

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

GREENE COUNTY, TENNESSEE



FOR THE YEAR ENDED JUNE 30, 2006

COMPREHENSIVE ANNUAL FINANCIAL REPORT
GREENE COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2006

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Greene County, Tennessee

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

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Audit Highlights

Comprehensive Annual Financial Report
Greene County, Tennessee
For the Year Ended June 30, 2006

Scope

We have audited the basic financial statements of Greene County as of and for the year ended June 30, 2006.

Results

Our report on Greene County's financial statements is unqualified. Our audit resulted in 11 findings and recommendations, which we have reviewed with Greene County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY CLERK

- ◆ Accounting records were not properly or currently maintained and various reconciliations were not performed.
 - ◆ The county clerk failed to remit state and county revenues collected to the receiving agency within 15 days after the last day of each calendar month as required by state statute.
 - ◆ The county clerk did not generate inventory reports and reconcile those reports with the actual physical inventory.
 - ◆ Deficiencies were noted in cash collection, deposit, and disbursement procedures. These deficiencies included not reconciling total cash and check collections listed on reports to actual cash and checks deposited. Also, refunds for overpayments were mailed to customers in the form of cash, and daily checkout procedures were performed for the office as a whole, rather than for each employee.
 - ◆ Reports were not filed with the state Department of Safety in accordance with state statutes. The office was notified by the Department of Safety that it was delinquent in filing 20 remittance reports for the months of October 2005, January 2006, and February 2006.
 - ◆ The county clerk did not remit unclaimed funds to the state Treasurer's Office as provided by state statute.
 - ◆ The county clerk's accounting system provides audit logs that document changes and deletions made to records; however, these audit logs were not generated and reviewed by the county clerk.
-

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The School Federal Projects Fund had a cash overdraft of \$172,226 at June 30, 2006.
-

OFFICE OF TRUSTEE

- ◆ Duties were not segregated adequately among the official and employees.
-

OFFICE OF SHERIFF

- ◆ Deficiencies were noted in the payroll records of the Sheriff's Department. Payroll records for certain employees did not reflect actual overtime hours worked. Also, the sheriff did not obtain a letter of agreement or file suit in Circuit Court to authorize the number and salaries of deputies as required by Section 8-20-101, Tennessee Code Annotated.
- ◆ Collections pertaining to the sex offender registry program were not receipted and deposited into the Sheriff's Department bank account as required by state statute. Instead, the fees collected were taken directly to the county trustee.

INTRODUCTORY SECTION



GREENE COUNTY, TENNESSEE

David A. Lawing
Director of Accounts and Budgets

Letter of Transmittal

October 31, 2006

To the Honorable Alan Broyles, County Mayor,
Board of County Commissioners and
Citizens of Greene County, Tennessee

By state statute all local governments are required to publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America. This report fulfills that requirement. This report was prepared by the director of accounts and budgets in conjunction with the county's independent auditors, the State of Tennessee's Office of the Comptroller of the Treasury, Department of Audit, Division of County Audit.

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

The State of Tennessee's Office of the Comptroller of the Treasury, Department of Audit, Division of County Audit has issued an unqualified opinion on the financial statements of Greene County for the fiscal year ended June 30, 2006. The independent auditor's report is located at the front of the financial section of this report.

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

Honorable Alan Broyles
County Mayor
October 31, 2006
Page 2

Profile of the Government

Greene County was established by Acts of North Carolina, 1783, Chapter 51. Greene County is in the eastern part of the state and borders the counties of Washington, Sullivan, Unicoi, Hawkins, Hamblen, and Coker and the state of North Carolina. The county has a land mass of approximately 394,880 acres (624 square miles) and serves an estimated population of 65,530. Greene County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Greene County operates as a political subdivision of the state as provided by the Tennessee Constitution. Greene County, as a political subdivision of the state is subject to control by the Tennessee General Assembly, and the county has no authority except that expressly given by state statutes.

Greene County operates under a County Mayor – County Commission form of government as provided by state statutes. The Greene County Commission consists of a 21-member board elected in eight districts within the county. Policy making and legislative authority is vested in the Greene County Commission. The County Commission is responsible for various tasks including but not limited to: adopting the annual budget, setting the property tax levy, appointing various boards and committees, and passage of local ordinances. The county mayor is popularly elected for a four-year term and is the county's manager and chief financial officer. He is responsible for carrying out policies and ordinances of the County Commission, for overseeing the day-to-day operations of the government, and for appointing or recommending for appointment various department heads. In addition, he serves as chairperson of the County Commission and as a member of most committees.

Greene County provides a full range of essential services, including police protection; solid waste disposal; emergency medical services; emergency management planning; and construction and maintenance of highways, streets, and other infrastructure. Greene County also is financially responsible for a legally separate school district, which is reported separately within its financial statements. Additional information on this legally separate entity along with the county's other discretely presented component unit can be found in Note I.A in the notes to the financial statements.

Honorable Alan Broyles
County Mayor
October 31, 2006
Page 3

The annual budget serves as the foundation for Greene County's financial planning and control. Greene County adopts a budget annually in compliance with state statutes. As required, each department submits an itemized statement of the amount of appropriations needed for the upcoming year by April 1 to the director of accounts and budgets. Before May 1 of each fiscal year, the director of accounts and budgets submits a consolidated budget to the budget and finance committee. According to Section 5-12-107, Tennessee Code Annotated, "in preparing the budget, the budget committee may revise, as it deems necessary, the estimates or requests made by the various department, officials, offices, institutions, and agencies of the county, but any county official or employee shall be entitled to a hearing before the budget committee with reference to any contemplated changes in the county official's or employee's budget requests or estimates." The proposed budget of the budget and finance committee is published in a paper of general circulation at least ten days before the budget and finance committee conducts a public hearing on the budget. The County Commission may alter or revise the budget before adoption except for debt service. The County Commission adopts a budget before the third Monday in July. The county mayor upon the request of a department head, except for salary and benefit related line-items, may transfer appropriations between line-items within a department. Transfers of appropriations between line-items, including salary and related line-items, within a department may be made by the budget and finance committee. Transfers between departments require the approval of the Greene County Commission. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated budget has been adopted. For the General and Highway/Public Works Funds, these comparisons are presented as required supplementary information. For other governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual fund subsection of this report. Please see Table of Contents for specific page numbers.

Local economy

Greene County is predominately a manufacturing and agricultural county. Greene County is ranked within the top five in agriculture in the State of Tennessee generating more than \$50 million annually. In addition, the University of Tennessee Tobacco Experiment Station has been located in Greene County for more than 50 years. Greene County also ranks highly in the number of manufacturing jobs per capita and is one of the largest manufacturing counties in the state. The three largest industries of the county are manufacturing at approximately 35 percent, retail trade approximately 16 percent, and health care and social assistance at approximately seven percent.

Honorable Alan Broyles
County Mayor
October 31, 2006
Page 4

As of June 30, 2006, Greene County had a labor force of 32,576 with 29,820 employed resulting in an 8.5 percent unemployment rate. Based on the unemployment data reported by the U.S. Department of Labor for July this rate has increased by three tenths of one percent to 8.8 percent. However, Greene County's unemployment rate was still well above the state and national average for both months but considerably lower than the June 30, 2005, rate for the county of 9.5 percent.

According to the 2000 federal census, Greene County had a population of 62,909. This is an increase of more than 12 percent since the 1990 census. Greene County's current population is estimated at 65,530.

Long-term financial planning

The county mayor in conjunction with the County Commission has instituted a Long-term Planning Committee. This committee is charged with creating five, ten, and 15-year capital needs plans. This committee is to assess long-term capital outlay needs of the county to allow for accumulation of resources in-lieu-of borrowing when possible. The goal of this committee is to reduce the county's reliance on borrowing, so that the citizens of Greene County will not have to unnecessarily pay interest or debt issuance costs.

To accumulate future resources to fund these long-term capital needs and other needs that arise, the county mayor, in conjunction with the County Commission, has attempted to increase the amount of unreserved fund balance in the General Fund to a minimum of 15 percent of the annual budgetary expenditures. As of June 30, 2006, the unreserved fund balance in the General Fund was approximately 21.98 percent of annual budgetary expenditures including other financing uses. In addition, amounts were also transferred to the General Capital Projects Fund to accumulate for the more immediate capital needs.

Relevant financial policies

The Greene County Commission and Greene County Mayor have initiated a policy that one time revenues or unreserved fund balance shall not be used for operational purposes.

Major initiatives

Currently Greene County is in a major public works project. The project encompasses the paving of all rock roads, if determined to be effective and the resurfacing or repair of any other roads in a deteriorated state. The funding for this project is provided through the issuance of \$6,942,904 of other loans through the Blount County Public Building Authority.

Honorable Alan Broyles
County Mayor
October 31, 2006
Page 5

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Greene County, Tennessee, for its comprehensive financial report for the fiscal year ended June 30, 2005. That was the first year Greene County has received this prestigious award. To be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been possible without the efficient and dedicated service of the entire Department of Accounts and Budgets. They are Shelly Fillers, Krystal Freeman, Nathan Holt, Frances Kinser, and Jane Miller. Credit should also be given to the county mayor and the Greene County Commission for their support and maintaining the highest standards of professionalism in the management of Greene County.

Sincerely,

David A. Lawing
Director of Accounts and Budgets

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Greene County,
Tennessee

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

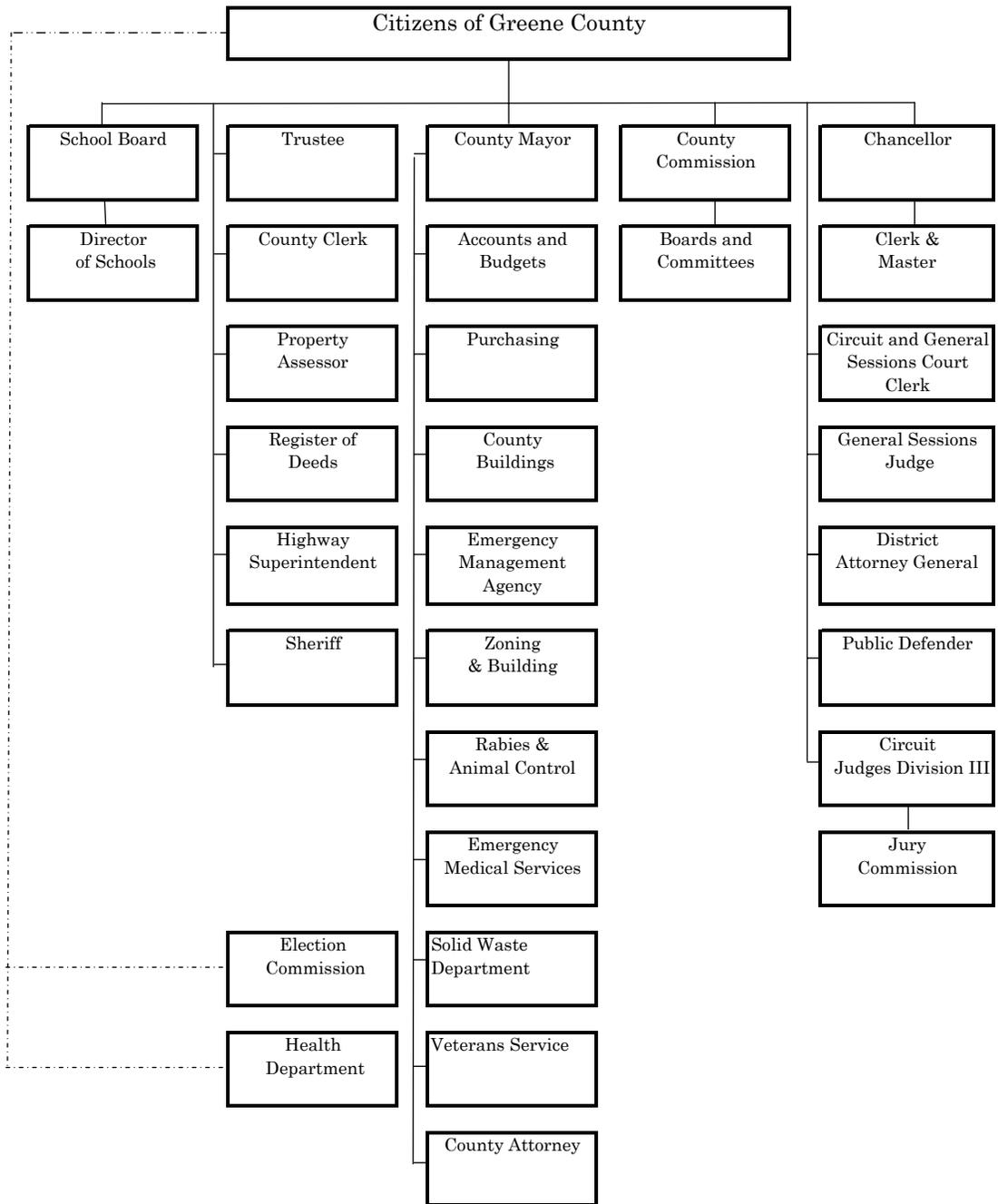


Carla E. Fudge

President

Jeffrey R. Emmer

Executive Director



Note(s):
 - - - - - : Denotes State appointment

Greene County Officials

June 30, 2006

Officials

Roger Jones, County Mayor
James Jones, Superintendent of Highways
Dr. Joe Parkins, Director of Schools
Dan Walker, Trustee
Ralph Bowers, Assessor of Property
Freddie Shaw, County Clerk
Gail Davis Jeffers, Circuit and General Sessions Courts Clerk
Kay Armstrong, Clerk and Master
Joy Rader, Register
Steven Burns, Sheriff
David Lawing, Director of Accounts and Budgets
Diane Swatzell, Purchasing Agent

Board of County Commissioners

Roger Jones, Chairman	Phil King
Betty Alexander	Robert Morgan, II
Bill Brown	Kevin Morrison
John Carter	William Moss
William Dabbs	Gary Rector
Margaret Greenway	M.C. Rollins, Jr.
Brenda Grogan	Hilton Seay
Blanche Johnson	David Thompson
Janice Johnson	John Waddle, Jr.
Clark Justis	Jerry Weems
Jan Kiker	Charles White

Budget and Finance Committee

Roger Jones, Chairman	William Moss
John Carter	John Waddle, Jr.
David Lawing	Jerry Weems

Board of Education

Richard Morrison, Chairman	Eddie Malone
Tim Armstrong	Claude Weems, Jr.
Kathy Austin	Bobby Wells
Tom Carpenter	

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

October 25, 2006

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of and for the year ended June 30, 2006, which collectively comprise Greene County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Greene County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented Greeneville-Greene County Emergency Communications District, which represent 1.5 percent of the assets and 1.4 percent of revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Greeneville-Greene County Emergency Communications District, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the

accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 25, 2006, on our consideration of Greene 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., Greene County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries; and GASB Statement No. 47, Accounting for Termination Benefits.

