

ANNUAL FINANCIAL REPORT
ROBERTSON COUNTY, TENNESSEE



FOR THE YEAR ENDED JUNE 30, 2005

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

ANNUAL FINANCIAL REPORT
ROBERTSON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2005

DEPARTMENT OF AUDIT
JOHN G. MORGAN
Comptroller of the Treasury

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

ARTHUR L. ALEXANDER
Director

JOE F. KIMERY, CPA, CGFM, CFE
Audit Manager

JEFF BAILEY, CPA, CGFM, CFE
Auditor 4

KATIE ARMSTRONG, CFE
STEPHANIE GORDON, CFE
KRISTEN LEONARD
WENDY HEATH, CFE
State Auditors

TABLE OF CONTENTS

	Exhibit/Table	Page
Audit Highlights		i
<u>INTRODUCTORY SECTION</u>		
Robertson County Officials		1
<u>FINANCIAL SECTION</u>		
Independent Auditor's Report		5
BASIC FINANCIAL STATEMENTS:		
Government-wide Financial Statements:		
Statement of Net Assets	A	11
Statement of Activities	B	12
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	C-2	16
Statement of Revenues, Expenditures, and Changes in Fund Balances	D-1	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	D-2	19
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	E	20
Notes to the Financial Statements		21
REQUIRED SUPPLEMENTARY INFORMATION:		
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	F-1	51
Highway/Public Works Fund	F-2	53
Notes to the Required Supplementary Information		55
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		
Governmental Funds:		
Nonmajor Funds:		
Combining Balance Sheet	G-1	61

	Exhibit/Table	Page
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	62
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Solid Waste/Sanitation Fund	G-3	63
Drug Control Fund	G-4	64
Major Governmental Fund:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	H	67
Agency Funds:		
Combining Statement of Fiduciary Assets and Liabilities	I-1	71
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	I-2	72
Component Unit:		
Discretely Presented Robertson County School Department:		
Statement of Activities	J-1	75
Balance Sheet – Governmental Funds	J-2	76
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	J-3	77
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	78
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	79
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
General Purpose School Fund	J-6	80
School Federal Projects Fund	J-7	82
Miscellaneous Schedules:		
Schedule of Changes in Long-term Notes, Capitalized Leases, and Bonds	K-1	85
Schedule of Bond and Interest Requirements by Year	K-2	86
Schedule of Transfers – Discretely Presented Robertson County School Department	K-3	87
Schedule of Salaries and Official Bonds of Principal Officials	K-4	88
Schedule of Detailed Revenues – All Governmental Fund Types	K-5	89
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Robertson County School Department	K-6	93

	Exhibit/Table	Page
Schedule of Detailed Expenditures – All Governmental Fund Types	K-7	95
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Robertson County School Department	K-8	115
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balance – City Agency Fund	K-9	128
 <u>STATISTICAL SECTION</u>		
Uncollected Taxes Filed in Chancery Court	1	131
Tax Rates and Assessments – Last Ten Years	2	132
 <u>SINGLE AUDIT SECTION</u>		
Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		135
Auditor’s Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With <u>OMB Circular A-133</u>		137
Schedule of Expenditures of Federal Awards and State Grants		141
Schedule of Audit Findings Not Corrected		143
Schedule of Findings and Questioned Costs		145
Auditee Reporting Responsibilities		151

Audit Highlights
Annual Financial Report
Robertson County, Tennessee
For the Year Ended June 30, 2005

Scope

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Robertson County as of and for the year ended June 30, 2005.

Results

Our report on Robertson County's financial statements was qualified because the financial statements did not include two component units whose financial statements were not available from other auditors at the date of this report.

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

Findings

The following are summaries of the audit findings:

OFFICE OF FINANCE DIRECTOR

- ◆ A capital outlay note was not approved by the state director of Local Finance, and a report on debt obligations was not filed with the state director of Local Finance.
- ◆ Several deficiencies were noted in the maintenance of employees' leave records.

OTHER FINDINGS

- ◆ A school bus-garage employee and a local body shop owner were indicted for receiving kickbacks.
- ◆ An employee of the general sessions court falsified overtime records.
- ◆ Duties were not segregated adequately among the official and employees in the Office of Clerk and Master.

State of Tennessee
Comptroller of the Treasury
Department of Audit
Division of County Audit

INTRODUCTORY SECTION

Robertson County Officials
June 30, 2005

Officials:

Howard Bradley, County Executive
Mark Hulseley, Road Supervisor
Ronnie Meador, Director of Schools
Sandra Head, Trustee
F. E. Head, Assessor of Property
Susan Atchley, County Clerk
Lisa Cavender, Circuit and General Sessions Courts Clerk
Kenneth Hudgens, Clerk and Master
Frankie Fletcher, Register
Gene Bollinger, Sheriff
Larry Morris, Finance Director

Board of County Commissioners:

Howard Bradley, Chairman	James Thomas
Dale Swearingen	Carl Swann
Billy Hugh Ray	Phillip Kelley
Larry DiOrio	Dennis Wade
Shannon Polen	R. Michael Crawford
Lanny Adcock	Travis Crutcher
Gene Cook	Joseph Bryant
Billy Vogle	John Wiggins
Lovel Cook	Tommy Baggett
Bill Gray	Gerald Wakefield
Bobby Jones	Calvin Porter
Kevin Gray	Raymond Francis

Highway Commission:

Donnie Martin, Chairman	Joe Johnson
Prince Green	George Peach
Chris White	Ralph White

Board of Education:

Alfred Boyter, Chairman	Jimmy Ayers
Allan Heard	Larry Fields
Stoney Crockett	Geraldine Farmer

FINANCIAL SECTION



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

INDEPENDENT AUDITOR'S REPORT

August 5, 2005

Robertson County Executive and
Board of County Commissioners
Robertson County, Tennessee

To the County Executive and 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 Robertson County, Tennessee, as of and for the year ended June 30, 2005, which collectively comprise Robertson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Robertson County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 provides a reasonable basis for our opinions.

The financial statements of the Robertson County Emergency Communications District and Elm Hurst Nursing Home, Inc., had not been made available by other auditors 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 Robertson County Emergency Communications District and Elm Hurst Nursing Home, Inc., 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, except for the effects of not including the financial statements of the Robertson County Emergency Communications District and Elm Hurst Nursing Home, Inc., discretely presented component units, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Robertson County, Tennessee, as of June 30, 2005, and the respective changes in financial position thereof for the year 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 August 5, 2005, on our consideration of Robertson County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

As described in Note V.B., Robertson 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 of Robertson County did not prepare a management's discussion and analysis. The management's discussion and analysis section is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America.

The budgetary comparison information on pages 51 through 55 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. 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 Robertson County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Robertson 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 and

the General Debt Service Fund, combining and individual fund financial statements of the Robertson County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied 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 in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Very truly yours,

A handwritten signature in black ink that reads "John G. Morgan". The signature is written in a cursive style with a long horizontal flourish at the end.

John G. Morgan
Comptroller of the Treasury

JGM/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit School Department</u>
<u>ASSETS</u>		
Cash	\$ 1,750	\$ 0
Equity in Pool Cash and Investments	12,632,424	15,733,939
Accounts Receivable	2,181,980	71,242
Allowance for Uncollectibles	(625,723)	0
Property Taxes Receivable	13,703,328	12,710,334
Allowance for Uncollectible Property Taxes	(539,899)	(500,775)
Due from Other Governments	499,254	1,226,923
Accrued Interest Receivable	91,301	0
Capital Assets:		
Assets Not Depreciated:		
Land	3,020,195	3,317,876
Construction in Progress	0	12,568,241
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	7,471,514	26,444,634
Other Capital Assets	2,820,064	2,524,903
Infrastructure	3,029,490	0
Total Assets	<u>\$ 44,285,678</u>	<u>\$ 74,097,317</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 275,370	\$ 8,065
Accrued Payroll	377,416	0
Accrued Interest Payable	523,400	5,358
Due to State of Tennessee	18,025	0
Customer Deposits Payable	125,060	0
Deferred Revenue - Current Property Taxes	12,753,276	11,829,127
Noncurrent Liabilities:		
Due Within One Year	4,840,170	163,203
Due In More Than One Year(net of deferred amount on refunding and unamortized premium on debt)	71,266,967	1,073,877
Total Liabilities	<u>\$ 90,179,684</u>	<u>\$ 13,079,630</u>
<u>NET ASSETS</u>		
Invested in Capital Assets, Net of Related Debt	\$ 5,560,520	\$ 0
Invested in Capital Assets	0	44,855,654
Restricted for:		
Capital Projects	0	12,759,483
Debt Service	3,792,232	0
Other Purposes	776,020	589,332
Unrestricted	(56,022,778)	2,813,218
Total Net Assets	<u>\$ (45,894,006)</u>	<u>\$ 61,017,687</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Unit School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 3,537,596	\$ 831,777	\$ 16,380	\$ 0	\$ (2,689,439)	\$ 0
Finance	1,559,289	1,469,687	19,199	0	(70,403)	0
Administration of Justice	1,551,377	1,309,681	12,500	0	(229,196)	0
Public Safety	6,229,315	911,739	67,346	189,454	(5,060,776)	0
Public Health and Welfare	4,351,227	2,620,459	526,005	0	(1,204,763)	0
Agriculture & Natural Resources	113,107	0	0	0	(113,107)	0
Highways/Public Works	3,634,193	10,800	1,998,503	374,383	(1,250,507)	0
Education	13,199,654	0	0	0	(13,199,654)	0
Interest on Long-term Debt	2,747,582	0	0	0	(2,747,582)	0
Other Debt Service	116,774	0	0	0	(116,774)	0
Total Primary Government	\$ 37,040,114	\$ 7,154,143	\$ 2,639,933	\$ 563,837	\$ (26,682,201)	\$ 0
Component Unit:						
Robertson County School Department	\$ 62,370,066	\$ 140,461	\$ 6,124,423	\$ 13,179,561	\$ 0	\$ (42,925,621)
Total Component Unit	\$ 62,370,066	\$ 140,461	\$ 6,124,423	\$ 13,179,561	\$ 0	\$ (42,925,621)

(Continued)

Exhibit B

Robertson County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Unit School Department
General Revenues:						
Taxes:						
Property taxes levied for general purposes					\$ 9,234,526	\$ 11,850,419
Property taxes levied for debt service					3,515,224	0
Local option sales tax					0	5,937,669
Other local taxes					5,586,115	395,273
Grants & Contributions not restricted for specific programs					435,165	34,588,901
Unrestricted Investment Earnings					357,224	0
Miscellaneous					521,761	65,180
Total General Revenues					<u>\$ 19,650,015</u>	<u>\$ 52,837,442</u>
Change in net assets					\$ (7,032,186)	\$ 9,911,821
Prior period adjustment					4,122,003	72,842
Net assets, July 1, 2004					<u>(42,983,823)</u>	<u>51,033,024</u>
Net assets, June 30, 2005					<u>\$ (45,894,006)</u>	<u>\$ 61,017,687</u>

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

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Highway/ Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
ASSETS						
Cash	\$ 400	\$ 0	\$ 0	\$ 0	\$ 1,350	\$ 1,750
Equity in Pooled Cash and Investments	3,432,668	226,707	3,535,211	5,097,052	340,786	12,632,424
Accounts Receivable	2,045,281	8,813	35,073	0	92,813	2,181,980
Allowance for Uncollectibles	(625,723)	0	0	0	0	(625,723)
Due from Other Governments	44,939	454,315	0	0	0	499,254
Due from Other Funds	6,815	0	0	0	0	6,815
Property Taxes Receivable	9,234,852	0	3,773,380	0	695,096	13,703,328
Allowance for Uncollectible Property Taxes	(363,845)	0	(148,668)	0	(27,386)	(539,899)
Accrued Interest Receivable	186	0	91,115	0	0	91,301
Total Assets	\$ 13,775,573	\$ 689,835	\$ 7,286,111	\$ 5,097,052	\$ 1,102,659	\$ 27,951,230
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ 15,000	\$ 260,370	\$ 0	\$ 0	\$ 0	\$ 275,370
Accrued Payroll	306,954	57,837	0	0	12,625	377,416
Due to Other Funds	0	0	0	0	6,815	6,815
Due to State of Tennessee	18,025	0	0	0	0	18,025
Current Liabilities Payable from Restricted Assets:						
Customer Deposits Payable	125,060	0	0	0	0	125,060
Deferred Revenue - Current Property Taxes	8,594,600	0	3,511,771	0	646,905	12,753,276
Deferred Revenue - Delinquent Property Taxes	227,066	0	92,533	0	17,055	336,654
Other Deferred Revenues	1,379,651	196,665	17,438	0	29,261	1,623,015
Total Liabilities	\$ 10,666,356	\$ 514,872	\$ 3,621,742	\$ 0	\$ 712,661	\$ 15,515,631
Fund Balances						
Reserved for Encumbrances	\$ 120,348	\$ 0	\$ 0	\$ 0	\$ 10,777	\$ 131,125
Reserved for Alcohol and Drug Treatment	67,494	0	0	0	0	67,494
Reserved for Automation Purposes - General Sessions Court	26,257	0	0	0	0	26,257
Unreserved, Reported In:						
General Fund	2,895,118	0	0	0	0	2,895,118

(Continued)

Exhibit C-1

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

LIABILITIES AND FUND BALANCES (Cont.)

Fund Balances (Cont.)

Unreserved, Reported In (Cont.):

Special Revenue Funds

Debt Service Funds

Capital Projects Funds

Total Fund Balances

Total Liabilities and Fund Balances

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

	Major Funds			Nonmajor	Total	
	General	Highway/ Public Works	General Debt Service	General Capital Projects		Funds Other Govern- mental Funds
\$	0	\$ 174,963	\$ 0	\$ 0	\$ 379,221	\$ 554,184
	0	0	3,664,369	0	0	3,664,369
	0	0	0	5,097,052	0	5,097,052
<u>\$</u>	<u>3,109,217</u>	<u>\$ 174,963</u>	<u>\$ 3,664,369</u>	<u>\$ 5,097,052</u>	<u>\$ 389,998</u>	<u>\$ 12,435,599</u>
<u>\$</u>	<u>13,775,573</u>	<u>\$ 689,835</u>	<u>\$ 7,286,111</u>	<u>\$ 5,097,052</u>	<u>\$ 1,102,659</u>	<u>\$ 27,951,230</u>

Exhibit C-2

Robertson 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)	\$	12,435,599
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,341,263
(2) Long-term liabilities are not due in the current period and therefore are not reported in the funds.		(76,630,537)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		<u>1,959,669</u>
Net assets of governmental funds (Exhibit A)	\$	<u>(45,894,006)</u>

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

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

Exhibit D-1

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Highway/ Public Works	General Debt Service	General Capital Projects	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>							
Local Taxes	\$ 9,575,592	\$ 1,050,212	\$ 7,398,056	\$ 0	\$ 0	\$ 658,600	\$ 18,682,460
Licenses and Permits	266,259	10,800	0	0	0	0	277,059
Fines, Forfeitures and Penalties	367,307	0	0	0	0	74,034	441,341
Charges for Current Services	1,561,533	0	0	0	0	774,292	2,335,825
Other Local Revenues	261,515	15,613	379,277	0	0	100,476	756,881
Fees Received from County Officials	2,858,353	0	0	0	0	0	2,858,353
State of Tennessee	1,471,893	2,191,058	0	0	0	28,581	3,691,532
Federal Government	238,646	0	0	0	0	0	238,646
Other Governments and Citizens Groups	4,250	0	97,955	0	0	0	102,205
Total Revenues	\$ 16,605,348	\$ 3,267,683	\$ 7,875,288	\$ 0	\$ 0	\$ 1,635,983	\$ 29,384,302
<u>Expenditures</u>							
Current:							
General Government	\$ 2,143,968	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,143,968
Finance	1,401,258	0	0	0	0	971	1,402,229
Administration of Justice	1,438,674	0	0	0	0	4,920	1,443,594
Public Safety	5,730,092	0	0	0	0	39,161	5,769,253
Public Health and Welfare	2,649,810	0	0	0	0	1,482,767	4,132,577
Agricultural and Natural Resources	113,107	0	0	0	0	0	113,107
Other Operations	2,048,654	0	0	0	0	71,319	2,119,973
Highways	0	3,515,946	0	0	0	0	3,515,946
Debt Service:							
Principal	0	0	4,240,333	0	0	0	4,240,333
Interest	0	0	2,644,538	0	0	0	2,644,538
Other Debt Service	0	0	116,774	0	0	0	116,774
Capital Projects	0	0	0	83,488	13,290,606	0	13,374,094
Total Expenditures	\$ 15,525,563	\$ 3,515,946	\$ 7,001,645	\$ 83,488	\$ 13,290,606	\$ 1,599,138	\$ 41,016,386
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,079,785	\$ (248,263)	\$ 873,643	\$ (83,488)	\$ (13,290,606)	\$ 36,845	\$ (11,632,084)
<u>Other Financing Sources (Uses)</u>							
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 4,749,456	\$ 12,300,544	\$ 0	\$ 17,050,000
Notes Issued	0	0	0	0	781,560	0	781,560
Premiums on Debt Issued	0	0	0	81,084	208,502	0	289,586
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 4,830,540	\$ 13,290,606	\$ 0	\$ 18,121,146

(Continued)

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

Exhibit D-1

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Highway/ Public Works	General Debt Service	General Capital Projects	Education Capital Projects	Other Govern- mental Funds	
Net Change in Fund Balances	\$ 1,079,785	\$ (248,263)	\$ 873,643	\$ 4,747,052	\$ 0	\$ 36,845	\$ 6,489,062
Fund Balance, July 1, 2004	2,029,432	423,226	2,790,726	350,000	0	353,153	5,946,537
Fund Balance, June 30, 2005	\$ 3,109,217	\$ 174,963	\$ 3,664,369	\$ 5,097,052	\$ 0	\$ 389,998	\$ 12,435,599

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

Exhibit D-2

Robertson 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 D-1)	\$ 6,489,062
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays were less than depreciation in the current period.	(300,105)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.	173,355
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	262,288
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(13,684,445)
(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 governmental funds.	<u>27,659</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ (7,032,186)</u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,737,800
Due from Other Governments	<u>889,160</u>
Total Assets	<u><u>\$ 2,626,960</u></u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 889,160
Due to Litigants, Heirs, and Others	<u>1,737,800</u>
Total Liabilities	<u><u>\$ 2,626,960</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Robertson 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 Robertson County:

A. Reporting Entity

Robertson County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Robertson 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 Robertson 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 Robertson County School Department operates the public school system in the county, and the voters of Robertson County elect its board. The School Department is fiscally dependent on the county because it may not issue debt without county approval, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Elm Hurst Nursing Home, Inc., provides resident health care to the citizens of Robertson County, and the Robertson County Commission appoints its governing body. Patient charges provide the majority of the revenues for the entity. Before the issuance of debt instruments, the Elm Hurst Nursing Home, Inc., must obtain the County Commission's approval. The financial statements for the Elm Hurst Nursing Home, Inc., were not available from other auditors in time for inclusion in this report.

