs or the current year's Schedule of Findings and Questioned Costs.