The management's discussion and analysis on pages 23 through 40 and the budgetary comparison information on pages 93 through 99 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Greene County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Education Debt Service Fund, combining and individual fund financial statements of the Greene 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 Education Debt Service Fund, combining and individual fund financial statements of the Greene County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The

introductory section and statistical tables have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Very truly yours,

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

John G. Morgan
Comptroller of the Treasury

JGM/yu



Management's Discussion and Analysis For Greene County, Tennessee

As management for Greene County, Tennessee, we offer the readers of Greene County Government's financial statements this narrative overview and analysis of the financial activities of Greene County Government for the fiscal year ended June 30, 2006. In addition, this discussion and analysis includes an overall view of the discretely presented component unit (DPCU) of the Greene County School Department. A separate set of financial statements is not issued for the Greene County School Department. The intent of this discussion and analysis is to look at the county and the discretely presented Greene County School Department's financial performance as a whole. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on the table of contents.

The Greeneville-Greene County Emergency Communications District is also a discretely presented component unit of the county. Readers should also review the separately issued financial statements and management's discussion and analysis for this discretely presented component unit.

FINANCIAL HIGHLIGHTS

- ❖ The net assets of Greene County exceeded its liabilities at the close of the fiscal year by approximately \$11.63 million. However, it should be noted that the financial statements of Greene County include approximately \$27.33 million of debt attributable to the Greene County Board of Education. The discretely presented Greene County School Department's net assets exceeded its liabilities by approximately \$40.14 million at June 30, 2006.
- ❖ The primary government's total net assets increased by approximately \$2.86 million and the discretely presented Greene County School Department's net assets decreased by approximately \$1.17 million.

- ❖ As of the close of the fiscal year, Greene County’s governmental funds reported \$12,952,550 of total fund balances (reserved and unreserved); this is an increase of \$102,704 from the previous fiscal year. Of this increase, \$1,413,501 was attributable to an increase in the General Fund’s balance primarily as a result of several revenues performing better than trend and un-spent appropriations; a decrease in the Highway Capital Projects Fund of \$1,780,606 due to other loan proceeds being spent; and various other changes in funds’ balances. The discretely presented Greene County School Department’s governmental funds reported \$4,359,003 of total fund balances (reserved and unreserved); this is a decrease of \$500,989 from the previous fiscal year. This decrease was primarily attributable to the decrease in the School Federal Project Fund’s balance of \$1,229,455 due to federal funds being exhausted and an increase of \$428,673 in the General Purpose School Fund due primarily to amounts reserved for encumbrances and other various reserves.
- ❖ At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$4,068,608 or approximately 21.98 percent of the General Fund’s annual budgetary expenditures (including other uses). The unreserved fund balance of the discretely presented Greene County School Department’s General Purpose School Fund was \$2,649,048 or approximately 7.39 percent of the fund’s annual budgetary expenditures (including other uses).
- ❖ The largest governmental activity performed by the primary government was public safety. As presented on Exhibit B, public safety’s total cost was \$9,055,469, which consumed \$5,621,706 of local general tax revenue. Public safety includes the Sheriff’s Department, the detention center, workhouse, building and zoning, and civil defense.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Greene County’s and the discretely presented Greene County School Department’s basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the financial statements. This annual financial report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements –

The government-wide financial statements were created to give the readers a broad overview in a manner similar to a private-sector business of the county’s and school’s finances. The government-wide financial statements consist of two statements: the statement of net assets and the statement of activities.

The statement of net assets presents information on all of Greene County's and its discretely presented component units' assets and liabilities with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the county and its discretely presented component units are improving or deteriorating.

The statement of activities presents information showing how Greene County's and its discretely presented component units' net assets changed during the current fiscal year. All changes in net assets are reported on the accrual basis of accounting as soon as the underlying event giving rise to changes occurs. Therefore, some revenues and expenses reported in this statement will result in cash flows in future periods.

These government-wide financial statements of Greene County and the discretely presented Greene County School Department distinguish between major functions that are principally supported by taxes and intra-governmental revenues from functions that are intended to recover all or a significant portion of their cost from user fees and/or charges – business type activities. The governmental activities of Greene County include: general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; other operations; highways; and education. Greene County and the discretely presented Greene County School Department have no business-type functions.

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

Fund Financial Statements –

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Greene County and the discretely presented Greene County School Department use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Greene County and the discretely presented Greene County School Department can be divided into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for basically the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in the evaluation of a government's near-term financing requirements.

Because the focus of the governmental funds is short-term in comparison to the government-wide financial statements, it is useful to compare the two. In doing so, readers may be able to understand how short-term financing decisions can impact the government long-term. Reconciliations between the government-wide financial statements and the governmental statements are provided on Exhibits C-2 and C-4 for Greene County Primary Government and on Exhibits J-2 and J-4 for the discretely presented Greene County School Department to facilitate all comparisons.

Greene County maintains 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Highway/Public Works Fund, and the Education Debt Service Fund, all of which are considered to be major funds. Financial data from the remaining governmental funds are combined into a single, aggregated amount with detail provided in the combining and individual fund financial statements and schedules.

The discretely presented Greene County School Department maintains four individual governmental funds. The General Purpose School Fund is considered a major fund with the remaining three funds combined into a single, aggregated amount with detail provided in the combining and individual fund financial statements and schedules.

Greene County adopts an annual budget for its General Fund, all special revenue funds (except the Attorney General's Fund and Constitutional Officers - Fees Fund), and its debt service funds. The discretely presented Greene County School Department, with the approval of the county, adopts an annual budget for its general fund (General Purpose School Fund) and all of its special revenue funds. Budgetary comparisons have been provided for these funds to demonstrate budgetary compliance.

Governmental fund financial statements can be found in the table of contents.

Proprietary funds. Greene County maintained one proprietary fund, an internal service fund. Internal service funds are used to accumulate and allocate costs internally among Greene County's various functions. Greene County used an internal service fund to account for its self-insured health insurance costs. However, most operations related to the county's self-insurance health program ceased on July 1, 2004, because Greene County purchased commercial health insurance. The only activity in this fund, during the current fiscal year, was the liquidation of receivables and payables from the prior year. The proprietary fund statement of cash flows is presented as Exhibit D in the basic financial statements.

The discretely presented Greene County School Department does not have any proprietary funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Greene County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds (economic resources measurement) except agency funds have no measurement focus.

The basic fiduciary fund financial statement can be found as Exhibit E.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in government-wide and fund financial statements. The notes to the financial statements can be located on the table of contents.

Other information. In addition to the basic financial statements and accompanying notes, this report also contains combining and individual fund statements and schedules for Greene County and the discretely presented Greene County School Department. A table of contents has been provided to locate this information.

Government-wide Financial Analysis –

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Greene County's assets exceeded its liabilities at June 30, 2006, by \$11,628,725. The constitution for the State of Tennessee only allows the local legislative body to issue debt. Therefore, whenever the Greene County Board of Education requires the issuance of debt to fund major capital projects or equipment purchases, the related debt must be issued by Greene County. At the end of the current fiscal year, Greene County had outstanding debt related to the Greene County Board of Education of \$27,327,002. The related assets for this debt is reported on the statement of net assets under component units in the column Greene County School Department. The discretely presented Greene County School Department assets exceeded its liabilities at June 30, 2006, by \$40,142,312.

Greene County and the discretely presented Greene County School Department's Net Assets

	Greene County Primary Government Governmental Activities	
	<u>As of June 30, 2006</u>	<u>As of June 30, 2005</u>
Assets:		
Current and Other Assets	\$ 27,719,980	\$ 26,952,708
Capital Assets	38,540,771	35,793,994
Total Assets	<u>\$ 66,260,751</u>	<u>\$ 62,746,702</u>
Liabilities:		
Long-Term Liabilities Outstanding	\$ 38,739,735	\$ 38,633,224
Other Liabilities	15,892,291	15,349,190
Total Liabilities	<u>\$ 54,632,026</u>	<u>\$ 53,982,414</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 24,126,291	\$ 24,355,434
Restricted	5,398,025	4,381,570
Unrestricted	(17,895,591)	(19,972,716)
Total Net Assets	<u>\$ 11,628,725</u>	<u>\$ 8,764,288</u>

Greene County School Department
Governmental Activities

	As of June 30, 2006	As of June 30, 2005
Assets:		
Current and Other Assets	\$ 10,717,111	\$ 11,442,472
Capital Assets	35,508,687	36,216,673
Total Assets	\$ 46,225,798	\$ 47,659,145
Liabilities:		
Long-term Liabilities Outstanding	\$ 49,778	\$ 92,992
Other Liabilities	6,033,708	6,258,364
Total Liabilities	\$ 6,083,486	\$ 6,351,356
Net Assets:		
Invested in Capital Assets	\$ 35,508,687	\$ 36,216,673
Restricted	1,343,905	2,199,034
Unrestricted	3,289,720	2,892,082
Total Net Assets	\$ 40,142,312	\$ 41,307,789

By far the largest portion of Greene County's and the discretely presented Greene County School Department's net assets of \$24,126,291 and \$35,508,687, respectively, reflects their investment in capital assets (e.g., land, building, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. Greene County and the discretely presented Greene County School Department use these capital assets to provide services to its citizenry; therefore, these are not available to meet any obligations. Although Greene County's investment in its capital assets is reported net of related debt, resources needed to repay this debt must come from outside resources because the capital assets themselves cannot be liquidated to pay these liabilities.

An additional portion of Greene County's and the discretely presented Greene County School Department's net assets of \$5,398,025 and \$1,343,905, respectively, are subject to external restrictions on how they may be used.

Greene County's unrestricted net assets is a negative (\$17,895,591). This negative balance represents all unrestricted non-capital related assets net of the Greene County School Department's debt of \$27,327,002.

Greene County's total net assets increased by \$2,864,437 from the previous year. This change was primarily the result of a net increase in capital assets of \$2,746,777, and an increase of \$102,704 in governmental fund balances. The discretely presented Greene County School Department's net assets decreased by \$1,165,477 from the previous year. This change was primarily the result of a net decrease in capital assets of \$707,986, and decreases totaling \$500,989 in governmental fund balances of the school department.