The Robertson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Robertson County, and the Robertson

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 financial statements for the Robertson County Emergency Communications District were not available from other auditors in time for inclusion in this report.

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

Administrative Offices:

Elm Hurst Nursing Home, Inc.
704 5th Avenue East
Springfield, TN 37172

Robertson County Emergency Communications District
517 South Brown Street
Springfield, TN 37172

Related Organization – The Robertson County Industrial Development Board is a related organization of Robertson County. The county executive nominates and the Robertson County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments. Robertson County acts as an agent for the board by collecting the hotel/motel tax and forwarding the tax to the board through the county's General Fund. During the year ended June 30, 2005, the county did not provide any operating subsidies to the board.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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 Robertson 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 Robertson 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.

Robertson County issues most debt for the discretely presented Robertson County School Department. Net debt issues (\$13,167,561) were contributed by the county to the School Department during the year ended June 30, 2005.

Separate financial statements are provided for governmental funds and fiduciary funds. 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 fiduciary funds 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 Robertson 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. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Robertson County has no proprietary funds to report. Separate financial statements are provided for governmental 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 fiduciary funds in total are reported in a single column.

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, grants, and similar items 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. 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 General Debt Service Fund 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.

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.

Robertson County reports the following major governmental funds:

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

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

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

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

Education Capital Projects Fund – This fund accounts for debt issued by Robertson County that is subsequently contributed to the

discretely presented Robertson County School Department for construction and renovation projects.

Additionally, Robertson County reports the following fund type:

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Robertson County. 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 Robertson County School Department reports the following major governmental funds:

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

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

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

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

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.

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

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 Robertson 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. Robertson County and the Robertson 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 at the end of the fiscal year is referred to as due to/from other funds.

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Accounts receivable in the General Fund are 96 percent ambulance receivables and four percent other receivables. Ambulance receivables allowance for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to two 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.

Current liabilities payable from restricted assets reflected in the primary government funds represent customer deposits payable placed with Robertson County for fire hydrants.

3. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

4. Compensated Absences

It is the policy of the Robertson County primary government to permit employees to accumulate a maximum of 240 hours of earned but unused vacation benefits that will be paid to employees upon separation from county service. Accumulated hours in excess of 240 will be credited to sick leave. Employees may accumulate an unlimited amount of sick leave; however, the county will only pay separated employees 25 percent of their unused sick leave not to exceed 240 hours. Any remaining sick leave may be credited toward retirement benefits. School Department employees may accumulate limited amounts of earned but unused vacation benefits. School Department employees have unlimited accumulation of unused sick leave. The granting of vacation and sick leave has no guaranteed payment provision. All vacation pay and sick leave are accrued when incurred in the government-wide statements for the county. Liabilities for vacation pay and sick leave are reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

5. Long-term Obligations

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are

reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

6. Net Assets and Fund Equity

In the government-wide financial statements, 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, Robertson County had \$54,957,610 outstanding debt for capital purposes for the discretely presented Robertson County School Department. The debt is a liability of Robertson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Robertson County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

7. Prior-period Adjustments

Capital assets were restated (\$4,122,003) from the prior year because infrastructure acquired between July 1, 1980, and June 30, 2002, was retroactively reported.

Accrued vacation leave at June 30, 2004, (\$72,842) in the discretely presented School Department has been removed because payment of accumulated leave is not guaranteed upon separation from county service.

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 presents a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that long-term liabilities, including debt payable, are not due and payable in the current period and therefore are not reported in the funds. The details of the \$76,630,537 difference are as follows:

Bonds payable	\$ (65,495,000)
Notes payable	(4,973,558)
Accrued interest payable	(523,400)
Landfill closure/postclosure care costs	(3,755,892)
Compensated absences payable	(885,108)
Unamortized premium on debt	(2,345,903)
Deferred amount on refunding	541,292
Deferred charges - issuance costs (to be amortized over life of debt)	<u>807,032</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u><u>\$ (76,630,537)</u></u>

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 D-2 presents a reconciliation between 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. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$300,105 difference are as follows:

Capital outlay	\$ 570,929
Depreciation expense	<u>(871,034)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (300,105)</u></u>

Another element of that reconciliation states that the issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$13,684,445 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (17,050,000)
Issuance of capital outlay notes	(781,560)
Related Items:	
Premium on debt to defer	(289,586)
Amortization of premium	227,474
Current debt issuance costs to defer	172,285
Amortization of issuance costs	(61,899)
Amortization of deferred amount on refunding	(141,492)
Principal repayments:	
Bonds	2,990,000
Notes	<u>1,250,333</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (13,684,445)</u></u>

Another element of that reconciliation states that 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 governmental funds. The details of this \$27,659 difference are as follows:

Net change in accrued interest on bonds	\$ (16,742)
Net change in accrued interest on notes	15,699
Net change in closure/postclosure care costs	78,044
Net change in compensated absences	<u>(49,342)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 27,659</u></u>

Discretely Presented Robertson County School Department

Exhibit J-3 presents a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that long-term liabilities, including debt payable, are not due and payable in the current period and therefore are not reported in the funds. The details of the \$1,242,438 difference are as follows:

Capital lease payable	\$ (737,080)
Notes payable	(500,000)
Accrued interest payable	<u>(5,358)</u>

Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ (1,242,438)</u>
--	-----------------------

The discretely presented Robertson County School Department's Exhibit J-5 presents a reconciliation between 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. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$12,966,752 difference are as follows:

Capital outlay	\$ 14,445,364
Depreciation expense	<u>(1,478,612)</u>

Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 12,966,752</u>
--	----------------------

Another element of that reconciliation states that the issuance of long-term debt (e.g., notes, capitalized leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$1,237,080 difference are as follows:

Debt issued or incurred:	
Capital lease financing	\$ (737,080)
Issuance of capital outlay notes	<u>(500,000)</u>

Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,237,080)</u>
---	-----------------------

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Fund Deficit

The discretely presented School Federal Projects Fund had a fund deficit of \$1,237 at June 30, 2005. This fund deficit resulted from the School Department's failure to file requests for reimbursements from the state in a timely manner. Funding for these expenditures is expected to be received from federal grants.

B. Note Proceeds Issuance Violation

Robertson County officials issued a \$781,560 capital outlay note to purchase land for the construction of a school without obtaining approval of the state director of Local Finance and also failed to file the required Report on Debt Obligations.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Robertson County and the Robertson County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Cash reflected on the balance sheets or statements of net assets represents 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 market value of the securities on the day of purchase.

The county had no pooled and nonpooled investments as of June 30, 2005.

B. 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	\$ 1,160,364	\$ 1,859,831	\$ 0	\$ 3,020,195
Total Capital Assets Not Depreciated	\$ 1,160,364	\$ 1,859,831	\$ 0	\$ 3,020,195
Capital Assets Depreciated:				
Buildings and Improvements	\$ 11,930,475	\$ 0	\$ (367,449)	\$ 11,563,026
Roads and Bridges	485,289	4,295,411	0	4,780,700
Other Capital Assets	5,432,405	570,929	(20,500)	5,982,834
Total Capital Assets Depreciated	\$ 17,848,169	\$ 4,866,340	\$ (387,949)	\$ 22,326,560

Governmental Activities (Cont.):

	Balance 7-1-04	Increases	Decreases	Balance 6-30-05
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 3,852,442	\$ 239,070	\$ 0	\$ 4,091,512
Roads and Bridges	21,808	1,729,402	0	1,751,210
Other Capital Assets	2,788,273	394,997	(20,500)	3,162,770
Total Accumulated Depreciation	\$ 6,662,523	\$ 2,363,469	\$ (20,500)	\$ 9,005,492
Total Capital Assets Depreciated, Net	\$ 11,185,646	\$ 2,502,871	\$ (367,449)	\$ 13,321,068
Governmental Activities Capital Assets, Net	\$ 12,346,010	\$ 4,362,702	\$ (367,449)	\$ 16,341,263

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

Governmental Activities:

General Government	\$ 226,020
Finance	4,105
Administration of Justice	2,046
Public Safety	108,001
Public Health and Welfare	147,340
Highway/Public Works	383,522
Total Depreciation Expense - Governmental Activities	\$ 871,034

Discretely Presented Robertson County School Department

Governmental Activities:

	Balance 7-1-04	Increases	Decreases	Balance 6-30-05
Capital Assets Not Depreciated:				
Land	\$ 1,931,119	\$ 1,386,757	\$ 0	\$ 3,317,876
Construction in Progress	651,300	11,916,941	0	12,568,241
Total Capital Assets Not Depreciated	\$ 2,582,419	\$ 13,303,698	\$ 0	\$ 15,886,117
Capital Assets Depreciated:				
Buildings and Improvements	\$ 53,067,436	\$ 3,522	\$ 0	\$ 53,070,958
Other Capital Assets	6,674,446	1,152,644	(226,002)	7,601,088
Total Capital Assets Depreciated	\$ 59,741,882	\$ 1,156,166	\$ (226,002)	\$ 60,672,046
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 25,537,638	\$ 1,088,686	\$ 0	\$ 26,626,324
Other Capital Assets	4,897,761	404,426	(226,002)	5,076,185
Total Accumulated Depreciation	\$ 30,435,399	\$ 1,493,112	\$ (226,002)	\$ 31,702,509
Total Capital Assets Depreciated, Net	\$ 29,306,483	\$ (336,946)	\$ 0	\$ 28,969,537
Governmental Activities Capital Assets, Net	\$ 31,888,902	\$ 12,966,752	\$ 0	\$ 44,855,654

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

Governmental Activities:

Support Services	<u>\$ 1,478,612</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,478,612</u></u>

C. Construction Commitments

At June 30, 2005, the discretely presented Robertson County School Department had uncompleted construction contracts of approximately \$10,914,721 for school construction and renovations. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 6,815

This balance 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:

Discretely Presented Robertson County School Department

	<u>Transfers In</u>
	General
	Purpose
	School
	Fund
<u>Transfers Out</u>	
Nonmajor governmental fund	\$ 102,042
Total	\$ <u>102,042</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

E. Capital Lease

On March 21, 2005, the Robertson County School Department entered into a seven-year lease-purchase agreement for energy efficiency lighting. The terms of the agreement require total lease payments of \$737,080 plus interest

of 4.5 percent. Title to the equipment transfers to the School Department at the end of the lease period. The General Purpose School Fund is making these lease payments.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2005, were as follows:

<u>Year Ending June 30</u>	<u>Governmental Funds</u>
2006	\$ 123,922
2007	123,921
2008	123,921
2009	123,921
2010	123,921
2011-2012	<u>247,843</u>
Total Lease Payments	\$ 867,449
Amounts Representing Interest	<u>(130,369)</u>
Present Value of Minimum Lease Payments	<u>\$ 737,080</u>

F. Long-term Debt

Primary Government

General Obligation Bonds and Notes

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

General obligation bonds and capital outlay notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds and capital outlay notes outstanding were issued for original terms of up to 20 years for bonds and up to 12 years for notes. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and notes included in long-term debt as of June 30, 2005, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Original Amount of Issue	Balance 6-30-05
General Obligation Bonds	2 to 5.25%	\$ 40,300,000	\$ 37,915,000
General Obligation Bonds - Refunding	2 to 5	34,430,000	27,580,000
Capital Outlay Notes	2 to 5.95	8,176,560	4,973,558

The annual requirements to amortize all general obligation bonds and notes outstanding as of June 30, 2005, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		Notes	
	Principal	Interest	Principal	Interest
2006	\$ 3,715,000	\$ 2,689,373	\$ 860,333	\$ 183,981
2007	4,105,000	2,652,867	755,333	155,846
2008	4,015,000	2,490,479	674,333	129,325
2009	4,865,000	2,314,995	589,333	106,040
2010	5,135,000	2,110,903	1,365,893	75,790
2011-2015	23,695,000	7,269,227	728,333	47,528
2016-2020	13,805,000	2,950,556	0	0
2021-2025	6,160,000	766,950	0	0
Total	<u>\$ 65,495,000</u>	<u>\$ 23,245,350</u>	<u>\$ 4,973,558</u>	<u>\$ 698,510</u>

There is \$3,664,369 available in the General Debt Service Fund to service long-term debt. General bonded debt per capita amounted to \$1,203, based on the 2000 federal census. Total debt per capita, including bonds and notes, amounted to \$1,317, 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:

	<u>Bonds</u>	<u>Notes</u>
Governmental Activities:		
Balance, July 1, 2004	\$ 51,435,000	\$ 5,442,331
Additions	17,050,000	781,560
Deductions	(2,990,000)	(1,250,333)
Balance, June 30, 2005	<u>\$ 65,495,000</u>	<u>\$ 4,973,558</u>
Balance Due Within One Year	<u>\$ 3,715,000</u>	<u>\$ 860,333</u>
	<u>Compensated</u>	<u>Landfill</u>
	<u>Absences</u>	<u>Closure/</u>
		<u>Postclosure</u>
		<u>Care</u>
		<u>Costs</u>
Balance, July 1, 2004	\$ 835,766	\$ 3,833,936
Additions	708,500	0
Deductions	(659,158)	(78,044)
Balance, June 30, 2005	<u>\$ 885,108</u>	<u>\$ 3,755,892</u>
Balance Due Within One Year	<u>\$ 177,022</u>	<u>\$ 87,815</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2005	\$ 75,109,558
Less: Due Within One Year	(4,840,170)
Add: Unamortized Premium on Debt	2,345,903
Less: Deferred Charges - Issuance Costs	(807,032)
Less: Deferred Amount on Refunding	<u>(541,292)</u>
Noncurrent Liabilities - Due In	
More Than One Year - Exhibit A	<u>\$ 71,266,967</u>

Compensated absences payable will be paid from the employing funds, primarily the General and Highway/Public Works Funds. Landfill closure/postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

Discretely Presented Robertson County School Department

Changes in Long-term Liabilities

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

	Note	Capital Lease	Compensated Absences
Governmental Activities:			
Balance, July 1, 2004	\$ 0	\$ 0	\$ 72,842
Prior Period Adjustment	0	0	(72,842)
Additions	500,000	737,080	0
Balance, June 30, 2005	<u>\$ 500,000</u>	<u>\$ 737,080</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 71,429</u>	<u>\$ 91,774</u>	<u>\$ 0</u>

G. Short-term Debt

Robertson County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Fund. These notes were necessary because funds were not available to meet cash flow needs coming due before current tax collections. Short-term debt activity for the year ended June 30, 2005, was as follows:

	Balance 7-1-04	Issued	Redeemed	Balance 6-30-05
Tax Anticipation Notes	\$ 0	\$ 1,000,000	\$ (1,000,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

It is the policy of the Robertson County general government to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, casualty, and employee health and accident. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Robertson County decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for workers' compensation coverage. Robertson County joined the Local Government Workers' Compensation Fund (LGWCF), which is a public entity risk pool

established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGWCF for its workers' compensation coverage. The creation of the LGWCF provides for it to be self-sustaining through member premiums.