Greene County and the discretely presented Greene County School Department's Changes in Net Assets

Greene County Primary Government
Governmental Activities

	Fiscal Year Ended June 30, 2006	Fiscal Year Ended June 30, 2005
Revenues:		
Program Revenues:		
Charges for Services	\$ 9,019,659	\$ 8,994,742
Operating Grants and Contributions	3,634,777	3,066,003
Capital Grants and Contributions	966,530	470,380
General Revenues:		
Property Taxes	11,216,462	10,987,560
Local Option Sales Tax	1,780,552	1,716,845
Franchise Tax	192,173	186,610
Other Taxes	16,797	57,026
Wheel Tax	1,251,212	1,210,542
Litigation Taxes	746,684	603,911
Business Tax	478,780	442,294
Hotel/Motel Tax	421,133	397,571
Mineral Severance	169,236	170,415
Wholesale Beer Tax	223,070	221,748
Grants and Contributions not Restricted to Specific Programs	1,086,162	1,019,557
Unrestricted Investment Income	521,650	239,737
Miscellaneous	47,081	9,679
Gain on Disposal of Capital Assets	5,845	84,560
Total Revenues	\$ 31,777,803	\$ 29,879,180
Expenses:		
General Government	\$ 1,248,461	\$ 1,176,861
Finance	1,484,857	1,463,941
Administration of Justice	1,249,788	1,209,071
Public Safety	9,055,469	8,498,966
Public Health and Welfare	6,458,578	5,309,761
Social, Cultural, and Recreational Services	192,427	73,990
Agricultural and Natural Resources	179,561	258,322
Other Operations	810,990	826,706
Highways	5,372,638	5,511,674
Education	1,029,844	1,431,151
Interest on Long-term Debt	1,678,532	1,884,085
Debt Service	152,221	42,640
Total Expenses	\$ 28,913,366	\$ 27,687,168

Greene County Primary Government
Governmental Activities

	Fiscal Year Ended June 30, 2006	Fiscal Year Ended June 30, 2005
Increase in Net Assets	\$ 2,864,437	\$ 2,192,012
Net Assets, July 1, 2005/July 1, 2004	8,764,288	6,572,276
Net Assets , June 30, 2006/June 30, 2005	\$ 11,628,725	\$ 8,764,288

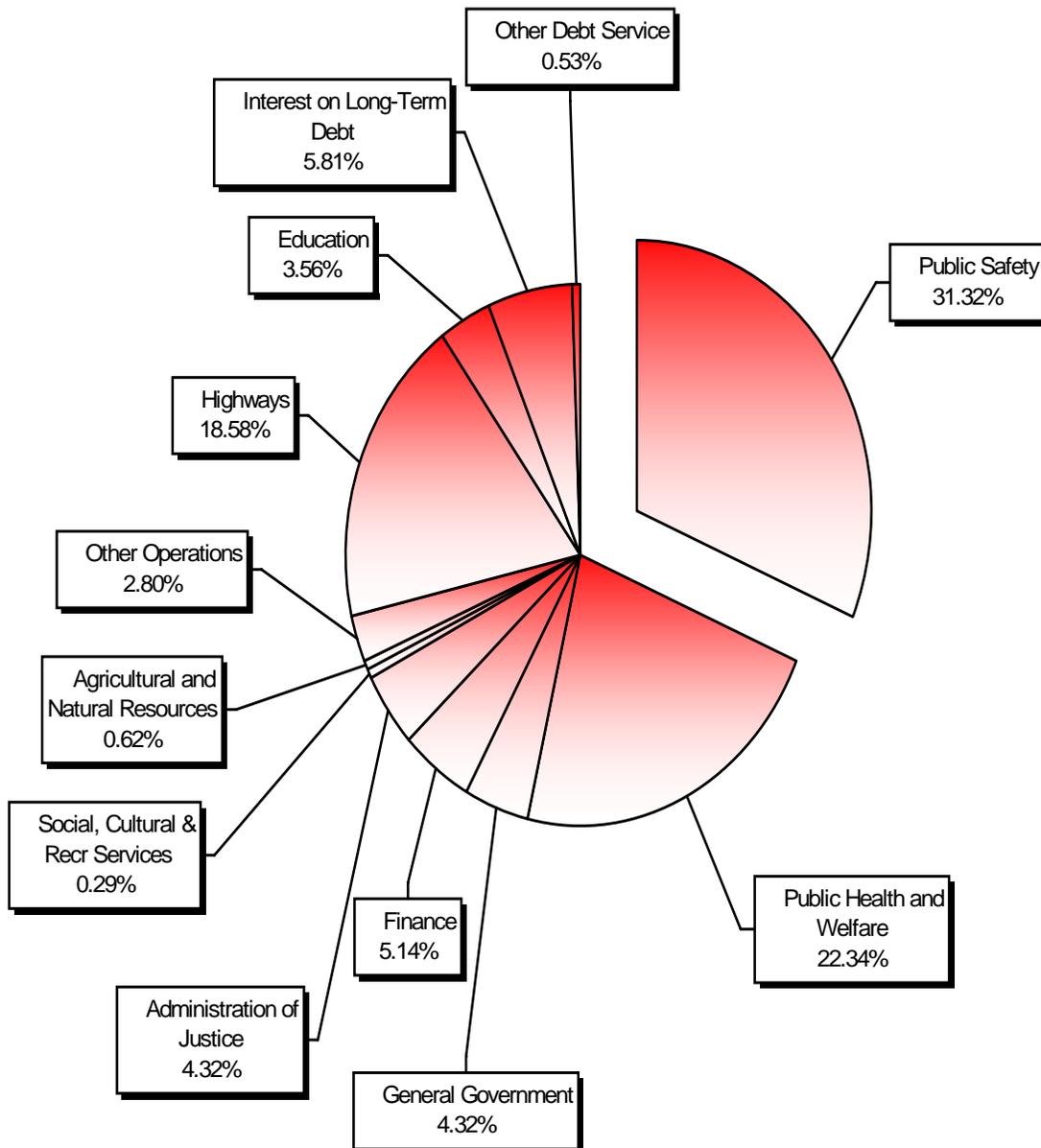
Greene County School Department
Governmental Activities

	Fiscal Year Ended June 30, 2006	Fiscal Year Ended June 30, 2005
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,954,143	\$ 1,951,640
Operating Grants and Contributions	5,389,730	5,878,697
Capital Grants and Contributions	620,030	462,680
General Revenues:		
Property Taxes	4,862,046	4,829,278
Local Option Sales Tax	5,057,346	4,769,150
Other Taxes	8,288	7,157
Grants and Contributions not Restricted to Specific Programs	26,047,292	25,237,106
Unrestricted Investment Income	270,256	135,238
Miscellaneous	185,856	302,038
Gain on Disposal of Capital Assets	23,402	25,694
Total Revenues	\$ 44,418,389	\$ 43,598,678
Expenses:		
Education	\$ 45,583,866	\$ 43,086,401
Total Expenses	\$ 45,583,866	\$ 43,086,401
Increase in Net Assets	\$ (1,165,477)	\$ 512,277
Net Assets, July 1, 2005/July 1, 2004	41,307,789	40,795,512
Net Assets , June 30, 2006/June 30, 2005	\$ 40,142,312	\$ 41,307,789

Governmental Program Expenses

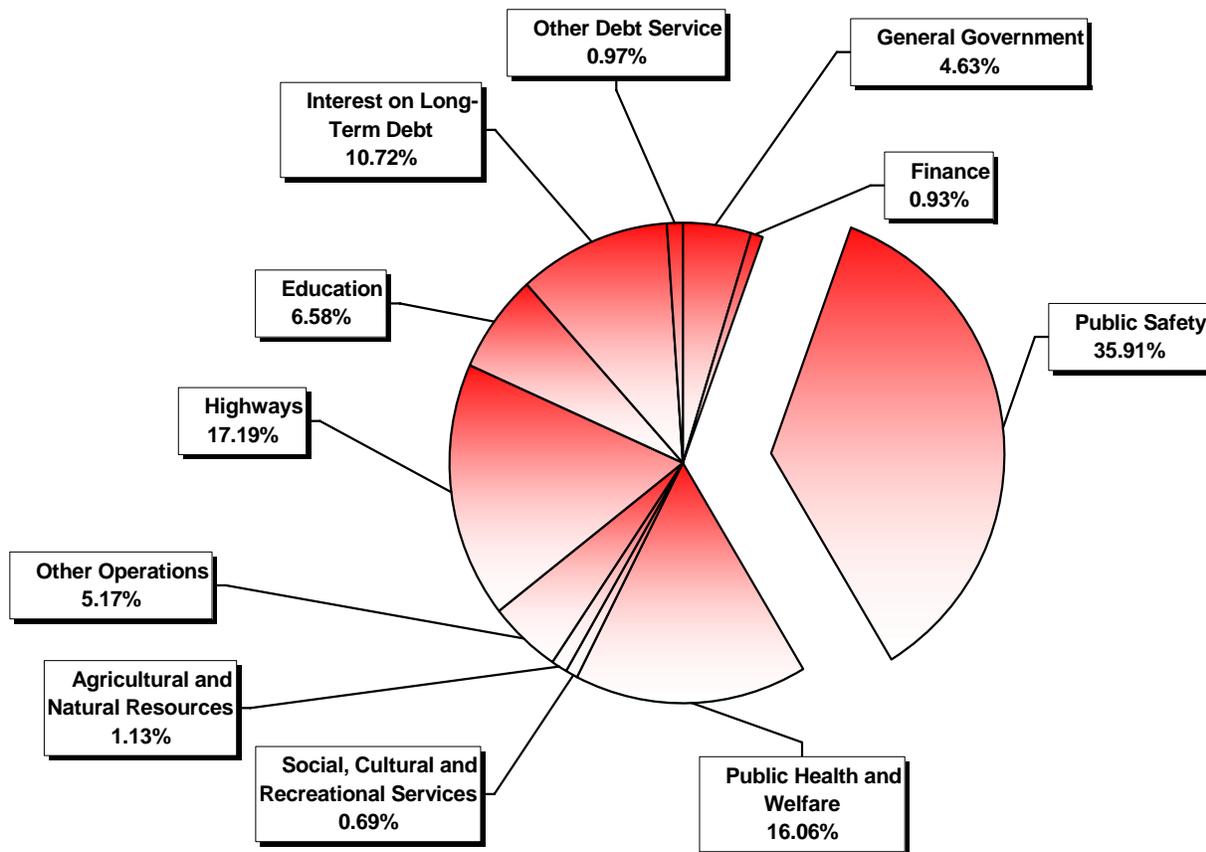
Public safety expenses of \$9,055,469 were the single largest expenditure of Greene County, the primary government, consisting of 31.32 percent of total expenditures. Of that \$2,589,288 was recovered by charges for services, \$139,170 from operating grants and contributions, and \$705,305 from capital grants and contributions. Administration of justice was entirely funded from program revenues. For additional details see illustrations below. Note all amounts are rounded to two decimal places in the following chart.

Expenses by Governmental Activities



The following illustration shows the “net (expenses)” from Exhibit B as a percentage of the total. Unlike the preceding illustration, this one does not merely show the percentage of total costs, it shows the impact of the program on the local citizens’ tax base, as a percentage. Net expense is all program expenses less all program revenues. Note all amounts are rounded to two decimal places in the following chart.

Net Cost by Governmental Activity



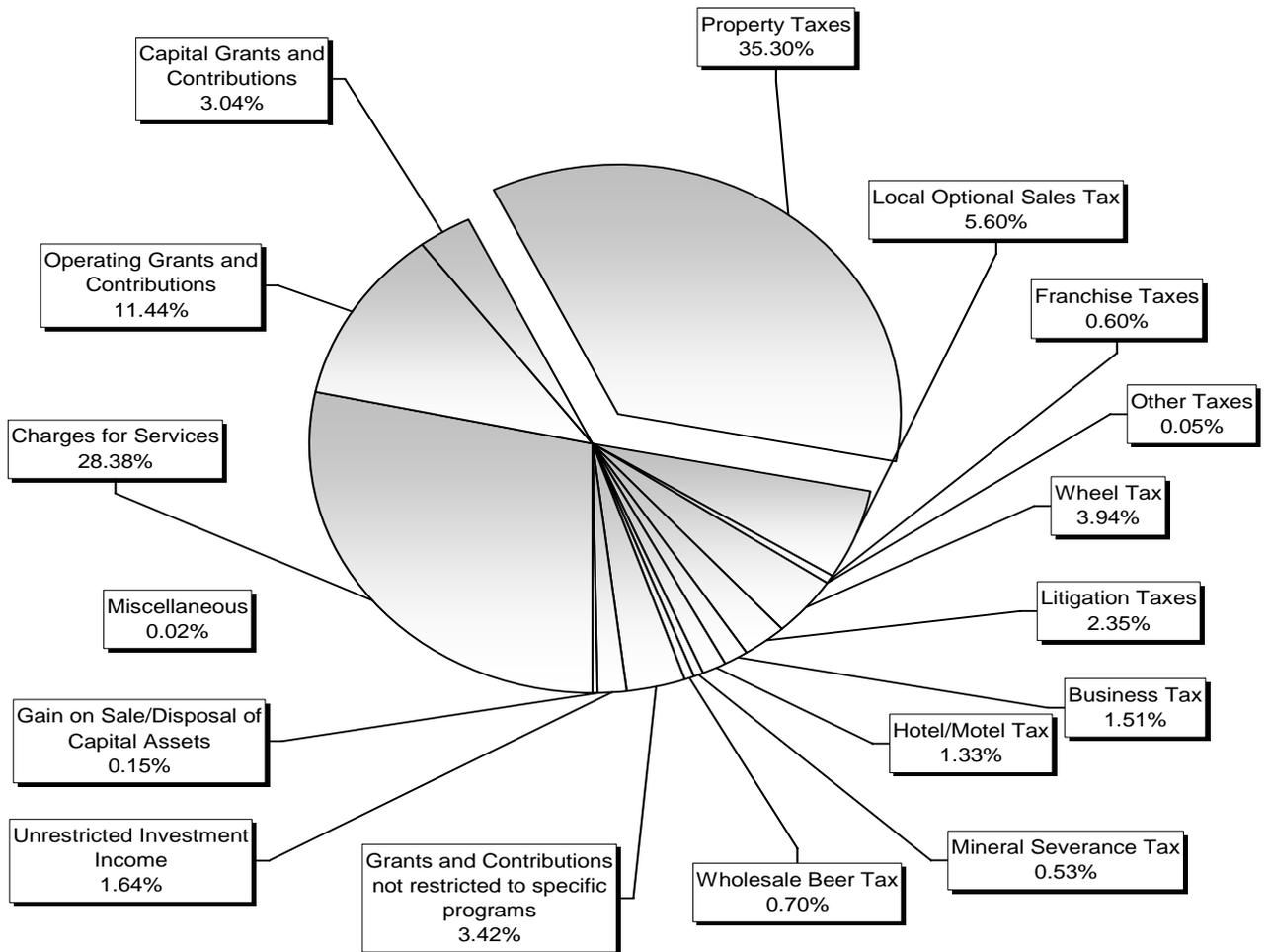
Revenues on the government-wide statement of activities are broken into two major categories, program and general revenues.

Program revenues are of three types: charges for services exchange type transactions (arise from charges to customers), operating grants and contributions that are restricted for a specific purpose, and capital grants and contributions that are restricted for a specific purpose.

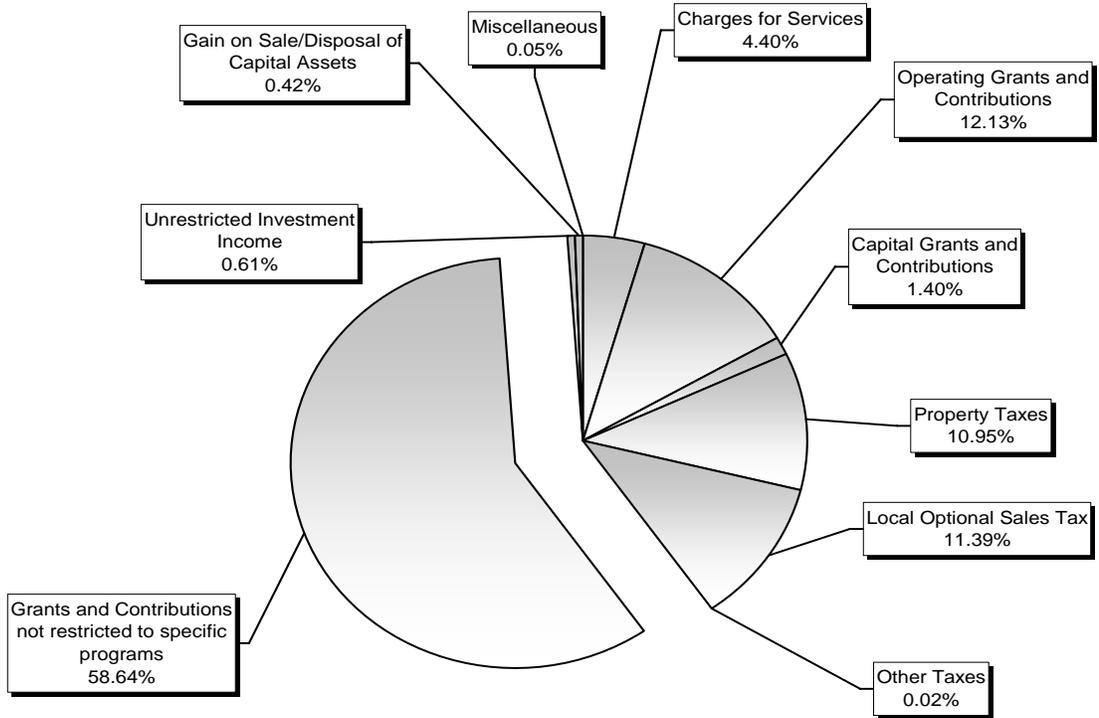
General revenues are all revenues that do not qualify as program revenues.

The largest revenue source by far is general revenues. Within this major category, the largest single revenue sources are property taxes for the county and grants and contributions not restricted to specific programs for the School Department. Note all amounts are rounded to two decimal places in the following charts.

**Primary Government
Revenues by Source - Governmental Activities**



**Greene County School Department
Revenues by Source - Governmental Activities**



Financial Analysis of the Government's Funds –

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

Unreserved fund balances for major funds for the nine most recent fiscal years –

Greene County - Primary Government

Year Ended June 30	General Fund	Highway/ Public Works Fund	Education Debt Service Fund
1998	\$ 505,552	\$ 404,909	\$ 1,900,988
1999	1,235,071	998,229	1,728,987
2000	2,608,113	1,034,069	1,723,809
2001	2,467,493	490,951	2,247,833
2002	2,249,707	899,297	2,513,977
2003	1,564,182	848,515	2,767,983
2004	2,679,366	432,037	2,372,022
2005	2,905,310	1,057,139	1,968,374
2006	4,068,608	1,294,799	1,716,173

Discretely Presented Greene County School Department

Year Ended June 30	General Purpose School Fund
1998	\$ 1,136,228
1999	1,719,011
2000	1,303,067
2001	1,287,189
2002	1,273,849
2003	1,988,638
2004	2,139,989
2005	2,643,177
2006	2,649,048

As of the end of the current fiscal year, Greene County government's governmental funds reported combined ending fund balances of \$12,952,550 an increase of \$102,704 in comparison to the previous fiscal year. Of the increase, \$1,413,501 was attributable to an increase in the General Fund's balance primarily as a result of several revenues performing better than trend and unspent appropriations; a decrease in the Highway Capital Projects Fund of \$1,780,606 due to other loan proceeds being spent; and various other smaller changes in fund balances. Of this total, fund balances of \$1,078,170 represents encumbered balance to liquidate contracts and purchase orders at the end of the period, and \$250,879 represents unspent legally reserved tax revenues. The \$323,530 represents unspent other loan proceeds for road projects. Of the remaining unreserved fund balances, \$2,711,351 was in debt service funds, \$3,743,822 in special revenue funds, and \$776,190 in capital projects funds. Special revenue funds are used to account for proceeds of specific revenue sources

that are legally restricted to expenditures for a specific purpose. Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. As of June 30, 2006, the discretely presented Greene County School Department's governmental funds reported combined ending fund balances of \$4,359,003, a decrease of \$500,989, in comparison from the previous fiscal year. This decrease is primarily the result of a decrease in the School Federal Projects Fund of \$1,229,445 due to expending of federal reserves and an increase in the General Purpose School Fund of \$428,673. The increase in the General Purpose School Fund primarily consists of \$351,152 in reserved for encumbrances and the remainder of the increase was predominately presented in other various reserves for unspent legally reserved revenues. Of this total, fund balances of \$662,933 represents encumbered balance to liquidate contracts and purchase orders at the end of the period, \$1,406,902 represents unspent legally reserved revenues of which \$956,739 is reserved in a special revenue fund for central cafeteria operations and \$90,163 is reserved for unexpended amounts from state appropriations and federal grants.

The General Fund is the chief operating fund of the Greene County government. At the end of the current fiscal year the unreserved fund balance was \$4,068,608, while the total fund balance was \$4,673,066. The unreserved fund balance increased by \$1,163,298 during the fiscal year. This increase in fund balance was primarily the result of unspent appropriations and various revenues performing better than trend. The General Purpose School Fund is the chief operating fund of the discretely presented Greene County School Department. At the end of the current fiscal year the unreserved fund balance was \$2,649,048, while the total fund balance was \$3,077,676. The unreserved fund balance increased by \$5,871 during the fiscal year.

The Highway/Public Works Fund is used to account for transactions of the Greene County Highway Department. At the end of the fiscal year, the unreserved fund balance for this fund was \$1,294,799, an increase of \$237,660 from the previous fiscal year. The increase in undesignated fund balance was the result of unspent appropriations.

The debt service funds had combined total fund balances of \$2,711,351, all of which are reserved for the payment of long-term liabilities. Of this amount, \$1,716,173 is required to be used on the debt of the Greene County Board of Education. The combined fund balance for all debt service funds increased by \$89,797 from the prior year. However, it should be noted that the amount required to be used for the debt of the Greene County Board of Education decreased by \$252,201. In addition, the amount required to be used for the debt of the Greene County Board of Education decreased by \$403,648 in the 2005 fiscal year and \$395,961 during the 2004 fiscal year. These decreases are the result of the Greene County Commission forgiving the Greene County Board of Education for \$1.5 million that had been agreed to be transferred from the General Purpose School Fund to the Education Debt Service Fund. The projected fund balance of the Education Debt Service Fund is \$1,267,983 when the General Purpose School Fund will once again begin to contribute to these funds. This amount was forgiven in order to free up resources to allow the School Department to replace a wing at Ottway School.

General Fund budgetary highlights

Differences in the original and the final budgets' appropriations, including other uses, was an increase of \$1,675,880 compared to the original budget of \$18,240,633 including other

uses. Of this amount, \$1,032,868 was to be funded from an estimated increase in revenues and the remainder from fund balance. Following are the main components of the increase:

- \$329,442 supplemental appropriation for the replacement of the county's voting machines to comply with the Help America Vote Act
- \$11,499 supplemental appropriation to replace an air conditioner at the courthouse annex
- \$22,061 supplemental appropriation for the Sheriff's Department to cover the cost of assisting with the Hurricane Katrina evacuation
- \$11,578 supplemental appropriation for the Sheriff's Department to cover the cost of assisting with the Mississippi flood
- \$20,621 supplemental appropriation for the Sheriff's Department for cost of repairing various vehicles
- \$54,005 appropriation for law enforcement vehicles and supplies that was funded from a litigation tax reserve
- \$60,000 supplemental appropriation in other public safety for caution lights at school zones
- a supplemental appropriation of \$61,815 in Emergency Medical Services for needed overtime and part-time due to increase in call volume and the large number of employees out with injuries
- \$105,000 supplemental appropriation to the volunteer fire departments
- \$22,000 supplemental appropriation to be a member of the Tri-Cities Alliance
- \$400,000 supplemental appropriation for amounts to be transferred to the capital projects fund for future capital outlay needs
- \$503,583 supplemental appropriation for Home Land Security Grants to purchase equipment

Discretely Presented Greene County School Department – General Purpose School Fund budgetary highlights

The differences in the original and the final budgets' appropriations, including other uses, increased by \$2,489,954 compared to the original budget of \$35,860,149. Of this amount, \$1,704,954 was to be funded from an estimated increase in revenues and other financing sources and the remainder from fund balance. Following are the main components of the increase:

- \$308,967 supplemental appropriation in other uses for amounts transferred to the education capital projects fund for West Pines Elementary School Library and North Greene High School agriculture building
- \$684,000 supplemental appropriation for one time teacher bonuses
- \$81,000 supplemental appropriation for a roof on part of Baileyton Elementary School
- \$131,000 supplemental appropriation for children plans and mid-year insurance increases
- \$488,000 supplemental appropriation for pre-k grant (for operational costs and salaries)
- \$443,000 supplemental appropriation for an Orbit Grant (a technology grant to purchase computers, software, etc.)

- \$140,989 decrease in appropriations and revenues due to closure of the Cedar Creek Learning Center

Capital assets and debt administration

Primary Government

Greene County's investment in capital assets, net of accumulated depreciation, as of June 30, 2006, was \$38,540,771. This investment in net assets includes land, buildings, improvements, machinery and equipment, roads, and bridges. The total increase in Greene County's investment in capital assets for the fiscal year was \$2,746,777.

Major capital asset events during the fiscal year were:

- Property was donated to the county for a sports complex and walking trail valued at \$83,827
- Greystone Community Center was donated to the community, the land's value is \$2,600 and the building's net value is \$77,539
- A convenience center was constructed at a cost of \$33,450
- The roof was replaced on the courthouse annex at a cost of \$205,785
- The Greene County Jail was air conditioned at a cost of \$184,094
- Increase in work-in-progress consisted of \$5,280 of architectural fees for design of a sports complex, \$10,037 for architectural and construction cost of a driver's license station, \$46,928 for construction cost on a bridge, and \$128,224 for construction on two roads
- Additions to county bridges totaled \$221,426 and additions to county roads totaled \$3,804,745
- \$916,496 of depreciable equipment was purchased during the year
- Depreciation for the year on all capital assets totaled \$2,517,382

Greene County's Capital Assets

	Historical Value	Accumulated Depreciation	Net Value
Land	\$ 500,320	\$ 0	\$ 500,320
Construction in Progress	517,591	0	517,591
Buildings	9,629,827	(4,139,137)	5,490,690
Other Capital Assets	8,541,967	(5,869,507)	2,672,460
Roads	37,277,775	(23,217,134)	14,060,641
Bridges	20,106,310	(4,807,241)	15,299,069
Total Values	\$ 76,573,790	\$ (38,033,019)	\$ 38,540,771

Discretely Presented Greene County School Department

The discretely presented Greene County School Department's investment in capital assets, net of accumulated depreciation, as of June 30, 2006, was \$35,508,687. This investment in net assets includes land, buildings, improvements, machinery, and equipment. The total decrease in investment in capital assets for the fiscal year was \$707,986.