The discretely presented Robertson County School Department is exposed to various risks related to general liability, property, casualty, and workers' compensation losses. The Robertson County School Department decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, property, casualty, and workers' compensation coverage. The School Department joined the Tennessee School Boards Risk Management Trust (TSB-RMT), which is a public entity risk pool established by an association of member school boards. The Robertson County School Department pays annual premiums to the TSB-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of TSB-RMT provides for it to be self-sustaining through member premiums.

B. Accounting Change

During the year Robertson 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 risk, interest rate risk, foreign currency risk, and concentrations of credit risk. 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

Director of Schools Ronnie Meador retired June 30, 2005, and was succeeded by Dan Whitlow effective July 1, 2005.

D. Contingent Liabilities

The county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

E. Landfill Closure/Postclosure Care Costs

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Robertson County stopped accepting waste August 19, 1996, and closed the landfill. The county has contracted its waste management to a private

vendor. The Solid Waste/Sanitation Fund reports postclosure care costs as expenditures in each period in which they are incurred. The \$3,755,892 reported as landfill closure and postclosure care liability at June 30, 2005, represents the remaining postclosure costs associated with the closed landfill. These amounts are based on what it would cost to perform all postclosure care in 2005. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Ventures

The Springfield-Robertson County Municipal Airport is jointly owned by Robertson County and the City of Springfield and is operated by the Springfield-Robertson County Joint Airport Board. The board comprises five members: two are appointed by Robertson County, two are appointed by the City of Springfield, and the final member is jointly appointed. Robertson County has control over budgeting and financing the joint venture only to the extent of its representation by the appointed board members and is responsible for funding 50 percent of any deficits from operations. Robertson County contributed \$212,500 to the operations of the airport during the audit period.

The Gorham MacBane Library is jointly owned by Robertson County and the City of Springfield and is operated by the Library Board. The board comprises seven members: three are appointed by Robertson County, three are appointed by the City of Springfield, and the final member is jointly appointed. Robertson County has control over budgeting and financing the joint venture only to the extent of its representation by the appointed board members and is responsible for funding 50 percent of any deficits from operations. Robertson County contributed \$120,000 to the operations of the Gorham MacBane Library during the audit period.

The county does not retain an equity interest in either of the two joint ventures.

Complete financial statements for the Springfield-Robertson County Municipal Airport and the Gorham MacBane Library can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Springfield-Robertson County Municipal Airport
P. O. Box 1125
Springfield, TN 37172-1125

Gorham MacBane Library
405 White Street
Springfield, TN 37172

G. Retirement Commitments

Plan Description

Employees of Robertson 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, Chapter 34-37 of Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Robertson 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

Robertson 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 4.74 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Robertson County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2005, Robertson County's annual pension cost of \$725,663 to TCRS was equal to Robertson 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. Robertson 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
June 30, 2005	\$ 725,663	100%	\$ 0
June 30, 2004	533,908	100	0
June 30, 2003	500,064	100	0

Required Supplementary Information

Schedule of Funding Progress for Robertson 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)
6/30/2003	\$ 22,967	\$ 22,967	\$ 0	100%	\$ 12,901	0%
6/30/2001	20,526	20,744	218	98.95	12,505	1.74
6/30/1999	17,306	17,306	0	100	10,645	0

SCHOOL TEACHERS

Plan Description

Robertson County 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 Robertson County 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 Robertson County 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, \$1,641,785, \$929,618, and \$906,242, respectively, equal to the required contributions for each year.

H. Office of Central Accounting, Budgeting, and Purchasing

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

I. Purchasing Law

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for Robertson County. The Robertson County Financial Management Committee, with the assistance of the finance director, established a purchasing system for the county that allows for the issuance of purchase orders by department heads for purchases up to \$500. Purchases exceeding \$500 must be approved by a purchase order issued by the purchasing agent. Also, all purchases exceeding \$5,000 for the Office of County Executive and the discretely presented School Department, and \$10,000 for the Office of Highway Superintendent, which are not exempt, are required to be competitively bid.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Robertson 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 9,575,592	\$ 0	\$ 0	\$ 9,575,592	\$ 9,041,605	\$ 9,062,605	\$ 512,987
Licenses and Permits	266,259	0	0	266,259	221,424	221,424	44,835
Fines, Forfeitures and Penalties	367,307	0	0	367,307	315,236	315,236	52,071
Charges for Current Services	1,561,533	0	0	1,561,533	1,425,256	1,520,256	41,277
Other Local Revenues	261,515	0	0	261,515	71,014	243,222	18,293
Fees Received from County Officials	2,858,353	0	0	2,858,353	2,874,349	2,874,349	(15,996)
State of Tennessee	1,471,893	0	0	1,471,893	1,452,817	1,438,942	32,951
Federal Government	238,646	0	0	238,646	163,299	276,611	(37,965)
Other Governments and Citizens Groups	4,250	0	0	4,250	0	0	4,250
Total Revenues	\$ 16,605,348	\$ 0	\$ 0	\$ 16,605,348	\$ 15,565,000	\$ 15,952,645	\$ 652,703
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 116,574	\$ 0	\$ 0	\$ 116,574	\$ 120,856	\$ 120,856	\$ 4,282
County Executive	168,455	0	24,048	192,503	206,088	212,934	20,431
Election Commission (Including Voter Registration)	240,457	0	0	240,457	247,836	247,836	7,379
Register of Deeds	232,460	0	0	232,460	242,753	242,753	10,293
Planning	292,382	(22,264)	0	270,118	314,642	314,642	44,524
County Buildings	1,008,800	(185,230)	51,757	875,327	983,732	998,132	122,805
Preservation of Records	84,840	0	0	84,840	88,966	88,966	4,126
<u>Finance</u>							
Accounting and Budgeting	357,712	0	0	357,712	364,226	364,226	6,514
Property Assessor's Office	409,413	0	0	409,413	421,628	421,628	12,215
County Trustee's Office	215,875	0	0	215,875	232,253	232,253	16,378
County Clerk's Office	418,258	(1,300)	478	417,436	429,342	429,342	11,906
<u>Administration of Justice</u>							
Circuit Court	599,211	(484)	0	598,727	651,357	651,357	52,630

(Continued)

Exhibit F-1

Robertson 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice (Cont.)</u>							
General Sessions Court	\$ 285,004	\$ 0	\$ 0	\$ 285,004	\$ 313,321	\$ 313,321	\$ 28,317
Chancery Court	183,807	0	0	183,807	195,567	195,567	11,760
Juvenile Court	314,684	0	0	314,684	360,777	360,777	46,093
District Attorney General	55,968	0	0	55,968	0	60,800	4,832
<u>Public Safety</u>							
Sheriff's Department	5,120,471	(1,776)	12,370	5,131,065	5,135,773	5,199,773	68,708
Fire Prevention and Control	471,422	0	0	471,422	471,422	471,422	0
Civil Defense	138,199	(2,250)	0	135,949	111,978	192,790	56,841
<u>Public Health and Welfare</u>							
Local Health Center	473,553	0	0	473,553	574,477	574,477	100,924
Ambulance/Emergency Medical Services	2,134,911	0	0	2,134,911	2,026,539	2,224,747	89,836
Sanitation Management	41,346	0	0	41,346	55,920	42,045	699
<u>Agriculture & Natural Resources</u>							
Agriculture Extension Service	113,107	0	0	113,107	113,692	114,809	1,702
<u>Other Operations</u>							
Other Charges	1,562,606	0	31,695	1,594,301	1,584,320	1,628,336	34,035
Contributions to Other Agencies	486,048	0	0	486,048	317,535	514,173	28,125
Total Expenditures	\$ 15,525,563	\$ (213,304)	\$ 120,348	\$ 15,432,607	\$ 15,565,000	\$ 16,217,962	\$ 785,355
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 1,079,785	\$ 213,304	\$ (120,348)	\$ 1,172,741	\$ 0	\$ (265,317)	\$ 1,438,058
Net Change in Fund Balance							
Fund Balance, July 1, 2004	\$ 1,079,785	\$ 213,304	\$ (120,348)	\$ 1,172,741	\$ 0	\$ (265,317)	\$ 1,438,058
Fund Balance, July 1, 2004	2,029,432	(213,304)	0	1,816,128	1,816,126	1,816,126	2
Fund Balance, June 30, 2005							
Fund Balance, June 30, 2005	\$ 3,109,217	\$ 0	\$ (120,348)	\$ 2,988,869	\$ 1,816,126	\$ 1,550,809	\$ 1,438,060

Exhibit F-2

Robertson 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		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 1,050,212	\$ 0	\$ 1,050,212	\$ 1,023,293	\$ 1,023,293	\$ 26,919
Licenses and Permits	10,800	0	10,800	10,050	10,050	750
Other Local Revenues	15,613	0	15,613	19,750	19,750	(4,137)
State of Tennessee	2,191,058	0	2,191,058	2,305,907	2,305,907	(114,849)
Total Revenues	<u>\$ 3,267,683</u>	<u>\$ 0</u>	<u>\$ 3,267,683</u>	<u>\$ 3,359,000</u>	<u>\$ 3,359,000</u>	<u>\$ (91,317)</u>
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 239,559	\$ 0	\$ 239,559	\$ 248,429	\$ 248,429	\$ 8,870
Highway and Bridge Maintenance	2,006,887	(21,201)	1,985,686	2,042,410	2,057,410	71,724
Operation and Maintenance of Equipment	352,392	0	352,392	348,637	384,637	32,245
Other Charges	257,067	0	257,067	283,524	283,524	26,457
Capital Outlay	660,041	(44,201)	615,840	629,000	682,000	66,160
Total Expenditures	<u>\$ 3,515,946</u>	<u>\$ (65,402)</u>	<u>\$ 3,450,544</u>	<u>\$ 3,552,000</u>	<u>\$ 3,656,000</u>	<u>\$ 205,456</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (248,263)</u>	<u>\$ 65,402</u>	<u>\$ (182,861)</u>	<u>\$ (193,000)</u>	<u>\$ (297,000)</u>	<u>\$ 114,139</u>
Net Change in Fund Balance	\$ (248,263)	\$ 65,402	\$ (182,861)	\$ (193,000)	\$ (297,000)	\$ 114,139
Fund Balance, July 1, 2004	<u>423,226</u>	<u>(65,402)</u>	<u>357,824</u>	<u>357,824</u>	<u>357,824</u>	<u>0</u>
Fund Balance, June 30, 2005	<u>\$ 174,963</u>	<u>\$ 0</u>	<u>\$ 174,963</u>	<u>\$ 164,824</u>	<u>\$ 60,824</u>	<u>\$ 114,139</u>

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

A. BUDGETARY INFORMATION

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

The budgetary level of control is at the major category level established by the 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 Executive, County Attorney, etc.). Management may make revisions within major categories, but only the governing body may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

B. NOTE PROCEEDS ISSUANCE VIOLATION

Robertson County officials issued a \$781,560 capital outlay note in the primary government's Education Capital Projects Fund to purchase land for the construction of a school without obtaining approval of the state director of Local Finance and also failed to file the required Report on Debt Obligations.

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for the county’s convenience center operations and transfer fees for hauling solid waste.

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

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.

Exhibit G-1

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

	<u>Special Revenue Funds</u>			
	Solid Waste/ Sanitation	Drug Control	Constitu - tional Officers - Fees	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 1,050	\$ 1,350
Equity in Pooled Cash and Investments	293,885	46,901	0	340,786
Accounts Receivable	87,048	0	5,765	92,813
Property Taxes Receivable	695,096	0	0	695,096
Allowance for Uncollectible Property Taxes	(27,386)	0	0	(27,386)
Total Assets	<u>\$ 1,048,943</u>	<u>\$ 46,901</u>	<u>\$ 6,815</u>	<u>\$ 1,102,659</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accrued Payroll	\$ 12,625	\$ 0	\$ 0	\$ 12,625
Due to Other Funds	0	0	6,815	6,815
Deferred Revenue - Current Property Taxes	646,905	0	0	646,905
Deferred Revenue - Delinquent Property Taxes	17,055	0	0	17,055
Other Deferred Revenues	29,261	0	0	29,261
Total Liabilities	<u>\$ 705,846</u>	<u>\$ 0</u>	<u>\$ 6,815</u>	<u>\$ 712,661</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 10,777	\$ 0	\$ 0	\$ 10,777
Unreserved	332,320	46,901	0	379,221
Total Fund Balances	<u>\$ 343,097</u>	<u>\$ 46,901</u>	<u>\$ 0</u>	<u>\$ 389,998</u>
Total Liabilities and Fund Balances	<u>\$ 1,048,943</u>	<u>\$ 46,901</u>	<u>\$ 6,815</u>	<u>\$ 1,102,659</u>

Exhibit G-2

Robertson 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			Total Nonmajor Governmental Funds
	Solid Waste/ Sanitation	Drug Control	Constitu - tional Officers - Fees	
<u>Revenues</u>				
Local Taxes	\$ 658,600	\$ 0	\$ 0	\$ 658,600
Fines, Forfeitures and Penalties	0	74,034	0	74,034
Charges for Current Services	768,401	0	5,891	774,292
Other Local Revenues	100,476	0	0	100,476
State of Tennessee	28,581	0	0	28,581
Total Revenues	<u>\$ 1,556,058</u>	<u>\$ 74,034</u>	<u>\$ 5,891</u>	<u>\$ 1,635,983</u>
<u>Expenditures</u>				
Current:				
Finance	\$ 0	\$ 0	\$ 971	\$ 971
Administration of Justice	0	0	4,920	4,920
Public Safety	0	39,161	0	39,161
Public Health and Welfare	1,482,767	0	0	1,482,767
Other Operations	71,319	0	0	71,319
Total Expenditures	<u>\$ 1,554,086</u>	<u>\$ 39,161</u>	<u>\$ 5,891</u>	<u>\$ 1,599,138</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,972</u>	<u>\$ 34,873</u>	<u>\$ 0</u>	<u>\$ 36,845</u>
Net Change in Fund Balances	\$ 1,972	\$ 34,873	\$ 0	\$ 36,845
Fund Balance, July 1, 2004	<u>341,125</u>	<u>12,028</u>	<u>0</u>	<u>353,153</u>
Fund Balance, June 30, 2005	<u>\$ 343,097</u>	<u>\$ 46,901</u>	<u>\$ 0</u>	<u>\$ 389,998</u>

Exhibit G-3

Robertson 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)	Add: Encumbrances 6/30/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 658,600	\$ 0	\$ 658,600	\$ 647,071	\$ 647,071	\$ 11,529
Charges for Current Services	768,401	0	768,401	725,000	725,000	43,401
Other Local Revenues	100,476	0	100,476	45,924	60,024	40,452
State of Tennessee	28,581	0	28,581	33,005	33,005	(4,424)
Total Revenues	<u>\$ 1,556,058</u>	<u>\$ 0</u>	<u>\$ 1,556,058</u>	<u>\$ 1,451,000</u>	<u>\$ 1,465,100</u>	<u>\$ 90,958</u>
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Convenience Centers	\$ 207,429	\$ 5,870	\$ 213,299	\$ 222,306	\$ 236,406	\$ 23,107
Transfer Stations	1,165,434	4,907	1,170,341	1,204,366	1,204,366	34,025
Recycling Center	31,860	0	31,860	37,072	37,072	5,212
Postclosure Care Costs	78,044	0	78,044	88,612	88,612	10,568
<u>Other Operations</u>						
Other Charges	71,319	0	71,319	81,644	81,644	10,325
Total Expenditures	<u>\$ 1,554,086</u>	<u>\$ 10,777</u>	<u>\$ 1,564,863</u>	<u>\$ 1,634,000</u>	<u>\$ 1,648,100</u>	<u>\$ 83,237</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,972</u>	<u>\$ (10,777)</u>	<u>\$ (8,805)</u>	<u>\$ (183,000)</u>	<u>\$ (183,000)</u>	<u>\$ 174,195</u>
Net Change in Fund Balance	\$ 1,972	\$ (10,777)	\$ (8,805)	\$ (183,000)	\$ (183,000)	\$ 174,195
Fund Balance, July 1, 2004	<u>341,125</u>	<u>0</u>	<u>341,125</u>	<u>341,125</u>	<u>341,125</u>	<u>0</u>
Fund Balance, June 30, 2005	<u>\$ 343,097</u>	<u>\$ (10,777)</u>	<u>\$ 332,320</u>	<u>\$ 158,125</u>	<u>\$ 158,125</u>	<u>\$ 174,195</u>

Exhibit G-4

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures and Penalties	\$ 74,034	\$ 70,000	\$ 70,000	\$ 4,034
Total Revenues	\$ 74,034	\$ 70,000	\$ 70,000	\$ 4,034
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 39,161	\$ 78,000	\$ 78,000	\$ 38,839
Total Expenditures	\$ 39,161	\$ 78,000	\$ 78,000	\$ 38,839
Excess (Deficiency) of Revenues Over Expenditures	\$ 34,873	\$ (8,000)	\$ (8,000)	\$ 42,873
Net Change in Fund Balance	\$ 34,873	\$ (8,000)	\$ (8,000)	\$ 42,873
Fund Balance, July 1, 2004	12,028	12,028	12,028	0
Fund Balance, June 30, 2005	\$ 46,901	\$ 4,028	\$ 4,028	\$ 42,873

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

Robertson 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		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 7,398,056	\$ 7,489,633	\$ 7,489,633	\$ (91,577)
Other Local Revenues	379,277	160,367	199,858	179,419
Other Governments and Citizens Groups	97,955	0	0	97,955
Total Revenues	<u>\$ 7,875,288</u>	<u>\$ 7,650,000</u>	<u>\$ 7,689,491</u>	<u>\$ 185,797</u>
<u>Expenditures</u>				
<u>Principal</u>				
General Government	\$ 1,197,800	\$ 1,570,264	\$ 1,197,801	\$ 1
Highways and Streets	594,083	730,404	594,083	0
Education	2,448,450	4,578,994	2,448,451	1
<u>Interest</u>				
General Government	372,463	0	372,463	0
Highways and Streets	136,321	0	136,321	0
Education	2,135,754	0	2,135,754	0
<u>Other Debt Service</u>				
General Government	116,774	136,338	136,338	19,564
Total Expenditures	<u>\$ 7,001,645</u>	<u>\$ 7,016,000</u>	<u>\$ 7,021,211</u>	<u>\$ 19,566</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 873,643</u>	<u>\$ 634,000</u>	<u>\$ 668,280</u>	<u>\$ 205,363</u>
Net Change in Fund Balance	\$ 873,643	\$ 634,000	\$ 668,280	\$ 205,363
Fund Balance, July 1, 2004	<u>2,790,726</u>	<u>2,790,726</u>	<u>2,790,726</u>	<u>0</u>
Fund Balance, June 30, 2005	<u>\$ 3,664,369</u>	<u>\$ 3,424,726</u>	<u>\$ 3,459,006</u>	<u>\$ 205,363</u>

Agency 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.