Major capital asset events during the fiscal year were:

- Property valued at \$157,196 was donated to the City of Greeneville and Greene County for a sports complex and walking trail
- Construction in progress increased by \$121,642, consisting of \$59,110 for the West Pines Elementary School Library, \$55,593 for the North Greene High School agriculture building, and \$6,939 for the West Greene High School agriculture building
- Buildings and improvements increased by \$24,954 for two walkway canopies at Chuckey Doak Middle School
- \$1,233,490 of depreciable equipment was purchased during the year, consisting of \$715,632 for school buses, \$320,725 for computers, \$16,173 for band instruments, \$51,832 for pre-k furniture, and various other equipment totaling \$129,128
- Busses with a gross value of \$462,000 and a net value of \$0 were sold during the fiscal year
- Depreciation for the year on all capital assets totaled \$1,930,876

Greene County School Department's Capital Assets

	Historical Value	Accumulated Depreciation	Net Value
Land	\$ 886,166	\$ 0	\$ 886,166
Construction in Progress	121,642	0	121,642
Buildings	43,737,290	(14,413,713)	29,323,577
Other Capital Assets	9,445,343	(4,268,041)	5,177,302
Total Values	<u>\$ 54,190,441</u>	<u>\$ (18,681,754)</u>	<u>\$ 35,508,687</u>

Additional details about Greene County's and the discretely presented Greene County School Department's capital assets can be found in the notes to the financial statements. The notes to the financial statements can be located in the table of contents.

Long-term debt

At the end of the current fiscal year, Greene County had long-term debt totaling \$41,622,002. This is a decrease in long term debt of \$37,398 from the previous fiscal year. All debt is backed by the full faith and credit of the county.

Additional information on Greene County Government's long-term debt can be found in note IV.E. A table of contents has been provided with the specific page number.

Greene County's Outstanding Long-term Debt

Issued For:	Greene County Board of Education	Primary Government	Total Governmental Debt
Notes	\$ 1,107,002	\$ 0	\$ 1,107,002
Bonds	26,220,000	580,000	26,800,000
Other Loans	0	13,715,000	13,715,000
Total	\$ 27,327,002	\$ 14,295,000	\$ 41,622,002

Economic factors and next year's budgets and rates

Greene County adopted a budget for the fiscal year ended June 30, 2007, on June 19, 2006. Many factors were considered when adopting this budget.

Greene County's unemployment rate as of June 30, 2006, was 8.5 percent compared to the June 30, 2005, rate of 9.5 percent. This unemployment rate for June 2006, was higher than the State of Tennessee's and the country as a whole. On June 30, 2006, the consumer price index for U.S. city average for all items not seasonally adjusted was 4.3 percent. Because of these circumstances, the budget and finance committee did not allow for any new operational expenses unless it could be clearly demonstrated that cuts from other areas could not be made to cover any short-falls. This action was taken to allow the county's fund balance to build to levels capable of sustaining the government through an emergency and or a recessionary time.

Requests for information

This financial report is designed to provide only a general overview of the county's finances. For questions concerning any of the information provided in this report, please contact the Office of Accounts and Budgets at Greene County Courthouse Annex, 204 North Cutler Street, Suite 202, Greeneville, Tennessee 37745.

BASIC FINANCIAL STATEMENTS

Exhibit A

Greene County, Tennessee
Statement of Net Assets
June 30, 2006

	Primary	Component Units	
	Government	Greene	Emergency
	Governmental	County	Communications
	Activities	School	District
	and Total	Department	
<u>ASSETS</u>			
Cash and Equivalents	\$ 22,474	\$ 575,440	\$ 545,065
Equity in Pooled Cash and Investments	12,750,478	2,861,359	0
Accounts Receivable	596,649	32,010	28,885
Due from Other Governments	1,923,474	2,092,092	13,313
Property Taxes Receivable	12,023,807	5,294,653	0
Allowance for Uncollectible Property Taxes	(313,223)	(138,443)	0
Deferred Charges Debt Issuance Cost	443,310	0	0
Prepaid Items	273,011	0	4,319
Capital Assets			
Assets Not Depreciated:			
Land	500,320	886,166	0
Construction in Progress	517,591	121,642	0
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	5,490,690	29,323,577	0
Other Capital Assets	2,672,460	5,177,302	132,805
Infrastructure	29,359,710	0	0
Total Assets	<u>\$ 66,260,751</u>	<u>\$ 46,225,798</u>	<u>\$ 724,387</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 287,967	\$ 58,523	\$ 1,448
Accrued Payroll	35,140	0	8,282
Accrued Interest Payable	153,304	0	0
Payroll Deductions Payable	9,118	0	0
Cash Overdraft	0	172,226	0
Retainage Payable	0	4,298	0
Claims and Judgments Payable	656,746	0	0
Other Current Liabilities	4,000	558,529	0
Deferred Revenue - Current Property Taxes	11,317,964	4,981,920	0
Unearned Revenue	6,511	0	0
Unamortized Premium on Debt	901,787	0	0
Noncurrent Liabilities:			
Due Within One Year	2,519,754	258,212	0
Due in More than One Year (net of deferred amount on refunding)	38,739,735	49,778	0
Total Liabilities	<u>\$ 54,632,026</u>	<u>\$ 6,083,486</u>	<u>\$ 9,730</u>

(Continued)

Exhibit A

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

	Primary Government	Component Units	
	Governmental Activities and Total	Greene County School Department	Emergency Communications District
<u>NET ASSETS</u>			
Invested in Capital Assets, net of related debt	\$ 24,126,291	\$ 0	\$ 0
Invested in Capital Assets	0	35,508,687	132,805
Restricted for:			
Highways	2,414,599	0	0
Debt Service	962,525	0	0
Solid Waste/Sanitation	483,025	0	0
Drug Control	133,456	0	0
District Attorney General	149,331	0	0
Self-Insurance	994,210	0	0
Performing Arts	32,613	0	0
Capital Projects	159,671	311,901	0
State and Federal Financial Assistance Programs	0	1,032,004	0
Other Purposes	68,595	0	0
Unrestricted	<u>(17,895,591)</u>	<u>3,289,720</u>	<u>581,852</u>
Total Net Assets	<u>\$ 11,628,725</u>	<u>\$ 40,142,312</u>	<u>\$ 714,657</u>

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

Exhibit B

Greene County, Tennessee
 Statement of Activities
 For the Year Ended June 30, 2006

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenues and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities and Total	Component Units		
						Greene County School Department	Emergency Communications District	
Primary Government:								
Governmental Activities:								
General Government	\$ 1,248,461	\$ 507,056	\$ 16,380	\$ 0	\$ (725,025)	\$ 0	\$ 0	
Finance	1,484,857	1,314,046	24,998	0	(145,813)	0	0	
Administration of Justice	1,249,788	1,529,566	82,962	0	362,740	0	0	
Public Safety	9,055,469	2,589,288	139,170	705,305	(5,621,706)	0	0	
Public Health and Welfare	6,458,578	3,028,853	915,027	0	(2,514,698)	0	0	
Social, Cultural, and Recreational Services	192,427	0	0	83,810	(108,617)	0	0	
Agricultural and Natural Resources	179,561	0	0	2,540	(177,021)	0	0	
Other Operations	810,990	0	0	1,154	(809,836)	0	0	
Highways	5,372,638	50,850	2,456,240	173,721	(2,691,827)	0	0	
Education	1,029,844	0	0	0	(1,029,844)	0	0	
Interest on Long-term Debt	1,678,532	0	0	0	(1,678,532)	0	0	
Debt Service	152,221	0	0	0	(152,221)	0	0	
Total Primary Government	\$ 28,913,366	\$ 9,019,659	\$ 3,634,777	\$ 966,530	\$ (15,292,400)	\$ 0	\$ 0	
Component Units:								
Greene County School Department	\$ 45,583,866	\$ 1,954,143	\$ 5,389,730	\$ 620,030	\$ 0	\$ (37,619,963)	\$ 0	
Emergency Communications District	610,049	459,266	0	0	0	0	(150,783)	
Total Component Units	\$ 46,193,915	\$ 2,413,409	\$ 5,389,730	\$ 620,030	\$ 0	\$ (37,619,963)	\$ (150,783)	

(Continued)

Exhibit B

Greene County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenues and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities and Total	Primary Government		Component Units
						Greene County School Department	Emergency Communications District	
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 9,041,503	\$ 4,862,046	\$	0
Property Taxes Levied for Debt Service					2,174,959	0		0
Local Option Sales Taxes					1,780,552	5,057,346		0
Franchise Taxes					192,173	0		0
Other Local Taxes					16,797	8,288		0
Wheel Tax					1,251,212	0		0
Litigation Taxes					746,684	0		0
Business Tax					478,780	0		0
Hotel/Motel Tax					421,133	0		0
Mineral Severance Tax					169,236	0		0
Wholesale Beer Tax					223,070	0		0
Grants and Contributions Not Restricted to Specific Programs					1,086,162	26,047,292		128,815
Unrestricted Investment Income					521,650	270,256		15,408
Miscellaneous					47,081	185,856		29,622
Gain on Disposal of Capital Assets					5,845	23,402		0
Total General Revenues					\$ 18,156,837	\$ 36,454,486	\$	173,845
Change in Net Assets					\$ 2,864,437	\$ (1,165,477)	\$	23,062
Net Assets, July 1, 2005					8,764,288	41,307,789		691,595
Net Assets, June 30, 2006					\$ 11,628,725	\$ 40,142,312	\$	714,657

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

Exhibit C-1

Greene County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2006

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	Other Govern- mental Funds	
ASSETS					
Cash	\$ 710	\$ 0	\$ 0	\$ 21,764	\$ 22,474
Equity in Pooled Cash and Investments	4,584,461	1,415,266	1,645,857	5,104,894	12,750,478
Accounts Receivable	536,608	4,642	0	45,600	586,850
Due from Other Governments	1,226,002	577,459	109,620	10,393	1,923,474
Due from Other Funds	6,301	30,174	0	459,152	495,627
Property Taxes Receivable	6,955,333	1,686,142	1,696,192	1,686,140	12,023,807
Allowance for Uncollectible Property Taxes	(181,867)	(44,089)	(43,178)	(44,089)	(313,223)
Prepaid Items	206,854	56,069	0	10,088	273,011
Total Assets	<u>\$ 13,334,402</u>	<u>\$ 3,725,663</u>	<u>\$ 3,408,491</u>	<u>\$ 7,293,942</u>	<u>\$ 27,762,498</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 140,617	\$ 43,810	\$ 923	\$ 102,617	\$ 287,967
Accrued Payroll	35,072	68	0	0	35,140
Payroll Deductions Payable	8,707	391	0	20	9,118
Claims and Judgements Payable	0	0	0	656,746	656,746
Due to Other Funds	449,353	0	0	36,475	485,828
Other Current Liabilities	0	0	0	4,000	4,000
Deferred Revenue - Current Property Taxes	6,544,510	1,586,548	1,600,359	1,586,547	11,317,964
Deferred Revenue - Delinquent Property Taxes	166,092	40,265	35,309	40,264	281,930
Other Deferred Revenues	1,316,985	345,782	55,727	12,761	1,731,255
Total Liabilities	<u>\$ 8,661,336</u>	<u>\$ 2,016,864</u>	<u>\$ 1,692,318</u>	<u>\$ 2,439,430</u>	<u>\$ 14,809,948</u>
Fund Balances					
Reserved for Encumbrances	\$ 443,343	\$ 414,000	\$ 0	\$ 220,827	\$ 1,078,170
Reserved for Drug Court	24,099	0	0	0	24,099
Reserved for Sexual Offender Registration	2,650	0	0	0	2,650
Reserved for Courtroom Security	183	0	0	0	183
Reserved for Automation Purposes - General Sessions Court	41,663	0	0	0	41,663
Reserved for Capital Outlay	0	0	0	380,681	380,681
Reserved for Other General Purposes	92,520	0	0	32,613	125,133
Unreserved, Reported In:					
General Fund	4,068,608	0	0	0	4,068,608
Special Revenue Funds	0	1,294,799	0	2,449,023	3,743,822
Debt Service Funds	0	0	1,716,173	995,178	2,711,351
Capital Projects Funds	0	0	0	776,190	776,190
Total Fund Balances	<u>\$ 4,673,066</u>	<u>\$ 1,708,799</u>	<u>\$ 1,716,173</u>	<u>\$ 4,854,512</u>	<u>\$ 12,952,550</u>
Total Liabilities and Fund Balances	<u>\$ 13,334,402</u>	<u>\$ 3,725,663</u>	<u>\$ 3,408,491</u>	<u>\$ 7,293,942</u>	<u>\$ 27,762,498</u>

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

Exhibit C-2

Greene County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2006

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)		\$ 12,952,550
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 500,320	
Add: construction in progress	517,591	
Add: buildings and improvements net of accumulated depreciation	5,490,690	
Add: other capital assets net of accumulated depreciation	2,672,460	
Add: infrastructure net of accumulated depreciation	<u>29,359,710</u>	
		38,540,771
(2) Long-term liabilities are not due in the current period and therefore are not reported in the funds.		
Less: notes payable	\$ (1,107,002)	
Less: other loans payable	(13,715,000)	
Less: bonds payable	(26,800,000)	
Add: deferred amount on refunding	1,085,563	
Add: deferred charges - debt issuance cost	443,310	
Less: compensated absences payable	(723,050)	
Less: accrued interest on bonds, notes and other loans payable	(153,304)	
Less: other deferred revenues - premium on debt	<u>(901,787)</u>	
		(41,871,270)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		<u>2,006,674</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 11,628,725</u>