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

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

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 1,737,800	\$ 1,737,800
Due from Other Governments	889,160	0	889,160
Total Assets	<u>\$ 889,160</u>	<u>\$ 1,737,800</u>	<u>\$ 2,626,960</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 889,160	\$ 0	\$ 889,160
Due to Litigants, Heirs, and Others	0	1,737,800	1,737,800
Total Liabilities	<u>\$ 889,160</u>	<u>\$ 1,737,800</u>	<u>\$ 2,626,960</u>

Exhibit I-2

Robertson 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
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 5,107,419	\$ 5,107,419	\$ 0
Due From Other Governments	826,153	889,160	826,153	889,160
Total Assets	<u>\$ 826,153</u>	<u>\$ 5,996,579</u>	<u>\$ 5,933,572</u>	<u>\$ 889,160</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 826,153	\$ 5,996,579	\$ 5,933,572	\$ 889,160
Total Liabilities	<u>\$ 826,153</u>	<u>\$ 5,996,579</u>	<u>\$ 5,933,572</u>	<u>\$ 889,160</u>
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,731,118	\$ 15,078,470	\$ 15,071,788	\$ 1,737,800
Total Assets	<u>\$ 1,731,118</u>	<u>\$ 15,078,470</u>	<u>\$ 15,071,788</u>	<u>\$ 1,737,800</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,731,118	\$ 15,078,470	\$ 15,071,788	\$ 1,737,800
Total Liabilities	<u>\$ 1,731,118</u>	<u>\$ 15,078,470</u>	<u>\$ 15,071,788</u>	<u>\$ 1,737,800</u>
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 5,107,419	\$ 5,107,419	\$ 0
Cash	1,731,118	15,078,470	15,071,788	1,737,800
Due From Other Governments	826,153	889,160	826,153	889,160
Total Assets	<u>\$ 2,557,271</u>	<u>\$ 21,075,049</u>	<u>\$ 21,005,360</u>	<u>\$ 2,626,960</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 826,153	\$ 5,996,579	\$ 5,933,572	\$ 889,160
Due to Litigants, Heirs, and Others	1,731,118	15,078,470	15,071,788	1,737,800
Total Liabilities	<u>\$ 2,557,271</u>	<u>\$ 21,075,049</u>	<u>\$ 21,005,360</u>	<u>\$ 2,626,960</u>

Robertson County School Department

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

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

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

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovation of certain school projects.

Exhibit J-1

Robertson County, Tennessee
Statement of Activities
Discretely Presented Robertson County School Department
For the Year Ended June 30, 2005

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component Unit:					
Governmental Activities:					
Instruction	\$ 40,374,254	\$ 26,030	\$ 4,269,520	\$ 12,000	\$ (36,066,704)
Support Services	20,032,012	114,431	0	13,167,561	(6,750,020)
Operation of Noninstructional Services	1,958,442	0	1,854,903	0	(103,539)
Interest on Long-Term Debt	5,358	0	0	0	(5,358)
Total Governmental Activities	<u>\$ 62,370,066</u>	<u>\$ 140,461</u>	<u>\$ 6,124,423</u>	<u>\$ 13,179,561</u>	<u>\$ (42,925,621)</u>
General Revenues:					
Taxes:					
Property taxes levied for general purposes					\$ 11,850,419
Local option sales tax					5,937,669
Other local taxes					395,273
Grants & contributions not restricted for specific programs					34,588,901
Miscellaneous					65,180
Total General Revenues					<u>\$ 52,837,442</u>
Change in net assets					\$ 9,911,821
Prior period adjustment					72,842
Net assets, July 1, 2004					<u>51,033,024</u>
Net assets, June 30, 2005					<u>\$ 61,017,687</u>

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Fund School Federal Projects Fund</u>	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 2,489,951	\$ 12,764,841	\$ 479,147	\$ 15,733,939
Accounts Receivable	71,242	0	0	71,242
Due from Other Governments	1,149,305	0	77,618	1,226,923
Property Taxes Receivable	12,710,334	0	0	12,710,334
Allowance for Uncollectible Property Taxes	(500,775)	0	0	(500,775)
Total Assets	\$ 15,920,057	\$ 12,764,841	\$ 556,765	\$ 29,241,663
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 8,065	\$ 0	\$ 0	\$ 8,065
Deferred Revenue - Current Property Taxes	11,829,127	0	0	11,829,127
Deferred Revenue - Delinquent Property Taxes	312,102	0	0	312,102
Other Deferred Revenues	583,169	0	0	583,169
Total Liabilities	\$ 12,732,463	\$ 0	\$ 0	\$ 12,732,463
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 0	\$ 10,914,721	\$ 0	\$ 10,914,721
Reserved for Career Ladder Program	32,567	0	0	32,567
Reserved for Title I Grants to Local Education Agencies	0	0	26,370	26,370
Reserved for Special Education - Grants to States	0	0	355,244	355,244
Other Federal Reserves	0	0	176,388	176,388
Unreserved, Reported In:				
General Fund	3,155,027	0	0	3,155,027
Special Revenue Fund (Deficit)	0	0	(1,237)	(1,237)
Capital Projects Fund	0	1,850,120	0	1,850,120
Total Fund Balances	\$ 3,187,594	\$ 12,764,841	\$ 556,765	\$ 16,509,200
Total Liabilities and Fund Balances	\$ 15,920,057	\$ 12,764,841	\$ 556,765	\$ 29,241,663

Exhibit J-3

Robertson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
Discretely Presented Robertson 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-2)	\$ 16,509,200
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	44,855,654
(2) Long-term liabilities are not due in the current period and therefore are not reported in the funds.	(1,242,438)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	<u>895,271</u>
Net assets of governmental funds (Exhibit A)	<u>\$ 61,017,687</u>

Exhibit J-4

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

	Major Funds		Nonmajor	Total
	General Purpose School	Education Capital Projects	Fund School Federal Projects Fund	
<u>Revenues</u>				
Local Taxes	\$ 18,745,137	\$ 0	\$ 0	\$ 18,745,137
Licenses and Permits	3,396	0	0	3,396
Charges for Current Services	140,461	0	0	140,461
Other Local Revenues	69,180	0	0	69,180
State of Tennessee	34,265,379	0	0	34,265,379
Federal Government	1,853,856	0	3,790,234	5,644,090
Other Governments and Citizens Groups	0	13,167,561	0	13,167,561
Total Revenues	<u>\$ 55,077,409</u>	<u>\$ 13,167,561</u>	<u>\$ 3,790,234</u>	<u>\$ 72,035,204</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 37,118,609	\$ 0	\$ 3,255,645	\$ 40,374,254
Support Services	16,158,163	0	576,389	16,734,552
Operation of Non-Instructional Services	1,694,839	0	0	1,694,839
Capital Outlay	823,964	0	0	823,964
Capital Projects	0	15,440,248	0	15,440,248
Total Expenditures	<u>\$ 55,795,575</u>	<u>\$ 15,440,248</u>	<u>\$ 3,832,034</u>	<u>\$ 75,067,857</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>\$ (718,166)</u>	<u>\$ (2,272,687)</u>	<u>\$ (41,800)</u>	<u>\$ (3,032,653)</u>
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 0	\$ 500,000	\$ 0	\$ 500,000
Capital Leases Issued	0	737,080	0	737,080
Transfers In	102,042	0	0	102,042
Transfers Out	0	0	(102,042)	(102,042)
Total Other Financing Sources (Uses)	<u>\$ 102,042</u>	<u>\$ 1,237,080</u>	<u>\$ (102,042)</u>	<u>\$ 1,237,080</u>
Net Change in Fund Balances	\$ (616,124)	\$ (1,035,607)	\$ (143,842)	\$ (1,795,573)
Fund Balance, July 1, 2004	<u>3,803,718</u>	<u>13,800,448</u>	<u>700,607</u>	<u>18,304,773</u>
Fund Balance, June 30, 2005	<u>\$ 3,187,594</u>	<u>\$ 12,764,841</u>	<u>\$ 556,765</u>	<u>\$ 16,509,200</u>

Exhibit J-5

Robertson County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Robertson 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-4)	\$ (1,795,573)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	12,966,752
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(16,920)
(3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(1,237,080)
(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 governmental funds.	<u>(5,358)</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ 9,911,821</u>

Exhibit J-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 18,745,137	\$ 18,498,600	\$ 18,498,600	\$ 246,537
Licenses and Permits	3,396	5,000	5,000	(1,604)
Charges for Current Services	140,461	163,000	163,000	(22,539)
Other Local Revenues	69,180	130,000	130,000	(60,820)
State of Tennessee	34,265,379	33,864,001	34,247,401	17,978
Federal Government	1,853,856	1,845,200	1,865,200	(11,344)
Total Revenues	\$ 55,077,409	\$ 54,505,801	\$ 54,909,201	\$ 168,208
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 29,995,486	\$ 30,359,600	\$ 30,407,700	\$ 412,214
Alternative Instruction Program	297,069	295,700	300,300	3,231
Special Education Program	4,673,462	4,830,800	4,873,500	200,038
Vocational Education Program	2,066,978	1,953,600	2,082,800	15,822
Adult Education Program	85,614	102,900	102,900	17,286
<u>Support Services</u>				
Attendance	111,006	113,400	113,900	2,894
Health Services	322,803	354,400	354,400	31,597
Other Student Support	1,277,497	1,342,400	1,351,600	74,103
Regular Instruction Program	1,545,565	1,559,400	1,596,000	50,435
Alternative Instruction Program	66,515	63,500	67,500	985
Special Education Program	714,890	772,800	777,000	62,110
Vocational Education Program	124,001	124,300	127,800	3,799
Adult Programs	97,057	98,500	99,000	1,943
Board of Education	826,659	838,500	838,500	11,841
Director of Schools	205,060	200,200	207,900	2,840
Office of the Principal	2,975,352	2,979,800	2,995,800	20,448
Fiscal Services	188,033	191,100	191,600	3,567
Operation of Plant	3,500,119	3,360,800	3,521,800	21,681
Maintenance of Plant	1,125,758	1,219,100	1,219,100	93,342
Transportation	2,547,185	2,567,100	2,627,600	80,415
Central and Other	530,663	538,100	560,700	30,037
<u>Operation of Non-Instructional Services</u>				
Food Service	1,652,333	1,645,200	1,665,700	13,367
Community Services	42,506	50,000	50,000	7,494
<u>Capital Outlay</u>				
Regular Capital Outlay	823,964	1,045,600	877,100	53,136
Total Expenditures	\$ 55,795,575	\$ 56,606,800	\$ 57,010,200	\$ 1,214,625
Excess (Deficiency) of Revenues Over Expenditures	\$ (718,166)	\$ (2,100,999)	\$ (2,100,999)	\$ 1,382,833

(Continued)

Exhibit J-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 102,042	\$ 5,000	\$ 5,000	\$ 97,042
Total Other Financing Sources (Uses)	\$ 102,042	\$ 5,000	\$ 5,000	\$ 97,042
Net Change in Fund Balance	\$ (616,124)	\$ (2,095,999)	\$ (2,095,999)	\$ 1,479,875
Fund Balance, July 1, 2004	3,803,718	3,803,718	3,803,718	0
Fund Balance, June 30, 2005	\$ 3,187,594	\$ 1,707,719	\$ 1,707,719	\$ 1,479,875

Exhibit J-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 3,790,234	\$ 5,188,615	\$ 5,060,379	\$ (1,270,145)
Total Revenues	\$ 3,790,234	\$ 5,188,615	\$ 5,060,379	\$ (1,270,145)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,235,408	\$ 1,430,898	\$ 1,454,998	\$ 219,590
Special Education Program	1,880,885	3,154,443	3,179,187	1,298,302
Vocational Education Program	139,352	136,111	139,353	1
<u>Support Services</u>				
Other Student Support	22,077	42,839	41,912	19,835
Regular Instruction Program	325,981	761,445	588,366	262,385
Special Education Program	224,147	610,857	610,857	386,710
Vocational Education Program	4,184	6,500	4,184	0
Total Expenditures	\$ 3,832,034	\$ 6,143,093	\$ 6,018,857	\$ 2,186,823
Excess (Deficiency) of Revenues Over Expenditures	\$ (41,800)	\$ (954,478)	\$ (958,478)	\$ 916,678
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (102,042)	\$ (96,876)	\$ (96,876)	\$ (5,166)
Total Other Financing Sources (Uses)	\$ (102,042)	\$ (96,876)	\$ (96,876)	\$ (5,166)
Net Change in Fund Balance	\$ (143,842)	\$ (1,051,354)	\$ (1,055,354)	\$ 911,512
Fund Balance, July 1, 2004	700,607	1,051,354	1,055,354	(354,747)
Fund Balance, June 30, 2005	\$ 556,765	\$ 0	\$ 0	\$ 556,765

MISCELLANEOUS SCHEDULES

Exhibit K-1

Robertson County, Tennessee
Schedule of Changes in Long-term Notes, Capitalized Leases, and Bonds
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	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-05
PRIMARY GOVERNMENT								
NOTES PAYABLE								
<u>Payable through General Debt Service Fund</u>								
Waste Recycling Resource Recovery System	\$ 2,940,000	3.1 to 5.9 %	9-15-92	3-15-05	\$ 320,000	\$ 0	\$ 320,000	\$ 0
Highway Paving	1,330,000	4 to 4.9	10-20-97	11-20-09	666,000	0	111,000	555,000
Highway Paving	1,420,000	4.055	12-11-98	12-11-10	828,331	0	118,333	709,998
Highway Paving	900,000	5.32	4-3-00	4-3-12	600,000	0	75,000	525,000
Airport Improvements	355,000	5.95	8-6-01	8-6-06	213,000	0	71,000	142,000
Refunding Notes	2,990,000	2 to 3.7	4-1-03	3-1-13	2,495,000	0	475,000	2,020,000
Roof Repair	400,000	2.466	4-10-03	4-10-08	320,000	0	80,000	240,000
Land For New School	781,560	4	5-4-05	5-4-10	0	781,560	0	781,560
Total Notes Payable					<u>\$ 5,442,331</u>	<u>\$ 781,560</u>	<u>\$ 1,250,333</u>	<u>\$ 4,973,558</u>
GENERAL BONDED DEBT								
<u>Payable through General Debt Service Fund</u>								
School Bonds	4,500,000	3.75 to 4.7	12-1-97	10-21-04	\$ 275,000	\$ 0	\$ 275,000	\$ 0
Refunding	7,025,000	3.14 to 4.125	12-1-98	6-1-10	2,595,000	0	625,000	1,970,000
School Bonds	4,995,000	3.4 to 4.45	5-1-99	5-1-14	3,670,000	0	300,000	3,370,000
School Bonds	2,860,000	5.25	3-1-00	3-1-15	2,305,000	0	155,000	2,150,000
Refunding	12,990,000	2 to 5	4-1-03	12-1-12	12,780,000	0	1,185,000	11,595,000
Refunding	14,415,000	4 to 4.5	2-1-04	6-1-15	14,415,000	0	400,000	14,015,000
School Bonds	15,395,000	2 to 4.375	4-1-04	4-1-19	15,395,000	0	50,000	15,345,000
General Obligation Bond	17,050,000	3 to 5	6-1-05	4-1-25	0	17,050,000	0	17,050,000
Total General Bonded Debt					<u>\$ 51,435,000</u>	<u>\$ 17,050,000</u>	<u>\$ 2,990,000</u>	<u>\$ 65,495,000</u>
ROBERTSON COUNTY SCHOOL DEPARTMENT								
NOTES PAYABLE								
<u>Payable through General Purpose School Fund</u>								
Energy Efficiency Improvements	500,000	0	6-9-05	5-16-12	\$ 0	\$ 500,000	\$ 0	\$ 500,000
Total Notes Payable					<u>\$ 0</u>	<u>\$ 500,000</u>	<u>\$ 0</u>	<u>\$ 500,000</u>
CAPITALIZED LEASE								
<u>Payable through General Purpose School Fund</u>								
Energy Efficiency Lighting	737,080	4.5	3-21-05	4-1-12	\$ 0	\$ 737,080	\$ 0	\$ 737,080
Total Capitalized Lease					<u>\$ 0</u>	<u>\$ 737,080</u>	<u>\$ 0</u>	<u>\$ 737,080</u>

Exhibit K-2

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

Year Ended June 30	Bond Requirements	Interest Requirements	Total Requirements
2006	\$ 3,715,000	\$ 2,689,373	\$ 6,404,373
2007	4,105,000	2,652,867	6,757,867
2008	4,015,000	2,490,479	6,505,479
2009	4,865,000	2,314,995	7,179,995
2010	5,135,000	2,110,903	7,245,903
2011	5,330,000	1,888,281	7,218,281
2012	4,940,000	1,656,270	6,596,270
2013	4,595,000	1,439,980	6,034,980
2014	4,480,000	1,242,117	5,722,117
2015	4,350,000	1,042,579	5,392,579
2016	3,045,000	856,393	3,901,393
2017	3,150,000	737,187	3,887,187
2018	3,210,000	596,888	3,806,888
2019	3,300,000	452,888	3,752,888
2020	1,100,000	307,200	1,407,200
2021	1,140,000	254,950	1,394,950
2022	1,180,000	200,800	1,380,800
2023	1,230,000	153,600	1,383,600
2024	1,280,000	104,400	1,384,400
2025	1,330,000	53,200	1,383,200
Total	\$ 65,495,000	\$ 23,245,350	\$ 88,740,350

Robertson County, Tennessee
Schedule of Transfers - Discretely Presented Robertson County School Department
For the Year Ended June 30, 2005

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
School Federal Projects (School Dept.)	General Purpose School (School Dept.)	Indirect costs	<u>\$ 102,042</u>
Total Transfers			<u><u>\$ 102,042</u></u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <u>TCA</u>	\$ 75,406	\$ 50,000	Western Surety Company
Road Supervisor	Section 8-24-102, <u>TCA</u>	69,088	100,000	"
Director of Schools	State Board of Education and Local Board of Education	94,330 (1)	50,000	"
Trustee	Section 8-24-102, <u>TCA</u>	60,450	1,467,900	"
Assessor of Property	Section 8-24-102, <u>TCA</u>	60,450	10,000	"
Finance Director	County Commission	68,660	50,000	"
County Clerk	Section 8-24-102, <u>TCA</u>	60,450	50,000	"
Circuit Court Clerk	Section 8-24-102, <u>TCA</u>	60,450	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u> , and Chancery Court Judge	65,370 (2)	50,000	"
Register	Section 8-24-102, <u>TCA</u>	60,450	25,000	"
Sheriff	Section 8-24-102, <u>TCA</u>	69,606 (3)	25,000	"
County Employees: Public Employees Blanket Bond Including Public School System			100,000	"

(1) Includes 20 days of paid vacation. Other benefits not included are one sick day per month, the use of an automobile, and a board paid life insurance policy. The board also reserves the right to award the director performance bonuses as deemed proper.
(2) Includes special commissioner fees of \$4,920.
(3) Includes a law enforcement training supplement in the amount of \$518.

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Total
	General	Solid Waste/ Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway/ Public Works	General Debt Service	
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 8,074,176	\$ 607,826	\$ 0	\$ 0	\$ 0	\$ 3,299,671	\$ 11,981,673
Trustee's Collections - Prior Year	289,502	26,446	0	0	0	126,244	442,192
Circuit/Clerk & Master Collections - Prior Years	142,969	12,997	0	0	0	61,737	217,703
Interest and Penalty	127,407	11,331	0	0	0	54,679	193,417
Payments in Lieu of Taxes - Local Utilities	99,194	0	0	0	0	0	99,194
<u>County Local Option Taxes</u>							
Hotel/Motel Tax	169,219	0	0	0	0	0	169,219
Wheel Tax	0	0	0	0	823,957	2,155,240	2,979,197
Litigation Tax - General	288,969	0	0	0	0	0	288,969
Litigation Tax - Jail, Workhouse, or Courthouse	93,558	0	0	0	0	0	93,558
Mineral Severance Tax	0	0	0	0	226,255	0	226,255
Adequate Facilities/Development Tax	0	0	0	0	0	1,700,485	1,700,485
<u>Statutory Local Taxes</u>							
Bank Excise Tax	165,659	0	0	0	0	0	165,659
Wholesale Beer Tax	124,939	0	0	0	0	0	124,939
Total Local Taxes	\$ 9,575,592	\$ 658,600	\$ 0	\$ 0	\$ 1,050,212	\$ 7,398,056	\$ 18,682,460
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Cable TV Franchise	\$ 28,673	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 28,673
<u>Permits</u>							
Building Permits	237,586	0	0	0	0	0	237,586
Other Permits	0	0	0	0	10,800	0	10,800
Total Licenses and Permits	\$ 266,259	\$ 0	\$ 0	\$ 0	\$ 10,800	\$ 0	\$ 277,059
<u>Fines, Forfeitures and Penalties</u>							
<u>Circuit Court</u>							
Fines	\$ 56,256	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 56,256
DUI Treatment Fines	3,335	0	0	0	0	0	3,335
Data Entry Fee - Circuit Court	1,345	0	0	0	0	0	1,345
<u>General Sessions Court</u>							
Fines	244,208	0	70,000	0	0	0	314,208

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Total
	General	Solid Waste/Sanitation	Drug Control	Constitutional Officers - Fees	Highway/Public Works	General Debt Service	
<u>Fines, Forfeitures and Penalties (Cont.)</u>							
<u>General Sessions Court (Cont.)</u>							
Drug Control Fines	\$ 0	\$ 0	\$ 4,034	\$ 0	\$ 0	\$ 0	4,034
DUI Treatment Fines	16,112	0	0	0	0	0	16,112
Data Entry Fee - General Sessions Court	21,047	0	0	0	0	0	21,047
<u>Juvenile Court</u>							
Fines	17,216	0	0	0	0	0	17,216
Officers Costs	1,671	0	0	0	0	0	1,671
Data Entry Fee - Juvenile Court	1,432	0	0	0	0	0	1,432
<u>Chancery Court</u>							
Officers Costs	3,547	0	0	0	0	0	3,547
Data Entry Fee - Chancery Court	1,138	0	0	0	0	0	1,138
Total Fines, Forfeitures and Penalties	\$ 367,307	\$ 0	\$ 74,034	\$ 0	\$ 0	\$ 0	441,341
<u>Charges for Current Services</u>							
<u>General Service Charges</u>							
Solid Waste Disposal Fee	\$ 0	\$ 768,401	\$ 0	\$ 0	\$ 0	\$ 0	768,401
Patient Charges	1,319,892	0	0	0	0	0	1,319,892
Work Release Charges for Board	2,530	0	0	0	0	0	2,530
Other General Service Charges	182,362	0	0	0	0	0	182,362
<u>Fees</u>							
Copy Fees	3,341	0	0	0	0	0	3,341
Telephone Commissions	5,224	0	0	0	0	0	5,224
Vending Machine Collections	2,066	0	0	0	0	0	2,066
Constitutional Officers' Fees and Commissions	0	0	0	5,891	0	0	5,891
Data Processing Fee - Register	32,012	0	0	0	0	0	32,012
Data Processing Fee - Sheriff	12,066	0	0	0	0	0	12,066
Sexual Offender Registration Fee	2,040	0	0	0	0	0	2,040
Total Charges for Current Services	\$ 1,561,533	\$ 768,401	\$ 0	\$ 5,891	\$ 0	\$ 0	2,335,825
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 339,786	\$ 339,786
Sale of Recycled Materials	0	81,812	0	0	0	0	81,812

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Total
	General	Solid Waste/Sanitation	Drug Control	Constitutional Officers - Fees	Highway/Public Works	General Debt Service	
<u>Other Local Revenues (Cont.)</u>							
<u>Nonrecurring Items</u>							
Accrued Interest on Debt Issues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 39,491	\$ 39,491
Insurance Recovery	85,199	14,086	0	0	0	0	99,285
Sale of Equipment	0	1,553	0	0	0	0	1,553
Contributions & Gifts	120,392	0	0	0	0	0	120,392
<u>Other Local Revenues</u>							
Other Local Revenues	55,924	3,025	0	0	15,613	0	74,562
Total Other Local Revenues	\$ 261,515	\$ 100,476	\$ 0	\$ 0	\$ 15,613	\$ 379,277	\$ 756,881
<u>Fees Received from County Officials</u>							
<u>Fees In Lieu of Salary</u>							
County Clerk	\$ 658,572	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 658,572
Circuit Court Clerk	151,214	0	0	0	0	0	151,214
General Sessions Court Clerk	506,723	0	0	0	0	0	506,723
Clerk and Master	127,129	0	0	0	0	0	127,129
Juvenile Court Clerk	78,354	0	0	0	0	0	78,354
Register	472,284	0	0	0	0	0	472,284
Sheriff	54,881	0	0	0	0	0	54,881
Trustee	809,196	0	0	0	0	0	809,196
Total Fees Received from County Officials	\$ 2,858,353	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,858,353
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
Juvenile Services Program	\$ 12,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,500
State Reappraisal Grant	19,199	0	0	0	0	0	19,199
Solid Waste Grants	0	28,581	0	0	0	0	28,581
<u>Public Safety Grants</u>							
Law Enforcement Training Programs	18,154	0	0	0	0	0	18,154
<u>Health and Welfare Grants</u>							
Health Department Programs	463,575	0	0	0	0	0	463,575
<u>Public Works Grants</u>							
State Aid Program	0	0	0	0	201,028	0	201,028
Litter Program	33,849	0	0	0	0	0	33,849

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Total
	General	Solid Waste/Sanitation	Drug Control	Constitutional Officers - Fees	Highway/Public Works	General Debt Service	
<u>State of Tennessee (Cont.)</u>							
<u>Other State Revenues</u>							
Beer Tax	\$ 16,778	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	16,778
Alcoholic Beverage Tax	55,480	0	0	0	0	0	55,480
Contracted Prisoner Boarding	835,978	0	0	0	0	0	835,978
Gasoline and Motor Fuel Tax	0	0	0	0	1,946,243	0	1,946,243
Petroleum Special Tax	0	0	0	0	43,787	0	43,787
Registrar's Salary Supplement	16,380	0	0	0	0	0	16,380
Total State of Tennessee	\$ 1,471,893	\$ 28,581	\$ 0	\$ 0	\$ 2,191,058	\$ 0	\$ 3,691,532
<u>Federal Government</u>							
<u>Federal Through State</u>							
Other Federal through State	\$ 211,891	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	211,891
<u>Direct Federal Revenue</u>							
Public Safety Partnership and Community Policing - COPS	16,491	0	0	0	0	0	16,491
Other Direct Federal Revenue	10,264	0	0	0	0	0	10,264
Total Federal Government	\$ 238,646	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 238,646
<u>Other Governments and Citizens Groups</u>							
<u>Other Governments</u>							
Contributions	\$ 4,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 97,955	\$ 102,205
Total Other Governments and Citizens Groups	\$ 4,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 97,955	\$ 102,205
Total	\$ 16,605,348	\$ 1,556,058	\$ 74,034	\$ 5,891	\$ 3,267,683	\$ 7,875,288	\$ 29,384,302

Exhibit K-6

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

	General Purpose School	School Federal Projects	Education Capital Projects	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 11,114,273	\$ 0	\$ 0	\$ 11,114,273
Trustee's Collections - Prior Year	436,038	0	0	436,038
Circuit/Clerk & Master Collections - Prior Years	214,454	0	0	214,454
Interest and Penalty	189,143	0	0	189,143
Payments in Lieu of Taxes - T.V.A.	487,896	0	0	487,896
<u>County Local Option Taxes</u>				
Local Option Sales Tax	5,906,860	0	0	5,906,860
Business Tax	383,438	0	0	383,438
<u>Statutory Local Taxes</u>				
Interstate Telecommunications Tax	13,035	0	0	13,035
Total Local Taxes	\$ 18,745,137	\$ 0	\$ 0	\$ 18,745,137
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 3,396	\$ 0	\$ 0	\$ 3,396
Total Licenses and Permits	\$ 3,396	\$ 0	\$ 0	\$ 3,396
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Summer School	\$ 26,030	\$ 0	\$ 0	\$ 26,030
School Based Health Services - FFS	2,811	0	0	2,811
Receipts from Individual Schools	102,667	0	0	102,667
<u>Other Charges for Services</u>				
Other Charges for Services	8,953	0	0	8,953
Total Charges for Current Services	\$ 140,461	\$ 0	\$ 0	\$ 140,461
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Miscellaneous Refunds	\$ 34,424	\$ 0	\$ 0	\$ 34,424
<u>Nonrecurring Items</u>				
Insurance Recovery	16,775	0	0	16,775
Damages Recovered from Individuals	909	0	0	909
Contributions & Gifts	4,000	0	0	4,000
<u>Other Local Revenues</u>				
Other Local Revenues	13,072	0	0	13,072
Total Other Local Revenues	\$ 69,180	\$ 0	\$ 0	\$ 69,180
<u>State of Tennessee</u>				
<u>State Education Funds</u>				
Basic Education Program	\$ 33,062,249	\$ 0	\$ 0	\$ 33,062,249
School Food Service	53,824	0	0	53,824
Other State Education Funds	422,016	0	0	422,016
Career Ladder Program	566,472	0	0	566,472
Career Ladder - Extended Contract	143,023	0	0	143,023
<u>Other State Revenues</u>				
Income Tax	17,795	0	0	17,795
Total State of Tennessee	\$ 34,265,379	\$ 0	\$ 0	\$ 34,265,379

(Continued)

Exhibit K-6

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

	General Purpose School	School Federal Projects	Education Capital Projects	Total
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 1,250,162	\$ 0	\$ 0	\$ 1,250,162
Breakfast	287,314	0	0	287,314
Adult Education State Grant Program	152,764	0	0	152,764
Vocational Education - Basic Grants to States	0	162,611	0	162,611
Other Vocational	12,000	0	0	12,000
Title I Grants to Local Education Agencies	0	921,518	0	921,518
Innovative Education Program Strategies	0	35,087	0	35,087
Special Education - Grants to States	15,579	2,089,735	0	2,105,314
Education Edge	35,000	0	0	35,000
Special Education Preschool Grants	0	67,049	0	67,049
Eisenhower Professional Development State Grants	0	425,609	0	425,609
Other Federal through State	60,156	88,625	0	148,781
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	40,881	0	0	40,881
Total Federal Government	\$ 1,853,856	\$ 3,790,234	\$ 0	\$ 5,644,090
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 0	\$ 0	\$ 13,167,561	\$ 13,167,561
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 13,167,561	\$ 13,167,561
Total	\$ 55,077,409	\$ 3,790,234	\$ 13,167,561	\$ 72,035,204

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

General Fund

General Government

County Commission

Part-time Personnel	\$	3,600	
Board and Committee Members Fees		53,700	
Social Security		3,553	
Employer Medicare		831	
Dues and Memberships		11,344	
Legal Services		37,784	
Legal Notices, Recording and Court Costs		443	
Other Contracted Services		4,550	
Workers' Compensation Insurance		273	
Other Charges		496	
Total County Commission			\$ 116,574

County Executive

County Official/Administrative Officer	\$	75,406	
Clerical Personnel		32,532	
Part-time Personnel		12,472	
Overtime Pay		173	
Other Salaries & Wages		3,144	
Social Security		7,194	
State Retirement		5,162	
Employer Medicare		1,682	
Communication		4,094	
Dues and Memberships		1,600	
Maintenance & Repair Services- Vehicles		373	
Postal Charges		592	
Printing, Stationery and Forms		179	
Rentals		1,312	
Travel		593	
Gasoline		462	
Office Supplies		784	
Premiums on Corporate Surety Bonds		175	
Workers' Compensation Insurance		658	
In Service/Staff Development		125	
Other Charges		14,232	
Motor Vehicles		5,063	
Other Capital Outlay		448	
Total County Executive			168,455

Election Commission (Including Voter Registration)

County Official/Administrative Officer	\$	54,405	
--	----	--------	--

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Including Voter Registration)

(Cont.)