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

Exhibit C-3

Greene County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2006

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	Education Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 9,304,573	\$ 2,407,495	\$ 2,231,745	\$ 2,605,492	\$ 16,549,305
Licenses and Permits	275,031	0	0	0	275,031
Fines, Forfeitures, and Penalties	588,763	0	0	66,540	655,303
Charges for Current Services	3,049,149	0	0	123,295	3,172,444
Other Local Revenues	743,429	121,926	87,974	224,426	1,177,755
Fees Received from County Officials	2,717,702	0	0	0	2,717,702
State of Tennessee	1,570,632	2,370,287	0	666,109	4,607,028
Federal Government	798,949	53,688	0	610,429	1,463,066
Other Governments and Citizens Groups	653,361	45,205	0	0	698,566
Total Revenues	\$ 19,701,589	\$ 4,998,601	\$ 2,319,719	\$ 4,296,291	\$ 31,316,200
<u>Expenditures</u>					
Current:					
General Government	\$ 1,100,807	\$ 0	\$ 0	\$ 1,207,184	\$ 2,307,991
Finance	1,468,615	0	0	0	1,468,615
Administration of Justice	1,223,587	0	0	20,738	1,244,325
Public Safety	8,736,858	0	0	28,853	8,765,711
Public Health and Welfare	3,647,527	0	0	1,597,098	5,244,625
Social, Cultural, and Recreational Services	75,500	0	0	0	75,500
Agricultural and Natural Resources	176,714	0	0	0	176,714
Other Operations	809,326	0	0	21	809,347
Highways	0	4,652,085	0	0	4,652,085
Debt Service:					
Principal on Debt	0	0	1,460,082	635,000	2,095,082
Interest on Debt	0	0	1,071,851	525,793	1,597,644
Other Debt Service	0	0	39,987	22,602	62,589
Capital Projects	0	0	0	4,231,082	4,231,082
Capital Projects - Donated	0	0	0	614,780	614,780
Total Expenditures	\$ 17,238,934	\$ 4,652,085	\$ 2,571,920	\$ 8,883,151	\$ 33,346,090
Excess (Deficiency) of Revenues					
Over Expenditures	\$ 2,462,655	\$ 346,516	\$ (252,201)	\$ (4,586,860)	\$ (2,029,890)
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 614,780	\$ 614,780
Other Loans Issued	0	0	0	1,442,904	1,442,904
Insurance Recovery	30,044	29,144	0	15,722	74,910
Transfers In	0	0	0	1,079,198	1,079,198
Transfers Out	(1,079,198)	0	0	0	(1,079,198)
Total Other Financing Sources (Uses)	\$ (1,049,154)	\$ 29,144	\$ 0	\$ 3,152,604	\$ 2,132,594
Net Change in Fund Balances					
Fund Balance, July 1, 2005	\$ 3,259,565	\$ 1,333,139	\$ 1,968,374	\$ 6,288,768	\$ 12,849,846
Fund Balance, June 30, 2006	\$ 4,673,066	\$ 1,708,799	\$ 1,716,173	\$ 4,854,512	\$ 12,952,550

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

Exhibit C-4

Greene 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, 2006

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

Net change in fund balances - total governmental funds (Exhibit C-3)	\$	102,704
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and is reported as depreciation expense. The amount that capital outlays differs from depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 5,056,138	
Less: current year depreciation expense	<u>(2,517,382)</u>	2,538,756
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.		
Add: assets donated and capitalized	\$ 290,915	
Add: gain on disposals of capital assets	5,845	
Add: decrease in accumulated depreciation for capital assets disposed	3,811	
Less: decrease in net capital asset for donations	<u>(92,550)</u>	208,021
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2006	\$ 2,006,674	
Less: deferred delinquent property taxes and other deferred June 30, 2005	<u>(1,783,320)</u>	223,354
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. 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 effect of these differences in the treatment of long-term debt and related items:		
Less: note proceeds	\$ (614,780)	
Less: other loans proceeds	(1,442,904)	
Add: change in premium on debt issuances	22,531	
Less: change in deferred debt issuance cost	(37,660)	
Add: principal payments on notes	600,082	
Add: principal payments on other loans	635,000	
Add: principal payment on bonds	860,000	
Less: change in deferred amount of refunding	<u>(74,504)</u>	(52,235)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ (80,888)	
Change in compensated absences	<u>(75,275)</u>	(156,163)
Change in net assets of governmental activities (Exhibit B)	\$	<u>2,864,437</u>

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

Exhibit D

Greene County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2006

	Governmental Activities- Internal Service Fund
	Employee Insurance - Health
	<hr/>
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-Insurance Premiums	\$ 1,572
Transfers to Other Funds	(845,966)
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ (844,394)
Increase (Decrease) in Cash	\$ (844,394)
Cash, July 1, 2005	<hr/> 844,394
Cash, June 30, 2006	<hr/> <hr/> \$ 0
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided By (Used In) Operating Activities</u>	
Adjustments to Reconcile Net Operating Income (Loss)	
to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	\$ 1,572
Increase (Decrease) in Due to Other Funds	(845,966)
Net Cash Provided By (Used In) Operating Activities	<hr/> <hr/> \$ (844,394)

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

Exhibit E

Greene County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2006

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,551,715
Equity in Pooled Cash and Investments	885
Due from Other Governments	1,616,428
Due from Joint Ventures	2,451
Property Taxes Receivable	2,292,984
Allowance for Uncollectible Property Taxes	(59,956)
Restricted Assets:	
Other Restricted Assets	<u>111,635</u>
Total Assets	<u><u>\$ 5,516,142</u></u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 18,666
Due from Other Funds	9,799
Due to Other Taxing Units	3,824,327
Due to Litigants, Heirs, and Others	<u>1,663,350</u>
Total Liabilities	<u><u>\$ 5,516,142</u></u>

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

GREENE COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2006

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Greene 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 Greene County:

A. Reporting Entity

Greene County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Greene 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 Greene 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 Greene County School Department operates the public school system in the county, and the voters of Greene 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 Greeneville-Greene County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Greene County, and the Greene 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 Greene County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the Greene County School Department are included in this report as listed in

the table of contents. Complete financial statements of the Greeneville-Greene County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Greeneville-Greene County Emergency Communications District
111 Union Street
Greeneville, TN 37843

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between function are not eliminated in the process of consolidation in the statement of activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Greene 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 Greene 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.

Greene County issues all debt for the discretely presented Greene County School Department. Net debt issues (\$614,780) were contributed by the county to the School Department during the year ended June 30, 2006.

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

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

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

Fund financial statements of Greene County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Greene County only reports one proprietary fund, an internal service fund. It has no enterprise funds to report.

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

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, Greene County considers revenues, including grants and similar items, to be available if they are collected within 30 days after year-end, and all eligibility requirements imposed by providers have been met. The discretely presented Greene County School Department considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. The discretely presented Greene County School Department considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when

amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

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

Greene 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.

Education Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt issued for the Greene County School Department.

Additionally, Greene County reports the following fund types:

Internal Service Fund – The Employee Insurance - Health Fund accounts for the self-insured employee health program in previous years. The operations were discontinued prior to the 2005-06 year, and the only transactions of this fund for the 2005-06 year related to the liquidation of receivables and payables from the prior year.

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

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Greene County, the city school system’s share of educational revenues, and

assets held in a custodial capacity for a joint venture. 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 Greene County School Department reports the following major governmental fund:

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

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

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

Capital Projects Fund – The Education Capital Projects Fund is used to account for the receipt of debt issued by Greene County and contributed to the School Department plus transfers from the General Purpose School Fund for capital purchases and construction.

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

For purposes of the statement of cash flows, cash includes demand deposits and cash on deposit with the county trustee.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; 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 Greene 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. Income from these pooled investments is assigned to the various funds based on the approved budgets. Greene County and the Greene County School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.4 percent of the total taxes levied.

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

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

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

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

Most payables are disaggregated on the face of the financial statements. Claims and judgments payable totaling \$656,746 is discussed in Note V.A. - Risk Management. The \$558,529 reflected as other current liabilities in the discretely presented General Purpose School Fund represents insurance premiums held in a department clearing account and due to the insurance administrator.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

4. Restricted Assets

Restricted assets in the Agency Funds consist of an annuity contract held in a custodial capacity by the circuit court clerk for a minor child.

5. 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 (\$7,500 for like items purchased at the same time) and an estimated useful life exceeding three 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>
Building and Improvements	30-40
Other Capital Assets	3-12
Infrastructure	3-75

6. Compensated Absences

It is the county's and discretely presented School Department's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. There is no liability for unpaid accumulated sick leave since neither Greene County nor the discretely presented School Department have policies to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide statements for the county and its discretely presented component units. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

7. 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, claims and judgments, and special termination benefits are recognized to the extent that the liabilities have matured (come due for payment) each period.

8. Net Assets and Fund Equity

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

- a. Invested in capital assets, net of related debt – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

As of June 30, 2006, Greene County had \$27,327,002 in outstanding debt for capital purposes for the discretely presented Greene County School Department. This debt is a liability of Greene County, but the capital assets acquired are reported in the financial statements of the Greene County School Department. Therefore, Greene 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.

On the balance sheet – governmental funds (Exhibit C-1), the account reserved for other general purposes consists of a reserve in the

General Fund for Sheriff's Department vehicles and a reserve in the nonmajor governmental funds for recreation and arts programs.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of government funds with the government-wide statement of net assets.

Discretely Presented Greene County School Department

Exhibit J-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of government funds with the government-wide statement of net assets.

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

Primary Government

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

Discretely Presented Greene County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

B. Cash Overdraft

The discretely presented School Federal Projects Fund had a cash overdraft of \$172,226 at June 30, 2006. This cash overdraft resulted from issuing warrants that exceeded cash on deposit with the county trustee. The cash overdraft was liquidated subsequent to June 30, 2006.

C. Failure to Remit Revenue Collections

The Office of County Clerk did not comply with requirements of state law regarding the timetable for reporting and remitting revenue collections to the state and county. This noncompliance is discussed in the Schedule of Findings and Questioned Costs in the Single Audit Section of this report.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. 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, 2006.

B. Capital Assets

Capital asset activity for the year ended June 30, 2006, was as follows:

Primary Government

Governmental Activities:

	Balance			Balance
	7-1-05	Increases	Decreases	6-30-06
Capital Assets Not Depreciated:				
Land	\$ 419,093	\$ 83,827	\$ (2,600)	\$ 500,320

Governmental Activities (Cont.):

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Capital Assets Not Depreciated (Cont.):				
Construction in Progress	\$ 605,415	\$ 190,469	\$ (278,293)	\$ 517,591
Total Capital Assets Not Depreciated	<u>\$ 1,024,508</u>	<u>\$ 274,296</u>	<u>\$ (280,893)</u>	<u>\$ 1,017,911</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 9,286,942	\$ 423,329	\$ (80,444)	\$ 9,629,827
Infrastructure	57,368,688	4,727,796	(4,712,399)	57,384,085
Other Capital Assets	7,783,381	916,496	(157,910)	8,541,967
Total Capital Assets Depreciated	<u>\$ 74,439,011</u>	<u>\$ 6,067,621</u>	<u>\$ (4,950,753)</u>	<u>\$ 75,555,879</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 3,835,164	\$ 306,878	\$ (2,905)	\$ 4,139,137
Infrastructure	30,728,502	1,306,647	(4,010,774)	28,024,375
Other Capital Assets	5,105,859	903,857	(140,209)	5,869,507
Total Accumulated Depreciation	<u>\$ 39,669,525</u>	<u>\$ 2,517,382</u>	<u>\$ (4,153,888)</u>	<u>\$ 38,033,019</u>
Total Capital Assets Depreciated, Net	<u>\$ 34,769,486</u>	<u>\$ 3,550,239</u>	<u>\$ (796,865)</u>	<u>\$ 37,522,860</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,793,994</u>	<u>\$ 3,824,535</u>	<u>\$ (1,077,758)</u>	<u>\$ 38,540,771</u>

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

Governmental Activities:

General Government	\$ 63,568
Finance	29,675
Administration of Justice	2,242
Public Safety	584,840
Public Health and Welfare	263,672
Highways/Public Works	<u>1,573,385</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,517,382</u>

Discretely Presented Greene County School Department

Governmental Activities:

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Capital Assets Not Depreciated:				
Land	\$ 1,043,362	\$ 0	\$ (157,196)	\$ 886,166
Construction in Progress	0	121,642	0	121,642
Total Capital Assets Not Depreciated	\$ 1,043,362	\$ 121,642	\$ (157,196)	\$ 1,007,808
Capital Assets Depreciated:				
Buildings and Improvements	\$ 43,712,336	\$ 24,954	\$ 0	\$ 43,737,290
Other Capital Assets	8,673,853	1,233,490	(462,000)	9,445,343
Total Capital Assets Depreciated	\$ 52,386,189	\$ 1,258,444	\$ (462,000)	\$ 53,182,633
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 13,428,262	\$ 985,451	\$ 0	\$ 14,413,713
Other Capital Assets	3,784,616	945,425	(462,000)	4,268,041
Total Accumulated Depreciation	\$ 17,212,878	\$ 1,930,876	\$ (462,000)	\$ 18,681,754
Total Capital Assets Depreciated, Net	\$ 35,173,311	\$ (672,432)	\$ 0	\$ 34,500,879
Governmental Activities Capital Assets, Net	\$ 36,216,673	\$ (550,790)	\$ (157,196)	\$ 35,508,687

Depreciation expense totaling \$1,930,876 was charged by the discretely presented Greene County School Department.