Clerical Personnel	\$	42,921	
Part-time Personnel		25,900	
Overtime Pay		4,938	
Board and Committee Members Fees		2,360	
Election Workers		36,680	
Social Security		8,079	
State Retirement		4,752	
Employer Medicare		1,889	
Communication		1,331	
Data Processing Services		7,440	
Dues and Memberships		200	
Legal Notices, Recording and Court Costs		2,413	
Maintenance & Repair Services- Equipment		3,714	
Postal Charges		5,712	
Printing, Stationery and Forms		4,397	
Rentals		1,368	
Other Contracted Services		13,900	
Office Supplies		6,078	
Workers' Compensation Insurance		781	
In Service/Staff Development		1,073	
Other Capital Outlay		10,126	
Total Election Commission (Including Voter Registration)	\$		240,457

Register of Deeds

County Official/Administrative Officer	\$	60,450	
Clerical Personnel		104,369	
Part-time Personnel		7,024	
Social Security		10,136	
State Retirement		7,844	
Employer Medicare		2,371	
Communication		669	
Data Processing Services		7,410	
Dues and Memberships		546	
Maintenance & Repair Services- Equipment		782	
Postal Charges		3,500	
Printing, Stationery and Forms		3,192	
Rentals		3,071	
Office Supplies		4,749	
Premiums on Corporate Surety Bonds		88	
Workers' Compensation Insurance		821	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Other Charges	\$	5,304	
Other Capital Outlay		<u>10,134</u>	
Total Register of Deeds	\$		232,460

Planning

County Official/Administrative Officer	\$	54,990	
Clerical Personnel		109,933	
Part-time Personnel		22,279	
Board and Committee Members Fees		3,850	
Social Security		11,549	
State Retirement		7,667	
Employer Medicare		2,701	
Communication		2,523	
Consultants		8,965	
Data Processing Services		546	
Dues and Memberships		180	
Legal Notices, Recording and Court Costs		3,440	
Maintenance & Repair Services- Equipment		118	
Maintenance & Repair Services- Vehicles		396	
Postal Charges		352	
Printing, Stationery and Forms		995	
Rentals		3,970	
Travel		348	
Gasoline		665	
Office Supplies		3,935	
Workers' Compensation Insurance		1,001	
In Service/Staff Development		45	
Other Capital Outlay		<u>51,934</u>	
Total Planning			292,382

County Buildings

Supervisor/Director	\$	45,190	
Custodial Personnel		51,202	
Maintenance Personnel		126,793	
Overtime Pay		8,247	
Social Security		13,424	
State Retirement		10,808	
Employer Medicare		3,140	
Communication		3,416	
Consultants		<u>218,869</u>	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Maintenance Agreements	\$	18,968	
Maintenance & Repair Services- Buildings		43,862	
Maintenance & Repair Services- Equipment		5,953	
Maintenance & Repair Services- Vehicles		1,901	
Pest Control		1,005	
Custodial Supplies		17,097	
Electricity		139,486	
Gasoline		800	
Natural Gas		46,308	
Uniforms		2,785	
Water and Sewer		18,424	
Workers' Compensation Insurance		15,695	
Other Charges		4,267	
Other Capital Outlay		211,160	
Total County Buildings			\$ 1,008,800

Preservation of Records

Clerical Personnel	\$	64,133	
Part-time Personnel		1,856	
Social Security		3,657	
State Retirement		2,852	
Employer Medicare		855	
Communication		1,851	
Maintenance & Repair Services- Equipment		43	
Postal Charges		148	
Rentals		1,061	
Other Contracted Services		667	
Workers' Compensation Insurance		319	
Other Charges		7,398	
Total Preservation of Records			84,840

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	68,660	
Clerical Personnel		212,823	
Overtime Pay		367	
Social Security		16,601	
State Retirement		13,306	
Employer Medicare		3,883	
Communication		2,705	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Data Processing Services	\$	7,360	
Dues and Memberships		563	
Legal Notices, Recording and Court Costs		396	
Maintenance & Repair Services- Equipment		2,360	
Postal Charges		5,000	
Printing, Stationery and Forms		4,756	
Rentals		5,346	
Office Supplies		7,210	
Premiums on Corporate Surety Bonds		200	
Workers' Compensation Insurance		1,331	
In Service/Staff Development		1,016	
Other Capital Outlay		3,829	
Total Accounting and Budgeting			\$ 357,712

Property Assessor's Office

County Official/Administrative Officer	\$	60,450	
Clerical Personnel		211,821	
Board and Committee Members Fees		380	
Social Security		16,273	
State Retirement		9,989	
Employer Medicare		3,806	
Communication		2,530	
Contracts with Government Agencies		14,317	
Dues and Memberships		1,280	
Legal Notices, Recording and Court Costs		182	
Maintenance & Repair Services- Equipment		272	
Maintenance & Repair Services- Vehicles		2,143	
Postal Charges		6,500	
Rentals		4,298	
Other Contracted Services		32,965	
Gasoline		1,847	
Office Supplies		2,848	
Premiums on Corporate Surety Bonds		100	
Workers' Compensation Insurance		19,533	
In Service/Staff Development		385	
Other Capital Outlay		17,494	
Total Property Assessor's Office			409,413

County Trustee's Office

County Official/Administrative Officer	\$	60,450	
--	----	--------	--

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Clerical Personnel	\$	86,686	
Part-time Personnel		12,092	
Overtime Pay		572	
Social Security		9,472	
State Retirement		6,981	
Employer Medicare		2,215	
Communication		1,194	
Contracts with Government Agencies		8,326	
Data Processing Services		3,317	
Dues and Memberships		150	
Legal Notices, Recording and Court Costs		152	
Postal Charges		10,000	
Printing, Stationery and Forms		2,028	
Rentals		1,333	
Office Supplies		1,978	
Premiums on Corporate Surety Bonds		7,590	
Workers' Compensation Insurance		766	
In Service/Staff Development		176	
Other Capital Outlay		397	
Total County Trustee's Office			\$ 215,875

County Clerk's Office

County Official/Administrative Officer	\$	60,450
Clerical Personnel		259,430
Part-time Personnel		9,459
Social Security		19,074
State Retirement		15,141
Employer Medicare		4,461
Communication		2,561
Data Processing Services		16,911
Dues and Memberships		960
Legal Notices, Recording and Court Costs		243
Maintenance & Repair Services- Equipment		842
Postal Charges		14,000
Printing, Stationery and Forms		1,672
Rentals		2,735
Office Supplies		4,716
Premiums on Corporate Surety Bonds		175
Workers' Compensation Insurance		1,578
In Service/Staff Development		127

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Other Capital Outlay	\$ 3,723	
Total County Clerk's Office		\$ 418,258

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$ 60,450	
Clerical Personnel	359,707	
Part-time Personnel	11,083	
Overtime Pay	3,509	
Social Security	25,388	
State Retirement	19,721	
Employer Medicare	5,937	
Communication	2,164	
Data Processing Services	11,089	
Dues and Memberships	531	
Legal Notices, Recording and Court Costs	458	
Maintenance & Repair Services- Equipment	36	
Postal Charges	10,000	
Printing, Stationery and Forms	13,317	
Rentals	9,983	
Other Contracted Services	31,883	
Office Supplies	6,774	
Periodicals	236	
Premiums on Corporate Surety Bonds	175	
Workers' Compensation Insurance	2,148	
In Service/Staff Development	1,119	
Other Capital Outlay	23,503	
Total Circuit Court		599,211

General Sessions Court

Judge(s)	\$ 107,250
Clerical Personnel	69,260
Overtime Pay	3,685
Special Commissioner Fees/Special Master Fees	31,939
Social Security	11,466
State Retirement	8,840
Employer Medicare	2,941
Communication	4,920
Dues and Memberships	695
Maintenance & Repair Services- Equipment	148

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Postal Charges	\$	179	
Printing, Stationery and Forms		2,334	
Rentals		588	
Other Contracted Services		15,254	
Office Supplies		892	
Periodicals		1,477	
Liability Insurance		1,353	
Workers' Compensation Insurance		1,093	
In Service/Staff Development		3,736	
Other Charges		239	
Other Capital Outlay		16,715	
Total General Sessions Court			\$ 285,004

Chancery Court

County Official/Administrative Officer	\$	60,450	
Clerical Personnel		76,956	
Part-time Personnel		1,345	
Social Security		8,287	
State Retirement		6,462	
Employer Medicare		1,938	
Communication		673	
Data Processing Services		5,004	
Dues and Memberships		531	
Legal Notices, Recording and Court Costs		1,755	
Postal Charges		1,932	
Printing, Stationery and Forms		4,756	
Rentals		2,021	
Office Supplies		2,061	
Periodicals		244	
Premiums on Corporate Surety Bonds		250	
Workers' Compensation Insurance		669	
Other Capital Outlay		8,473	
Total Chancery Court			183,807

Juvenile Court

Youth Service Officer(s)	\$	175,133	
Clerical Personnel		16,551	
Part-time Personnel		18,078	
Overtime Pay		4,165	
Social Security		12,331	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

State Retirement	\$	8,929	
Employer Medicare		2,884	
Communication		4,884	
Data Processing Services		1,200	
Dues and Memberships		365	
Evaluation and Testing		2,568	
Maintenance & Repair Services- Equipment		2,110	
Postal Charges		84	
Printing, Stationery and Forms		1,249	
Rentals		3,282	
Travel		1,152	
Office Supplies		3,270	
Periodicals		918	
Workers' Compensation Insurance		1,094	
In Service/Staff Development		6,921	
Other Charges		40,150	
Other Capital Outlay		7,366	
Total Juvenile Court			\$ 314,684

District Attorney General

Rentals	\$	4,800	
Other Contracted Services		51,168	
Total District Attorney General			55,968

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	69,088	
Deputy(ies)		1,489,099	
Salary Supplements		18,154	
Dispatchers/Radio Operators		324,023	
Guards		817,110	
Clerical Personnel		107,621	
Part-time Personnel		17,769	
Overtime Pay		227,736	
Social Security		181,142	
State Retirement		135,863	
Employer Medicare		42,364	
Communication		46,886	
Data Processing Services		11,394	
Dues and Memberships		2,885	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Licenses	\$	180	
Maintenance & Repair Services- Buildings		22,657	
Maintenance & Repair Services- Equipment		60,203	
Maintenance & Repair Services- Vehicles		81,250	
Medical and Dental Services		335,780	
Pest Control		1,440	
Postal Charges		51	
Printing, Stationery and Forms		3,750	
Rentals		13,121	
Transportation - Other than Students		4,817	
Disposal Fees		5,373	
Other Contracted Services		301,829	
Custodial Supplies		22,855	
Drugs and Medical Supplies		124,317	
Electricity		23,906	
Gasoline		76,829	
Law Enforcement Supplies		8,864	
Library Books/Media		8,320	
Natural Gas		24,852	
Office Supplies		15,695	
Periodicals		1,974	
Prisoners Clothing		10,021	
Tires and Tubes		9,151	
Uniforms		26,365	
Water and Sewer		27,697	
Workers' Compensation Insurance		136,509	
In Service/Staff Development		14,569	
Other Charges		25,214	
Motor Vehicles		149,430	
Other Capital Outlay		92,318	
Total Sheriff's Department			\$ 5,120,471

Fire Prevention and Control

Contracts with Other Public Agencies	\$	471,422	
Total Fire Prevention and Control			471,422

Civil Defense

Supervisor/Director	\$	48,354	
Social Security		2,684	
State Retirement		2,280	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Employer Medicare	\$	628	
Communication		3,459	
Maintenance & Repair Services- Equipment		521	
Maintenance & Repair Services- Vehicles		4,365	
Gasoline		3,184	
Office Supplies		370	
Workers' Compensation Insurance		5,758	
In Service/Staff Development		1,616	
Other Charges		5,509	
Other Capital Outlay		59,471	
Total Civil Defense			\$ 138,199

Public Health and Welfare

Local Health Center

Medical Personnel	\$	296,697	
Social Security		17,981	
State Retirement		13,980	
Employer Medicare		4,205	
Communication		4,726	
Dues and Memberships		100	
Maintenance & Repair Services- Buildings		8,283	
Maintenance & Repair Services- Equipment		216	
Pest Control		341	
Postal Charges		4,260	
Rentals		6,323	
Travel		1,922	
Disposal Fees		2,708	
Other Contracted Services		39,092	
Custodial Supplies		2,828	
Drugs and Medical Supplies		3,170	
Electricity		14,155	
Natural Gas		3,663	
Office Supplies		2,664	
Water and Sewer		911	
Workers' Compensation Insurance		19,657	
Other Charges		25,195	
Other Capital Outlay		476	
Total Local Health Center			473,553

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	56,336	
Medical Personnel		581,913	
Clerical Personnel		95,515	
Part-time Personnel		165,416	
Overtime Pay		447,598	
Social Security		78,782	
State Retirement		54,706	
Employer Medicare		18,425	
Communication		12,433	
Data Processing Services		2,285	
Debt Collection Services		508	
Dues and Memberships		401	
Operating Lease Payments		6,260	
Licenses		1,201	
Maintenance & Repair Services- Buildings		3,345	
Maintenance & Repair Services- Equipment		14,026	
Maintenance & Repair Services- Vehicles		66,696	
Medical and Dental Services		1,449	
Pest Control		600	
Postal Charges		6,000	
Printing, Stationery and Forms		2,945	
Rentals		8,685	
Disposal Fees		1,104	
Other Contracted Services		5,046	
Custodial Supplies		7,492	
Drugs and Medical Supplies		85,552	
Electricity		7,970	
Gasoline		32,363	
Natural Gas		2,611	
Office Supplies		4,724	
Tires and Tubes		3,899	
Uniforms		18,340	
Water and Sewer		1,624	
Workers' Compensation Insurance		143,660	
In Service/Staff Development		21,414	
Other Charges		8,957	
Motor Vehicles		128,097	
Other Capital Outlay		36,533	
Total Ambulance/Emergency Medical Services	\$		2,134,911

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management

Laborers	\$	19,694	
Overtime Pay		395	
Social Security		1,239	
Employer Medicare		290	
Maintenance & Repair Services- Vehicles		2,779	
Other Contracted Services		10,483	
Gasoline		3,619	
Workers' Compensation Insurance		1,346	
Other Charges		1,501	
Total Sanitation Management			\$ 41,346

Agriculture & Natural Resources

Agriculture Extension Service

Communication	\$	2,535	
Contracts with Government Agencies		96,600	
Maintenance & Repair Services- Equipment		1,531	
Rentals		9,000	
Electricity		2,071	
Natural Gas		601	
Water and Sewer		769	
Total Agriculture Extension Service			113,107

Other Operations

Other Charges

Employee and Dependent Insurance	\$	685,096	
Unemployment Compensation		13,493	
Audit Services		12,335	
Consultants		19,200	
Engineering Services		13,305	
Remittance of Revenue Collected		169,219	
Other Contracted Services		8,216	
Liability Insurance		365,587	
Trustee's Commission		201,422	
Liability Claims		31,000	
Other Charges		43,733	
Total Other Charges			1,562,606

Contributions to Other Agencies

Contributions	\$	486,048	
Total Contributions to Other Agencies			486,048

Total General Fund \$ 15,525,563

(Continued)

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Laborers	\$	50,427	
Part-time Personnel		75,569	
Overtime Pay		2,626	
Social Security		7,957	
State Retirement		2,503	
Employer Medicare		1,861	
Communication		3,220	
Maintenance & Repair Services- Buildings		1,102	
Maintenance & Repair Services- Equipment		3,325	
Maintenance & Repair Services- Vehicles		19,020	
Rentals		4,596	
Diesel Fuel		5,032	
Electricity		1,984	
Gasoline		1,562	
Tires and Tubes		2,154	
Water and Sewer		842	
Workers' Compensation Insurance		9,731	
Other Charges		752	
Other Capital Outlay		13,166	
Total Convenience Centers			\$ 207,429

Transfer Stations

County Official/Administrative Officer	\$	49,842
Laborers		74,628
Clerical Personnel		69,379
Overtime Pay		4,639
Social Security		11,332
State Retirement		9,343
Employer Medicare		2,650
Advertising		198
Communication		5,752
Maintenance & Repair Services- Buildings		3,445
Maintenance & Repair Services- Equipment		19,865
Maintenance & Repair Services- Vehicles		1,846
Postal Charges		372
Printing, Stationery and Forms		1,498
Rentals		18,898
Disposal Fees		839,566
Custodial Supplies		216
Diesel Fuel		11,797

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)
Public Health and Welfare (Cont.)
Transfer Stations (Cont.)

Electricity	\$	7,828	
Gasoline		446	
Lubricants		1,377	
Natural Gas		1,728	
Office Supplies		779	
Small Tools		550	
Tires and Tubes		1,524	
Uniforms		4,993	
Water and Sewer		844	
Workers' Compensation Insurance		13,493	
In Service/Staff Development		492	
Other Charges		5,296	
Other Capital Outlay		818	
Total Transfer Stations			\$ 1,165,434

Recycling Center

Laborers	\$	20,943	
Overtime Pay		410	
Social Security		1,218	
State Retirement		997	
Employer Medicare		285	
Maintenance & Repair Services- Equipment		929	
Maintenance & Repair Services- Vehicles		527	
Other Contracted Services		1,750	
Diesel Fuel		1,922	
Tires and Tubes		921	
Uniforms		405	
Workers' Compensation Insurance		1,553	
Total Recycling Center			31,860

Postclosure Care Costs

Laborers	\$	20,590
Overtime Pay		684
Social Security		1,226
State Retirement		1,004
Employer Medicare		287
Engineering Services		28,000
Evaluation and Testing		16,524
Maintenance & Repair Services- Equipment		2,947
Diesel Fuel		907

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)
Public Health and Welfare (Cont.)
Postclosure Care Costs (Cont.)