C. Construction Commitments

As of June 30, 2006, Greene County had uncompleted construction commitments reflected in the Highway/Public Works Fund relating to bridge programs totaling \$276,000 and paving contracts totaling \$138,000. Funding for these projects will be provided through reimbursements from the state government and from available fund balance.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2006, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental	\$ 6,301
Highway/Public Works	Nonmajor governmental	30,174
Nonmajor governmental	General	449,353
Nonmajor governmental	Agency	9,799

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

Interfund Transfers:

Interfund transfers for the year ended June 30, 2006, consisted of the following amounts:

Primary Government

Transfer Out	Transfers In Nonmajor Governmental Funds
General Fund	\$ 1,079,198
Total	\$ 1,079,198

Discretely Presented Greene County School Department:

Transfer Out	Transfer In	
	General Purpose School Fund	Nonmajor Governmental Funds
General Purpose School	\$ 0	\$ 308,967
Nonmajor governmental funds	13,711	0
Total	\$ 13,711	\$ 308,967

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

E. Long-term Debt

General Obligation Bonds, Notes, and Other Loans

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

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 25 years for bonds, up to 18 years for notes, and up to 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2006, will be retired from either the General Debt Service Fund or the Education Debt Service Fund.

General obligation bonds, capital outlay notes, and other loans outstanding as of June 30, 2006, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Amount of Issue</u>	<u>Balance 6-30-06</u>
General Obligation Bond	4 to 4.375 %	\$ 3,060,000	\$ 580,000
General Obligation Rural School Bonds	3.25 to 5	21,925,000	4,020,000
General Obligation Rural School Bonds, Refunding	2.5 to 5	22,330,000	22,200,000
Capital Outlay Notes	0 to 3.72	2,304,547	1,107,002
Other Loans Payable-Variable- Fixed by Swap	2.895	9,000,000	3,715,000
Other Loans Payable-Fixed Rate	4 to 5.25	10,000,000	10,000,000

In prior years, Greene County entered into loan agreements with the Sevier County Public Building Authority and the Blount County Public Building Authority. These loan agreements provided for the authorities to make \$9,000,000 and \$10,000,000, respectively, available for loan to Greene County on an as-needed basis to finance road improvements, re-surfacing, and to refinance bonds and other loans. At June 30, 2006, Greene County had borrowed the entire amount of the loans. The variable rate Sevier County Public Building Authority loan is repayable at a tax-exempt synthetic fixed rate obtained through the execution of a swap agreement. The Blount County Public Building Authority loan is repayable at an interest rate that is a tax-exempt fixed rate. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with the Sevier County Public Building Authority loan. The following table summarizes loan agreements outstanding at June 30, 2006:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-06	Interest Type	Interest Rate as of 6-30-06	Other Fees on Variable Rate Debt
<u>Sevier County Public Building Authority</u>					
Highway Projects	\$ 9,000,000	\$ 3,715,000	Synthetic Fixed by Swap	2.895%	0.57%
<u>Blount County Public Building Authority</u>					
Highway Projects and Refunding	10,000,000	<u>10,000,000</u>	Fixed	4 to 5.25	0
		<u>\$ 13,715,000</u>			

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2006, including interest payments and other fees, are presented in the following table:

Year Ending June 30	Bonds		Notes	
	Principal	Interest	Principal	Interest
2007	\$ 820,000	\$ 1,127,350	\$ 754,320	\$ 18,245
2008	1,310,000	1,099,019	141,744	4,607
2009	1,130,000	1,050,925	133,229	2,337
2010	1,170,000	1,007,638	41,067	0
2011	1,140,000	964,231	27,722	0
2012-2016	7,280,000	4,044,732	8,920	0
2017-2021	6,405,000	2,663,650	0	0
2022-2026	7,545,000	1,076,906	0	0
Total	<u>\$ 26,800,000</u>	<u>\$ 13,034,451</u>	<u>\$ 1,107,002</u>	<u>\$ 25,189</u>

Year Ending June 30	Other Loan (\$9,000,000)			Total
	Principal	Interest	Other Fees	
2007	\$ 670,000	\$ 117,394	\$ 21,316	\$ 808,710
2008	705,000	96,222	17,472	818,694
2009	740,000	73,944	13,426	827,370
2010	780,000	50,560	9,181	839,741
2011	820,000	25,912	4,674	850,586
Total	\$ 3,715,000	\$ 364,032	\$ 66,069	\$ 4,145,101

Year Ending June 30	Other Loan (\$10,000,000)		
	Principal	Interest	Total
2007	\$ 0	\$ 484,575	\$ 484,575
2008	0	484,575	484,575
2009	0	484,575	484,575
2010	0	484,575	484,575
2011	0	484,575	484,575
2012-2016	4,230,000	2,123,775	6,353,775
2017-2021	5,770,000	877,375	6,647,375
Total	\$ 10,000,000	\$ 5,424,025	\$ 15,424,025

There is \$2,711,351 available in the debt service funds to service long-term debt. Bonded debt per capita amounted to \$559, based on the 2000 federal census for residents living outside the Greeneville school district and \$9 for residents living inside the Greeneville school district. Total debt per capita, which includes bonds, notes, and other loans, amounted to \$800, based on the 2000 federal census for residents living outside the Greeneville school district and \$227 for residents living inside the Greeneville school district.

Under its loan agreement, the Public Building Authority of Sevier County, Tennessee, at the request of the county, has entered into an interest rate swap agreement for all of the outstanding Local Government Improvement Bonds, Series F-2.

Objective of the interest rate swap: In order to protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into an interest rate swap in connection with its \$9 million Series F-2 variable-rate bonds. The intention of the swap was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate.

Terms: Under the swap, the authority pays the counterparty a fixed payment of 2.895 percent and receives a variable payment computed as 70 percent of the one-month London Interbank Offered Rate (LIBOR). The swap has a notional amount of \$4.35 million, and the associated variable-rate

bond has a \$4.35 million principal amount. The interest rate swap agreement is based on the same amortization schedule as the outstanding principal of the Series F-2 Bonds. The bonds' variable rates have historically approximated the Bond Market Association Municipal Index™ (BMA). The bonds and the related swap agreement mature on June 1, 2011. As of June 30, 2006, rates were as follows:

	<u>Terms</u>	<u>Rates</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	2.895 %
Variable payment from counterparty		<u>(3.735)</u>
Net interest rate swap payments		(0.840)
Variable-rate bond coupon payments		<u>4.000</u>
Synthetic interest rate on bonds		<u><u>3.160 %</u></u>

Fair value: As of June 30, 2006, the swap had a positive fair value of \$103,614. The positive fair value of the swap may be countered by increases in total interest payments required under the variable-rate bond, creating higher synthetic rates. Because the rates on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates and then discounts those cash flows at their present value, using the zero coupon method.

Credit risk: As of June 30, 2006, the county exposure to credit risk is equal to the amount of the swap's positive fair value. However, should interest rates change and the fair value of the swap becomes negative, the county would no longer be exposed to credit risk. The swap counterparty was unrated at the time of the swap. In order to mitigate the potential for credit risk, the authority, on behalf of the county, received a Financial Guarantee Insurance Policy for the swap agreement from Ambac Assurance Corporation, who was rated AAA by Standard and Poor's and Fitch and Aaa by Moody's Investor Service as of June 30, 2006. If Ambac's credit rating is downgraded, the counterparty is required to post collateral with a third-party custodian.

Basis risk: As noted above, the swap exposes the county to basis risk if BMA increases to above 70 percent of LIBOR, thus increasing the synthetic rate on the bonds. If a change occurs that results in the BMA to be below 70 percent of LIBOR, then the synthetic rate on the bonds will decrease. The effect of this difference in basis points is indicated by the difference between the rate paid to the counterparty of 2.895 percent and the synthetic rate of 3.16 percent as of June 30, 2006. Also, as of June 30, 2006, the BMA rate was 4 percent whereas 70 percent of LIBOR was 3.735 percent.

Termination risk: The derivative contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master

Agreement includes an additional termination provision. The authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the authority would be liable to the counterparty for a payment equal to the swap's fair value. Likewise, if the swap has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the swap's fair value.

Swap payments and associated debt: As of June 30, 2006, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Ending June 30	Principal	Interest	Swap Payment	Total
2007	\$ 670,000	\$148,600	\$ (31,206)	\$ 787,394
2008	705,000	121,800	(25,578)	801,222
2009	740,000	93,600	(19,656)	813,944
2010	780,000	64,000	(13,440)	830,560
2011	820,000	32,800	(6,888)	845,912
	<u>\$ 3,715,000</u>	<u>\$460,800</u>	<u>\$ (96,768)</u>	<u>\$ 4,079,032</u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2006, was as follows:

Governmental Activities:

	Bonds	Notes
Balance, July 1, 2005	\$ 27,660,000	\$ 1,092,304
Additions	0	614,780
Deductions	(860,000)	(600,082)
Balance, June 30, 2006	<u>\$ 26,800,000</u>	<u>\$ 1,107,002</u>
Balance Due Within One Year	<u>\$ 761,454</u>	<u>\$ 754,320</u>

	Other Loans	Compensated Absences
Balance, July 1, 2005	\$ 12,907,096	\$ 647,775
Additions	1,442,904	468,562
Deductions	(635,000)	(393,287)
Balance, June 30, 2006	<u>\$ 13,715,000</u>	<u>\$ 723,050</u>
Balance Due Within One Year	<u>\$ 654,043</u>	<u>\$ 349,937</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2006	\$ 42,345,052
Less: Balance Due Within One Year	(2,519,754)
Less: Deferred Amount on Refunding	<u>(1,085,563)</u>
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	<u>\$ 38,739,735</u>

Compensated absences payable will be paid from employing funds, primarily the General Fund, Solid Waste/Sanitation Fund, and the Highway/Public Works Fund.

Defeasance of Prior Debt

In prior years, Greene County defeased certain outstanding general obligation bonds by placing the proceeds of the new debt into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2006, the following outstanding bonds are considered defeased:

General Obligation Series 4/1/1999 (callable 6/1/2009)	\$ 2,280,000
Rural Schools Bonds - 2001 (callable 6/1/2011)	14,675,000
Rural Schools Bonds (B) - 2001 (callable 6/1/2011)	2,075,000

Discretely Presented Greene County School Department

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Greene County School Department for the year ended June 30, 2006, was as follows:

Governmental Activities:

	Termination Benefits	Compensated Absences
Balance, July 1, 2005	\$ 304,161	\$ 62,009
Additions	171,170	53,713
Deductions	(221,492)	(61,571)
Balance, June 30, 2006	<u>\$ 253,839</u>	<u>\$ 54,151</u>
Balance Due Within One Year	<u>\$ 204,061</u>	<u>\$ 54,151</u>

Compensated absences are liquidated from the individual funds from which the related salaries and wages are paid.

V. **OTHER INFORMATION**

A. **Risk Management**

Greene County and the Greene County School Department have established a self-insurance program for risks associated with general liability, property, casualty, and workers' compensation. The self-insurance program is accounted for as a special revenue fund (Special Purpose Fund) in which assets are set aside for claim settlements. The county and the Greene County School Department retain the risk of loss to a limit of \$250,000 per individual claim, or \$2,000,000 in the aggregate for general liability, property, and casualty losses. The county and the Greene County School Department are self-insured to a limit of \$250,000 per individual claim, or \$1,000,000 in the aggregate for workers' compensation. Amounts exceeding these limits are covered by excess loss policies. A fee is paid to a third-party agent who investigates claims and determines action to be taken.

In prior years, Greene County utilized an internal service fund, the Employee Insurance - Health Fund, for risks associated with the county's self-insured group medical plan for employees of the primary government. However, for the year ended June 30, 2005, Greene County determined that it was more economically feasible to purchase commercial insurance for the risks of losses to which it is exposed for employee health and accident. The fund was closed during the previous fiscal year and the remaining cash was transferred during year ended June 30, 2006. Settled claims for the plan have not exceeded this commercial coverage in the past two fiscal years.

Liabilities of the remaining self-insurance fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. This fund establishes claims liabilities based on

estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
<u>Special Purpose Fund</u>				
2004-2005	\$ 317,717	\$ 1,032,735	\$ (779,703)	\$ 570,749
2005-2006	570,749	685,445	(599,448)	656,746

The Greene County School Department participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, Tennessee Code Annotated, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Comprehensive Annual Financial Report for the State of Tennessee, but the state does not retain any risk for losses by this fund. The state statute provides for the LGGIF to be self-sustaining through member premiums. The second plan is a commercial insurance plan that has been obtained to cover employees who do not meet the guidelines of the LGGIF. Settled claims for the plan have not exceeded this commercial coverage in either of the past three fiscal years.