Small Tools	\$	64	
Tires and Tubes		8	
Uniforms		29	
Workers' Compensation Insurance		1,628	
Other Charges		326	
Site Development		2,687	
Other Capital Outlay		1,133	
Total Postclosure Care Costs			\$ 78,044

Other Operations

<u>Other Charges</u>			
Employee and Dependent Insurance	\$	32,184	
Liability Insurance		18,444	
Trustee's Commission		20,691	
Total Other Charges			71,319

Total Solid Waste/Sanitation Fund \$ 1,554,086

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	3,837	
Confidential Drug Enforcement Payments		10,000	
Maintenance & Repair Services- Vehicles		2,315	
Tires and Tubes		724	
Trustee's Commission		739	
In Service/Staff Development		750	
Other Charges		2,945	
Other Capital Outlay		17,851	
Total Drug Enforcement			\$ 39,161

Total Drug Control Fund 39,161

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$	971	
Total County Trustee's Office			\$ 971

(Continued)

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

Constitutional Officers - Fees Fund (Cont.)

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$ 4,920	
Total Chancery Court		\$ 4,920

Total Constitutional Officers - Fees Fund \$ 5,891

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 69,088	
Clerical Personnel	89,562	
Board and Committee Members Fees	10,500	
Social Security	9,781	
State Retirement	7,332	
Employer Medicare	2,288	
Communication	5,207	
Dues and Memberships	2,444	
Legal Services	2,460	
Pest Control	360	
Postal Charges	482	
Printing, Stationery and Forms	214	
Rentals	1,302	
Disposal Fees	952	
Electricity	8,222	
Natural Gas	3,391	
Office Supplies	3,350	
Water and Sewer	1,419	
Premiums on Corporate Surety Bonds	1,472	
Workers' Compensation Insurance	19,395	
Other Charges	338	
Total Administration		\$ 239,559

Highway and Bridge Maintenance

Laborers	\$ 853,578
Overtime Pay	3,118
Social Security	48,849
State Retirement	39,282
Employer Medicare	11,424
Asphalt	662,097
Crushed Stone	190,181
Pipe	87,332

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Road Signs	\$ 4,980	
Workers' Compensation Insurance	101,638	
Other Charges	<u>4,408</u>	
Total Highway and Bridge Maintenance		\$ 2,006,887

Operation and Maintenance of Equipment

Mechanic(s)	\$ 123,282	
Social Security	6,294	
State Retirement	5,177	
Employer Medicare	1,472	
Evaluation and Testing	2,047	
Maintenance & Repair Services- Equipment	200	
Diesel Fuel	53,223	
Equipment and Machinery Parts	73,773	
Garage Supplies	27,765	
Gasoline	24,514	
Lubricants	3,668	
Tires and Tubes	15,181	
Workers' Compensation Insurance	14,126	
Other Charges	<u>1,670</u>	
Total Operation and Maintenance of Equipment		352,392

Other Charges

Employee and Dependent Insurance	\$ 155,569	
Liability Insurance	63,714	
Trustee's Commission	30,360	
Liability Claims	<u>7,424</u>	
Total Other Charges		257,067

Capital Outlay

Bridge Construction	\$ 96,650	
State Aid Projects	250,482	
Other Equipment	272,333	
Other Capital Outlay	<u>40,576</u>	
Total Capital Outlay		<u>660,041</u>

Total Highway/Public Works Fund \$ 3,515,946

(Continued)

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

General Debt Service Fund

Principal

General Government

Principal on Bonds	\$ 541,550	
Principal on Notes	<u>656,250</u>	
Total General Government		\$ 1,197,800

Highways and Streets

Principal on Notes	\$ 594,083	
Total Highways and Streets		594,083

Education

Principal on Bonds	\$ 2,448,450	
Total Education		2,448,450

Interest

General Government

Interest on Bonds	\$ 317,118	
Interest on Notes	<u>55,345</u>	
Total General Government		372,463

Highways and Streets

Interest on Notes	\$ 136,321	
Total Highways and Streets		136,321

Education

Interest on Bonds	\$ 2,130,544	
Interest on Notes	<u>5,210</u>	
Total Education		2,135,754

Other Debt Service

General Government

Trustee's Commission	\$ 110,867	
Other Debt Service	<u>5,907</u>	
Total General Government		<u>116,774</u>

Total General Debt Service Fund \$ 7,001,645

General Capital Projects Fund

Capital Projects

Other General Government Projects

Underwriter's Discount	\$ 12,481	
Other Debt Issuance Charges	35,370	

(Continued)

Exhibit K-7

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

<u>General Capital Projects Fund (Cont.)</u>			
<u>Capital Projects (Cont.)</u>			
<u>Other General Government Projects (Cont.)</u>			
Building Improvements	\$	12,988	
Other Capital Outlay		<u>22,649</u>	
Total Other General Government Projects			\$ <u>83,488</u>
Total General Capital Projects Fund			\$ 83,488
<u>Education Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Contributions	\$	13,167,561	
Underwriter's Discount		32,093	
Other Debt Issuance Charges		<u>90,952</u>	
Total Education Capital Projects			\$ <u>13,290,606</u>
Total Education Capital Projects Fund			<u>13,290,606</u>
Total Governmental Funds - Primary Government			<u>\$ 41,016,386</u>

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 19,224,778	
Career Ladder Program	327,500	
Career Ladder Extended Contracts	178,551	
Homebound Teachers	20,485	
Clerical Personnel	25,932	
Educational Assistants	861,234	
Certified Substitute Teachers	441,581	
Social Security	1,285,845	
State Retirement	1,128,211	
Life Insurance	35,442	
Medical Insurance	4,608,807	
Dental Insurance	181,349	
Unemployment Compensation	3,001	
Employer Medicare	300,730	
Contracts with Other School Systems	110,922	
Operating Lease Payments	97,003	
Maintenance & Repair Services- Equipment	26,497	
Other Contracted Services	9,817	
Instructional Supplies and Materials	251,381	
Textbooks	672,709	
Other Supplies and Materials	4,920	
Other Charges	57,225	
Data Processing Equipment	128,570	
Regular Instruction Equipment	12,996	
Total Regular Instruction Program		\$ 29,995,486

Alternative Instruction Program

Teachers	\$ 188,700	
Career Ladder Program	4,000	
Educational Assistants	12,864	
Other Salaries & Wages	31,104	
Social Security	14,190	
State Retirement	12,683	
Life Insurance	342	
Medical Insurance	27,212	
Dental Insurance	2,655	
Employer Medicare	3,319	
Total Alternative Instruction Program		297,069

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	3,012,401	
Career Ladder Program		61,490	
Homebound Teachers		26,114	
Educational Assistants		25,377	
Other Salaries & Wages		47,187	
Certified Substitute Teachers		70,418	
Social Security		198,057	
State Retirement		172,142	
Life Insurance		5,418	
Medical Insurance		760,507	
Dental Insurance		27,588	
Unemployment Compensation		246	
Employer Medicare		46,320	
Contracts with Other School Systems		4,228	
Contracts with Private Agencies		82,466	
Maintenance & Repair Services- Equipment		197	
Other Contracted Services		3,868	
Instructional Supplies and Materials		26,220	
Textbooks		100,000	
Special Education Equipment		3,218	
Total Special Education Program			\$ 4,673,462

Vocational Education Program

Teachers	\$	1,400,921
Career Ladder Program		20,044
Certified Substitute Teachers		15,238
Social Security		87,907
State Retirement		76,866
Life Insurance		2,389
Medical Insurance		279,517
Dental Insurance		12,314
Unemployment Compensation		1,551
Employer Medicare		20,559
Maintenance & Repair Services- Equipment		2,096
Other Contracted Services		17,076
Instructional Supplies and Materials		47,374
Textbooks		1,114
Other Supplies and Materials		4,081
Other Charges		14,371

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Vocational Education Program (Cont.)

Vocational Instruction Equipment	\$ 63,560	
Total Vocational Education Program		\$ 2,066,978

Adult Education Program

Part-time Personnel	\$ 49,501	
Social Security	2,808	
State Retirement	1,601	
Employer Medicare	657	
Instructional Supplies and Materials	24,547	
Other Charges	1,000	
Other Equipment	5,500	
Total Adult Education Program		85,614

Support Services

Attendance

Supervisor/Director	\$ 64,390	
Career Ladder Program	1,000	
Other Salaries & Wages	27,516	
Social Security	5,678	
State Retirement	4,901	
Life Insurance	137	
Medical Insurance	4,542	
Dental Insurance	335	
Employer Medicare	1,328	
Travel	452	
Other Charges	512	
Attendance Equipment	215	
Total Attendance		111,006

Health Services

Medical Personnel	\$ 237,886
Other Salaries & Wages	17,181
Social Security	14,624
State Retirement	12,477
Life Insurance	80
Medical Insurance	28,927
Dental Insurance	636
Employer Medicare	3,420
Travel	3,449

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Drugs and Medical Supplies	\$	2,714	
Other Supplies and Materials		1,311	
Health Equipment		98	
Total Health Services			\$ 322,803

Other Student Support

Career Ladder Program	\$	14,500	
Guidance Personnel		735,890	
School Resource Officer		97,645	
Social Security		52,127	
State Retirement		42,101	
Life Insurance		1,032	
Medical Insurance		131,748	
Dental Insurance		5,486	
Employer Medicare		12,191	
Contracts with Government Agencies		162,000	
Evaluation and Testing		22,777	
Total Other Student Support			1,277,497

Regular Instruction Program

Supervisor/Director	\$	198,727	
Career Ladder Program		13,000	
Librarians		619,784	
Materials Supervisor		65,938	
Clerical Personnel		129,772	
Social Security		62,314	
State Retirement		55,169	
Life Insurance		1,407	
Medical Insurance		200,803	
Dental Insurance		7,919	
Unemployment Compensation		1,578	
Employer Medicare		14,573	
Travel		10,883	
Library Books/Media		84,093	
Other Supplies and Materials		47,312	
Other Equipment		32,293	
Total Regular Instruction Program			1,545,565

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program

Supervisor/Director	\$	51,334	
Career Ladder Program		1,000	
Social Security		3,214	
State Retirement		2,878	
Life Insurance		68	
Medical Insurance		6,934	
Dental Insurance		335	
Employer Medicare		752	
Total Alternative Instruction Program			\$ 66,515

Special Education Program

Supervisor/Director	\$	128,888	
Career Ladder Program		5,000	
Psychological Personnel		81,494	
Secretary(s)		29,328	
Other Salaries & Wages		313,013	
Social Security		33,020	
State Retirement		23,899	
Life Insurance		410	
Medical Insurance		61,163	
Dental Insurance		2,237	
Employer Medicare		7,722	
Travel		24,167	
In Service/Staff Development		4,549	
Total Special Education Program			714,890

Vocational Education Program

Supervisor/Director	\$	66,262	
Career Ladder Program		3,000	
Secretary(s)		12,864	
Other Salaries & Wages		8,041	
Social Security		5,465	
State Retirement		4,419	
Life Insurance		57	
Medical Insurance		11,335	
Dental Insurance		335	
Employer Medicare		1,278	
Travel		10,945	
Total Vocational Education Program			124,001

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Adult Programs

Supervisor/Director	\$	49,330	
Career Ladder Program		1,000	
Clerical Personnel		23,280	
Social Security		4,634	
State Retirement		4,028	
Life Insurance		68	
Medical Insurance		7,020	
Dental Insurance		362	
Employer Medicare		1,084	
Travel		583	
Other Supplies and Materials		1,300	
In Service/Staff Development		4,368	
Total Adult Programs			\$ 97,057

Board of Education

Board and Committee Members Fees	\$	8,700	
Social Security		539	
Employer Medicare		126	
Audit Services		16,000	
Dues and Memberships		7,380	
Legal Services		13,948	
Travel		112	
Liability Insurance		98,592	
Trustee's Commission		394,607	
Workers' Compensation Insurance		255,509	
Other Charges		31,146	
Total Board of Education			826,659

Director of Schools

County Official/Administrative Officer	\$	94,330	
Secretary(s)		28,351	
Other Salaries & Wages		24,112	
Social Security		8,996	
State Retirement		7,724	
Life Insurance		194	
Medical Insurance		14,060	
Dental Insurance		335	
Employer Medicare		2,104	
Communication		12,604	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Dues and Memberships	\$	2,287	
Postal Charges		4,096	
Travel		483	
Office Supplies		5,384	
Total Director of Schools			\$ 205,060

Office of the Principal

Principals	\$	985,225	
Career Ladder Program		44,000	
Assistant Principals		774,220	
Secretary(s)		362,842	
Social Security		130,884	
State Retirement		116,390	
Life Insurance		2,229	
Medical Insurance		360,468	
Dental Insurance		15,771	
Employer Medicare		30,610	
Communication		81,019	
Travel		11,752	
Other Contracted Services		15,352	
Office Supplies		9,867	
Other Supplies and Materials		29,983	
Administration Equipment		4,740	
Total Office of the Principal			2,975,352

Fiscal Services

Supervisor/Director	\$	65,530	
Accountants/Bookkeepers		29,261	
Purchasing Personnel		54,039	
Social Security		8,824	
State Retirement		7,553	
Life Insurance		68	
Medical Insurance		18,136	
Dental Insurance		335	
Employer Medicare		2,064	
Travel		942	
Office Supplies		1,281	
Total Fiscal Services			188,033

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Custodial Personnel	\$	25,843	
Social Security		1,456	
State Retirement		1,130	
Medical Insurance		3,274	
Employer Medicare		341	
Janitorial Services		1,129,361	
Operating Lease Payments		65,900	
Pest Control		7,200	
Disposal Fees		72,783	
Other Contracted Services		10,744	
Custodial Supplies		59,233	
Electricity		1,362,686	
Fuel Oil		12,309	
Natural Gas		295,192	
Water and Sewer		173,325	
Other Supplies and Materials		24,290	
Boiler Insurance		13,225	
Building and Contents Insurance		241,827	
Total Operation of Plant			\$ 3,500,119

Maintenance of Plant

Supervisor/Director	\$	57,480	
Secretary(s)		22,873	
Maintenance Personnel		280,492	
Overtime Pay		2,492	
Social Security		20,981	
State Retirement		16,253	
Life Insurance		68	
Medical Insurance		43,507	
Dental Insurance		335	
Unemployment Compensation		4	
Employer Medicare		4,907	
Maintenance & Repair Services- Buildings		481,274	
Maintenance & Repair Services- Equipment		45,531	
Other Contracted Services		96,317	
General Construction Materials		45,421	
Other Supplies and Materials		5,258	
Maintenance Equipment		2,565	
Total Maintenance of Plant			1,125,758

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation

Supervisor/Director	\$	67,030	
Mechanic(s)		155,782	
Bus Drivers		1,383,141	
Clerical Personnel		28,607	
Other Salaries & Wages		25,261	
Social Security		100,087	
State Retirement		68,962	
Life Insurance		68	
Medical Insurance		64,896	
Dental Insurance		335	
Unemployment Compensation		281	
Employer Medicare		23,408	
Maintenance & Repair Services- Vehicles		188,819	
Travel		267	
Gasoline		236,671	
Lubricants		10,149	
Tires and Tubes		49,032	
Other Supplies and Materials		2,058	
Vehicle and Equipment Insurance		74,393	
Other Charges		67,938	
Total Transportation			\$ 2,547,185

Central and Other

Data Processing Personnel	\$	71,538	
Other Salaries & Wages		229,196	
Social Security		18,223	
State Retirement		15,860	
Life Insurance		331	
Medical Insurance		51,164	
Dental Insurance		1,677	
Employer Medicare		4,262	
Maintenance & Repair Services- Equipment		3,262	
Travel		10,176	
Other Contracted Services		27,636	
Other Supplies and Materials		7,496	
Data Processing Equipment		89,842	
Total Central and Other			530,663

(Continued)

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	50,482	
Clerical Personnel		29,328	
In-Service Training		170	
Social Security		4,748	
State Retirement		4,168	
Life Insurance		137	
Medical Insurance		14,376	
Dental Insurance		307	
Unemployment Compensation		1,662	
Employer Medicare		1,110	
Payments to Schools - Breakfast		287,314	
Payments to Schools - Lunch		1,250,162	
Travel		1,124	
Other Contracted Services		4,306	
Other Supplies and Materials		1,649	
In Service/Staff Development		290	
Food Service Equipment		1,000	
Total Food Service			\$ 1,652,333

Community Services

Other Salaries & Wages	\$	35,000	
Social Security		2,015	
State Retirement		1,659	
Medical Insurance		2,081	
Employer Medicare		471	
Travel		550	
Other Supplies and Materials		730	
Total Community Services			42,506

Capital Outlay

Regular Capital Outlay

Engineering Services	\$	22,450	
Building Improvements		49,027	
Motor Vehicles		627,085	
Site Development		4,218	
Other Capital Outlay		121,184	
Total Regular Capital Outlay			823,964

Total General Purpose School Fund \$ 55,795,575

(Continued)

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

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	724,573	
Educational Assistants		102,897	
Other Salaries & Wages		1,920	
Social Security		45,516	
State Retirement		40,278	
Life Insurance		1,077	
Medical Insurance		169,584	
Dental Insurance		5,330	
Employer Medicare		10,636	
Contributions		4,250	
Instructional Supplies and Materials		88,345	
Regular Instruction Equipment		41,002	
Total Regular Instruction Program			\$ 1,235,408

Special Education Program

Teachers	\$	86,755	
Educational Assistants		879,940	
Other Salaries & Wages		126,149	
Social Security		62,297	
State Retirement		48,213	
Life Insurance		114	
Medical Insurance		18,294	
Dental Insurance		641	
Employer Medicare		14,569	
Contracts with Private Agencies		261,587	
Maintenance & Repair Services- Equipment		1,908	
Instructional Supplies and Materials		235,427	
Other Supplies and Materials		875	
Special Education Equipment		144,116	
Total Special Education Program			1,880,885

Vocational Education Program

Educational Assistants	\$	10,176	
Social Security		299	
State Retirement		482	
Medical Insurance		5,307	
Employer Medicare		70	
Other Supplies and Materials		3,053	
Other Charges		202	

(Continued)

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program (Cont.)

Vocational Instruction Equipment	\$ 119,763	
Total Vocational Education Program		\$ 139,352

Support Services

Other Student Support

Travel	\$ 19,073	
Other Charges	3,004	
Total Other Student Support		22,077

Regular Instruction Program

Supervisor/Director	\$ 67,405	
Secretary(s)	23,182	
Clerical Personnel	15,744	
Social Security	6,171	
State Retirement	5,552	
Life Insurance	68	
Medical Insurance	18,143	
Dental Insurance	362	
Employer Medicare	1,443	
Travel	1,366	
Instructional Supplies and Materials	1,833	
Other Supplies and Materials	4,408	
In Service/Staff Development	169,779	
Other Charges	9,817	
Other Equipment	708	
Total Regular Instruction Program		325,981

Special Education Program

Psychological Personnel	\$ 130,074	
Secretary(s)	21,567	
Social Security	8,931	
State Retirement	8,176	
Life Insurance	205	
Medical Insurance	32,744	
Dental Insurance	920	
Employer Medicare	2,089	
Travel	3,280	
Other Contracted Services	388	
Other Supplies and Materials	3,893	

(Continued)

Exhibit K-8

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

<u>School Federal Projects Fund (Cont.)</u>		
<u>Support Services (Cont.)</u>		
<u>Special Education Program (Cont.)</u>		
In Service/Staff Development	\$ 11,880	
Total Special Education Program		\$ 224,147
 <u>Vocational Education Program</u>		
Travel	\$ 1,911	
In Service/Staff Development	2,273	
Total Vocational Education Program		<u>4,184</u>
Total School Federal Projects Fund		\$ 3,832,034
 <u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$ 369,659	
Contributions	97,955	
Engineering Services	28,868	
Building Construction	12,300,541	
Building Improvements	6,771	
Furniture and Fixtures	13,797	
Land	1,391,192	
Other Capital Outlay	1,231,465	
Total Education Capital Projects		<u>\$ 15,440,248</u>
Total Education Capital Projects Fund		<u>15,440,248</u>
Total Governmental Funds - Robertson County School Department		<u>\$ 75,067,857</u>

Exhibit K-9

Robertson County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2005

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 5,107,419
Total Cash Receipts	<u>\$ 5,107,419</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 5,056,345
Trustee's Commission	51,074
Total Cash Disbursements	<u>\$ 5,107,419</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2004	<u>0</u>
 Cash Balance, June 30, 2005	 <u><u>\$ 0</u></u>

STATISTICAL SECTION

Table 1

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

Year	Amount
1994	\$ 25,377
1995	38,082
1996	19,175
1997	30,731
1998	3,471
1999	63,969
2000	80,430
2001	169,041
2002	272,148
2003	445,300
Total	\$ 1,147,724

Table 2

Robertson County, Tennessee
Tax Rates and Assessments
Last Ten Years

Fund	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
General	\$ 0.83	\$ 0.83	\$ 0.73	\$ 0.65	\$ 0.66	\$ 0.65	\$ 0.78	\$ 0.63	\$ 0.88	\$ 0.93
General Purpose School	1.65	1.65	1.27	1.27	1.27	1.27	1.55	1.32	1.32	1.28
General Debt Service	0.80	0.69	0.49	0.59	0.58	0.58	0.60	0.53	0.38	0.38
Rural Fire Protection	0.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Solid Waste/Sanitation	0.00	0.25	0.14	0.12	0.12	0.13	0.09	0.09	0.08	0.07
Total Tax Rate	\$ 3.42	\$ 3.42	\$ 2.63	\$ 2.63	\$ 2.63	\$ 2.63	\$ 3.02	\$ 2.57	\$ 2.66	\$ 2.66
<u>Assessed Valuations</u>										
Real and Personal	\$ 366,719,555	\$ 382,931,066	\$ 533,440,260	\$ 559,518,882	\$ 591,653,251	\$ 625,166,907	\$ 647,957,843	\$ 795,870,488	\$ 833,566,917	\$ 868,863,947
Public Utilities	30,984,240	28,464,608	32,872,085	36,818,744	36,612,721	37,875,283	36,803,955	41,798,674	41,903,111	41,113,485
Total Assessed Valuation	\$ 397,703,795	\$ 411,395,674	\$ 566,312,345	\$ 596,337,626	\$ 628,265,972	\$ 663,042,190	\$ 684,761,798	\$ 837,669,162	\$ 875,470,028	\$ 909,977,432

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

August 5, 2005

Robertson County Executive and
Board of County Commissioners
Robertson County, Tennessee

To the County Executive and 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 Robertson County, Tennessee, as of and for the year ended June 30, 2005, which collectively comprise Robertson County's basic financial statements and have issued our report thereon dated August 5, 2005. Our report was qualified due to not including the financial statements of the Robertson County Emergency Communications District and the Elm Hurst Nursing Home, Inc., which were 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 Robertson 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 Robertson 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 05.02, 05.03, 05.04, and 05.05.

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, of the reportable conditions described above, we consider items 05.03 and 05.04 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Robertson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Findings and Questioned Costs as item 05.01.

We also noted certain matters that we reported to the management of Robertson 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
Comptroller of the Treasury

JGM/yu



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

August 5, 2005

Robertson County Executive and
Board of County Commissioners
Robertson County, Tennessee

To the County Executive and County Commissioners:

Compliance

We have audited the compliance of Robertson 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. Robertson 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 Robertson County's management. Our responsibility is to express an opinion on Robertson 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 Robertson 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 Robertson County's compliance with those requirements.

In our opinion, Robertson 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 Robertson 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 Robertson 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 Robertson County, Tennessee, as of and for the year ended June 30, 2005, and have issued our report thereon dated August 5, 2005. Our report was qualified due to not including the financial statements of Robertson County Emergency Communications District and Elm Hurst Nursing Home, Inc., which were 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,

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

John G. Morgan
Comptroller of the Treasury

JGM/yu

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

Federal/Pass Through Agency/State Grantor Program Title	Federal CFDA Number	Pass- Through Agency's Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Food Donation (noncash assistance)	10.550	N/A	\$ 263,603
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	287,314
National School Lunch Program	10.555	N/A	1,250,162
Total U.S. Department of Agriculture			<u>\$ 1,801,079</u>
U.S. Department of Justice:			
Direct Programs:			
Local Law Enforcement Block Grants Program	16.592	N/A	\$ 10,264
Bulletproof Vest Partnership Program	16.607	N/A	5,813
Public Safety Partnership and Community Policing Grant (COPS)	16.710	N/A	16,491
Total U.S. Department of Justice			<u>\$ 32,568</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	Z-04-022488-00	\$ 26,995 (3)
Homeland Security Grant Program	97.067	Z-04-020140-00	162,459 (3)
Emergency Management Performance Grant	97.042	Z-04-020280-00	4,565 (4)
Emergency Management Performance Grant	97.042	Z-05-025396-00	17,872 (4)
Total U.S. Department of Homeland Security			<u>\$ 211,891</u>
U.S. Department of Labor:			
Passed-through State Department of Education:			
Employment and Training Administration Pilots, Demonstrations, and Research Projects	17.261	GG-051115-00	\$ 35,000
Total U.S. Department of Labor			<u>\$ 35,000</u>
U.S. Department of Education:			
Passed-through the University of Tennessee:			
Adult Education - English Language Civics Grant	84.002	(2)	\$ 5,164 (5)
Passed-through State Department of Education:			
Adult Education - State Grant Program	84.002	Z-04016706-00	51,370 (5)
Adult Education - State Grant Program	84.002	Z-05-022260-00	101,394 (5)
Title I Grants to Local Educational Agencies	84.010	N/A	1,118,615
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	2,051,344
Special Education - Preschool Grants	84.173	N/A	69,265
Vocational Education - Basic Grants to States	84.048	N/A	174,611
Safe and Drug-Free Schools and Communities - State Grants	84.186	(2)	43,169 (6)
Safe and Drug-Free Schools and Communities - State Grants (DARE)	84.186	(2)	4,250 (6)
English Language Acquisition Grants	84.365	N/A	47,483
Improving Teacher Quality State Grants	84.367	N/A	408,487
State Grants for Innovative Programs	84.298	N/A	44,429
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	GG-04-10237-01	60,155
Total U.S. Department of Education			<u>\$ 4,179,736</u>
Total Expenditures of Federal Awards			<u>\$ 6,260,274</u>

(Continued)

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

Federal/Pass Through Agency/State Grantor Program Title	Federal CFDA Number	Pass- Through Agency's Number	Expenditures
<u>State Grants</u>			
Optional Tire Program-State Department of Environment and Conservation	N/A	(2)	\$ 25,851
Adult Education-State Department of Education	N/A	Z-04-016706-00	4,768
Adult Education-State Department of Education	N/A	Z-05-022260-00	379
Family Resource Center-State Department of Education	N/A	Z-05-21439-00	28,306
Litter Grant-State Department of Transportation	N/A	(2)	33,849
State Reappraisal Program-Comptroller of the Treasury	N/A	(2)	19,199
Health Programs-State Department of Public Health	N/A	Z-05-020539-01	463,575
Juvenile Justice-State Commission on Children and Youth	N/A	Z-05-020423-00	12,500
Law Enforcement Training Programs	N/A	(2)	<u>18,154</u>
Total State Grants			<u>\$ 606,581</u>

CFDA = Catalog of Federal Domestic Assistance

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) Total Homeland Security Grant Program (CFDA No. 97.067) from the U.S. Department of Homeland Security \$189,454.
- (4) Total Emergency Management Performance Grant (CFDA No. 97.042) from the U.S. Department of Homeland Security \$22,437.
- (5) Total Adult Education-State Grant Program (CFDA No. 84.002) from the U.S. Department of Education \$157,928.
- (6) Total Safe and Drug-Free Schools and Communities (CFDA No. 84.186) from the U.S. Department of Education \$47,419.

Robertson 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 are findings from the Annual Financial Report for Robertson County, Tennessee, for the year ended June 30, 2004, which have not been corrected.

OTHER FINDINGS AND RECOMMENDATIONS

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
04.02	144	Duties were not segregated adequately in the Office of Clerk and Master

ROBERTSON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2005

PART I, SUMMARY OF AUDITOR'S RESULTS

1. A qualified opinion was issued on the financial statements of Robertson County.
2. The audit of the financial statements disclosed reportable conditions in internal control. Two of these conditions were considered to be material weaknesses.
3. The audit disclosed one instance of noncompliance that is material to the financial statements of Robertson 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 did not reveal any findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Special Education Cluster: Special Education – Grants to States and Special Education Preschool Grants (CFDA Nos. 84.027 and 84.173) and Title I Grants to Local Educational Agencies (CFDA No. 84.010) 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. Robertson 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. The written response of the general sessions judge is paraphrased in this report. Other officials offered oral responses to certain findings and recommendations; however, these oral responses have not been included in this report.

OFFICE OF FINANCE DIRECTOR

FINDING 05.01 **A CAPITAL OUTLAY NOTE WAS NOT APPROVED BY THE STATE DIRECTOR OF LOCAL FINANCE, AND A REPORT ON DEBT OBLIGATIONS WAS NOT FILED WITH THE STATE DIRECTOR OF LOCAL FINANCE**
(Material Noncompliance Under Government Auditing Standards)

Robertson County officials issued a \$781,560 capital outlay note to purchase land for the construction of a new school. However, this capital outlay note had not been approved by the state director of Local Finance, as required by Section 9-21-601, Tennessee Code Annotated (TCA). Also, county officials did not file a Report on Debt Obligations with the state director of Local Finance for the capital outlay note. Section 9-21-151, TCA, requires that within 45 days following the issuance of debt, a county must provide to the state director of Local Finance certain information, such as a brief description of the purpose or purposes for which the debt was issued and an itemized description of the costs of issuance of the debt.

RECOMMENDATION

Capital outlay notes should be approved by the state director of Local Finance, and county officials should file a Report on Debt Obligations with the state director of Local Finance for all debt issues, as required by state statutes.

FINDING 05.02 **SEVERAL DEFICIENCIES WERE NOTED IN THE MAINTENANCE OF EMPLOYEES' LEAVE RECORDS**
(Internal Control – Reportable Condition Under Government Auditing Standards)

Our examination of employees' leave records revealed the following deficiencies:

- A. The Finance Office is responsible for the presentation of financial data for external financial statement reporting; however, individual departments maintained their own leave records and did not report this data to the Finance Office.

- B. Leave balances of several employees were in excess of the maximum balances provided in the employee handbook.
- C. Employees' leave balances reported on June 30, 2004, did not always agree with leave balances reported on July 1, 2004.
- D. Several mathematical errors were noted in these leave records.

RECOMMENDATION

All county departments should centrally file employee leave records with the Finance Office for external financial statement reporting. The Finance Office should also review the leave records for compliance with the county's leave policies as well as the data for mathematical accuracy.

OTHER FINDINGS AND RECOMMENDATIONS

FINDING 05.03 **A SCHOOL BUS-GARAGE EMPLOYEE AND A LOCAL BODY SHOP OWNER WERE INDICTED FOR RECEIVING KICKBACKS**
(Internal Control – Material Weakness Under Government Auditing Standards)

In November 2004, an employee at the school bus garage was indicted by the Robertson County Grand Jury on 153 counts, including theft of property, destruction of and tampering with governmental records, official misconduct, criminal conspiracy, and coercion of a witness. Also, a local body shop owner was indicted on two counts including criminal conspiracy and use of fraudulent documents to obtain property. These indictments resulted from an undercover investigation by the Robertson County Sheriff's Department. The state alleges that the school bus-garage employee had taken damaged School Department vehicles to the local body shop owner for repairs, and the two men conspired to overstate the costs of the repairs and steal the difference. The School Department terminated the employment of the school bus-garage employee and ceased doing business with the local body shop. The district attorney general advised that as of the date of this report this case was pending.

RECOMMENDATION

The School Department should monitor the costs of vehicle repairs to ensure that the department obtains the best competitive prices available. County officials should seek recovery of any stolen funds.

**FINDING 05.04 AN EMPLOYEE OF THE GENERAL SESSIONS COURT
FALSIFIED OVERTIME RECORDS**
(Internal Control – Material Weakness Under Government Auditing
Standards)

On February 1, 2004, the general sessions judge notified the Finance Office that his office supervisor was authorized to approve all timesheets of employees of his office, including her own. Subsequently, the general sessions judge questioned the amount of overtime the office supervisor was reporting and requested an investigation of this matter by the Tennessee Bureau of Investigation. During the investigation the office supervisor admitted inflating her overtime records which were submitted to the county for payment. On January 27, 2005, the county terminated the employment of this employee. The county is withholding payment of the employee's accumulated vacation leave pending the resolution of this matter by the district attorney general.

RECOMMENDATION

The general sessions judge should review the office supervisor's timesheets for accuracy. Also, county officials should seek recovery of the overpayments to the office supervisor.

MANAGEMENT'S RESPONSE – GENERAL SESSIONS JUDGE

The court now uses a time clock to assist in substantiating the hours employees work.

**FINDING 05.05 DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE
OFFICE OF CLERK AND MASTER**
(Internal Control – Reportable Condition Under Government Auditing
Standards)

Duties were not segregated adequately among employees in the Office of Clerk and Master. Employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds.

RECOMMENDATION

To strengthen internal controls over operations, the clerk and master should segregate duties adequately among employees.

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

There were no findings and questioned costs for federal awards.

ROBERTSON 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.