B. Accounting Changes

At the beginning of the year, Greene County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries and GASB Statement No. 47, Accounting for Termination Benefits.

GASB Statement No. 42 requires governments to report the effects of capital asset impairments in their financial statements when they occur rather than as a part of the ongoing depreciation expense for the capital assets or upon disposal of the capital assets. In addition, GASB Statement No. 42 clarifies and establishes accounting requirements for insurance recoveries.

GASB Statement No. 47 provides accounting and reporting guidance for state and local governments that offer benefits such as early retirement incentives or severance to employees who are involuntarily terminated. Statement No. 47 specifies when governments should recognize the cost of termination benefits they offer in accrual basis financial statements.

The provisions of GASB Statement No. 46, Net Assets Restricted by Enabling Legislation – an amendment to GASB Statement No. 34 became effective for the year ended June 30, 2006. GASB Statement No. 46 provides guidance to determine when net assets have been restricted to a particular use by the passage of enabling legislation and specifies how those net assets should be reported in financial statements when there are changes in the circumstances surrounding such legislation. The statement also requires governments to disclose in the notes to the financial statements the amount of net assets restricted by enabling legislation as of the end of the reporting period. Greene County had no net assets restricted by enabling legislation to disclose as of June 30, 2006. But it is reasonably expected that Greene County will be required to disclose net assets restricted by enabling legislation in subsequent years.

C. Subsequent Events

On August 31, 2006, Roger Jones left the Office of County Mayor and was succeeded by Alan Broyles, James Jones left the Office of Highway Superintendent and was succeeded by David Weems, and Freddie Shaw left the Office of County Clerk and was succeeded by David Thompson.

D. Contingent Liabilities

On August 18, 2003, the Greene County Commission approved the issuance and sale by the Town of Greeneville, Tennessee, of its airport revenue and tax refunding and improvement bonds not to exceed \$1,350,000, which are payable from the revenues of the Greeneville-Greene County Airport Authority. The Airport Authority is a joint venture between the Town of Greeneville and Greene County. The county pledged the full faith and credit of the county for one-half of the costs incurred in relation to the issuance, sale, delivery, and prompt payment of the bonds in the event of a deficiency in airport revenues.

There are several pending lawsuits in which the county is involved. Management has provided for potential claims and judgments in the financial statements of the self-insurance fund in this report. Based on letters from attorneys, management believes that potential claims not already recorded in the self-insurance fund would not materially affect the financial statements of the county.

E. Joint Ventures

The county is a participant with the City of Greeneville in joint ventures to operate the Greeneville-Greene County Airport Authority, the Greeneville-Greene County Library, the Greeneville-Greene County Landfill, and the Kinser Park Commission.

The Greeneville-Greene County Airport Authority operates the county's only airport facility. The authority is governed by a five-member body comprising two appointees from the county, two from the city, and one member elected by the board. The authority generates its operating revenue from the leasing of buildings and hangers and from appropriations from the county and city. For the year ended June 30, 2006, the county remitted \$28,500 to the authority to subsidize its operations.

The Greeneville-Greene County Library Board operates a library facility that is equally owned by the county and the City of Greeneville. The library generates its operating revenue from donations, fines, copy fees, and appropriations from the county and city. For the year ended June 30, 2006, the county remitted \$75,500 to the library to subsidize its operations.

The Greeneville-Greene County Landfill is governed by a seven-member Municipal Solid Waste Region Board including three appointees from the county, three from the City of Greeneville, and one from the City of Tusculum. The landfill currently accepts only demolition waste for disposal on site. The landfill also serves as a transfer station for class 1 and 2 waste, which is hauled out of the county. Greene County shares costs of this operation with the Town of Greeneville, and the city serves as fiscal agent. For the year ended June 30, 2006, the county paid \$679,198 toward the costs of operation, which include closure/postclosure care of the old landfill site, operations of the transfer station, and tipping fees for the disposal of the county's class 1 and 2 solid waste. Greene County, along with the Town of Greeneville, has entered into two contracts in-lieu-of performance bonds with the Tennessee Department of Environment and Conservation to ensure proper operation and closure/postclosure of the landfill facilities. The total of these contracts in-lieu-of performance bonds is \$1,848,696, which the county and city each guarantee 50 percent.

The Kinser Park Commission oversees the operation of Kinser Park, a recreation facility that includes camping, swimming, and golf. The commission is governed by a nine-member body including two appointees from both the county and city and five citizens at large selected by the other park commissioners. In addition, the mayor of the Town of Greeneville and the Greene County Mayor serve as ex-officio members of the body. The commission generates its operating revenue from the concessions, rental fees, and appropriations from the county and city. For the year ended June 30, 2006, the county remitted \$20,000 to the commission to subsidize its operations.

The Third Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Third Judicial District; Greene, Hamblen, Hancock, and Hawkins Counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a Board of Directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Greene County made no contributions to the DTF for the year ended June 30, 2006, and does not have any equity interest in this joint venture.

The Upper East Tennessee Juvenile Detention Center was formed through cooperative agreements between Greene County and the counties of Carter, Hawkins, Johnson, Sullivan, Unicoi, and Washington for the operation of a program to divert youth from commitment to the Department of Correction facilities. This program is governed by a Board of Directors designated by the counties. The Board of Directors has contracted with Universal Health Services, Inc., to undertake the management of this program. Operation costs to the counties are allocated according to percentages based on population. Greene County's participation is 13.4 percent. The county also pays a daily fee for individuals from the county using the facility.

Complete financial statements for these joint ventures can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Greeneville-Greene County Airport Authority
c/o Town of Greeneville
200 North College Street
Greeneville, TN 37843

Greeneville-Greene County Library
210 North Main Street
Greeneville, TN 37843

Greeneville-Greene County Landfill
c/o Town of Greeneville
200 North College Street
Greeneville, TN 37843

Kinser Park Commission
650 Kinser Park Lane
Greeneville, TN 37843

District Attorney General
Third Judicial District
124 Austin Street, Suite 3
Greeneville, TN 37745

Upper East Tennessee Regional Juvenile
Detention Center
307 Wesley Street
Johnson City, TN 37601

F. Jointly Governed Organizations

The East Tennessee Regional AgriBusiness Marketing Authority was established through Title 64 of Tennessee Code Annotated and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Washington, and Unicoi. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center. The authority is governed by a Board of Directors consisting of the county mayors/executives of each county or the county mayors'/executives' designee and one nonvoting member representing each of the following: the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee consisting of the chairman, vice chairman, secretary, and treasurer of the board of directors, along with the center manager (as an ex officio member), is in charge of the daily operation of the center.

Discretely Presented Greene County School Department

The Upper East Tennessee Educational Cooperative was established through a contractual agreement between the Boards of Education of Greene County, Bristol City, Carter County, Cocke County, Elizabethton City, Greeneville City, Hamblen County, Hancock County, Hawkins County, Johnson City, Johnson County, Kingsport City, Newport City, Rogersville City, Sullivan County, Unicoi County, and Washington County. The cooperative was authorized through Chapter 49 of Tennessee Code Annotated. The cooperative was established to provide the First Tennessee Virginia Development District with educational programs and services of higher quality, greater scope, and greater accessibility. The cooperative is governed by a board of control, consisting of one board member and the directors of schools from each of the systems. The executive committee consists of the chairman and vice chairman of the board of control and the member director of schools. Funding for the cooperative is provided primarily through state grants.

The Upper East Tennessee Educational Cooperative has entered into an agreement to establish and operate the Northeast Tennessee Cooperative. The Northeast Tennessee Cooperative was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each of the members' school food service systems.

The cooperative has contracted with a coordinating district (Johnson City School System) and a service provider to operate this service. All members of the Upper East Tennessee Educational Cooperative are members of the Northeast Tennessee Cooperative except Elizabethton City, Hancock County, Kingsport City, Unicoi County, and Washington County systems. The cooperative is governed by a Representative Committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice-chair, secretary, treasurer, and a member-at-large from the Representative Committee.

G. Retirement Commitments

Plan Description

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

Greene 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, 2006, was

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

Annual Pension Cost

For the year ended June 30, 2006, Greene County's annual pension cost of \$1,468,380 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2003, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post-retirement increases of three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. Greene County's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2005, was 14 years. An actuarial valuation was performed as of July 1, 2005, which established contribution rates effective July 1, 2006.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-06	\$1,468,380	100%	\$0
6-30-05	1,442,029	100	0
6-30-04	1,043,589	100	0

Required Supplementary Information

Schedule of Funding Progress for Greene 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)
6-30-05	\$29,080	\$32,803	\$3,723	88.65%	\$15,209	24.48%
6-30-03	24,358	28,367	4,009	85.87	13,275	30.20
6-30-01	20,494	24,843	4,349	82.49	12,365	35.17

SCHOOL TEACHERS

Plan Description

The Greene County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. A cost of living adjustment (COLA) is provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the Greene County School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2006, was 5.5 percent of annual covered payroll. The employer contribution requirement for the Greene County School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2006, 2005, and 2004, were \$1,190,629, \$1,143,869, and \$668,023, respectively, equal to the required contributions for each year.

H. Other Post-employment Benefits

In addition to the retirement commitments described above, the Greene County primary government provides post-retirement health care benefits to all employees who retire from the county at or after attaining age 50 and who have more than 30 years of service, consisting of 20 years or more with Greene County, with credit for up to ten years of other service under the Tennessee Consolidated Retirement System and up to four year's credit for military service. Currently four individuals are participating in the program. The county will provide 50 percent of the estimated premium cost of the coverage until the retirees reach age 65 or is otherwise eligible for Medicare. During the year, expenditures of \$8,184 were recognized for post-employment health care benefits.

In addition to the retirement commitments described above, the Greene County School Department also provides post-retirement health care benefits, in accordance with contract provisions, to all certified teachers who retire from the School Department with at least 20 years of service in the Greene County School Department and who have attained age 60, or have a minimum of 30 years of credited membership in the Tennessee Consolidated Retirement System. The School Department also provides postretirement health care benefits to non-certified employees who retire from the School Department with at least 20 years of service in Greene County School Department and who have attained age 60, or have a minimum of 30 years of service in Greene County. Currently, 97 individuals are participating in the program. The School Department will continue to provide insurance coverage until the retirees are eligible to receive Medicare benefits. During the year, expenditures of \$291,355 were recognized for post-employment health care benefits.

I. Termination Benefits

The Greene County School Department has entered into a retirement incentive bonus payment plan, in accordance with contract provisions. This plan is available to all certified teachers who retire from the School Department with at least 20 years of service in Greene County and who have attained age 60, or have a minimum of 30 years of credited membership in the Tennessee Consolidated Retirement System. The plan gives teachers who have met the above requirements a bonus of 35 percent of the teacher's salary for the last year employed, either in a lump sum distribution or in three annual installments. Currently 28 employees are participating in the program. Payments of \$221,492 were made from the General Purpose School Fund for retirement incentive obligations during the year. A non-discounted long-term liability of \$253,839 is reflected on the government-wide statement of net assets for retirement incentives. Of that amount, \$204,061 is due within one year.

J. Office of Central Accounting

Greene County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and highway superintendent. These funds are maintained in the Office of Central Accounting under the supervision of the director of accounts and budgets.

K. Purchasing Laws

Offices of County Mayor and Superintendent of Highways

The Office of Purchasing Agent was established under the provisions of the Purchasing Act of 1957. This statute provides for the purchasing agent to make all purchases for the County Mayor's Office and the Highway Department. Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, Tennessee Code Annotated (TCA). These statutes provide for purchases exceeding \$5,000 for the County Mayor's Office and \$10,000 for the Highway Department to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Greene County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, (TCA), which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

VI. OTHER NOTES – DISCRETELY PRESENTED GREENEVILLE-GREENE COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Creation of Greeneville-Greene County Emergency Communications District was approved in a county-wide referendum on November 8, 1988. In accordance with Chapter 86 of the Tennessee Code Annotated, members of the district's Board of Directors were appointed by the Greene County Commission at its regular meeting in November 1988. Surcharges to customers were initiated by telephone companies serving Greene County in April 1989, and remittances of surcharges collected by the companies to the district began in May 1989. A full-time executive director was employed effective September 1, 1989. Full operations began in July 1993, following completion of installation of the response system.

The financial statements of the district have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

1. Basis of Accounting

The district's financial statements are reported using the accrual basis of accounting. Under this accounting basis, revenues are recognized when earned, and expenses are recorded when incurred.

The financial statements distinguish between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the district are charges to customers for sales and services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

2. Reporting Entity

Greeneville-Greene County Emergency Communications District is a component unit of Greene County. Per Tennessee Code Annotated 7-86-114, the district cannot issue its negotiable bonds, notes, and debt obligations for lease and/or lease purchases in anticipation of the collection of revenues for the purpose of constructing, acquiring, reconstructing, improving, bettering, or expanding any facility or service authorized by this chapter or any combination thereof, and to pledge to the payment of the interest and principal of such bonds, notes, or debt obligations all or any part of the revenues derived from the operation of such facility, service, or combination thereof, without the approval of the legislative body of Greene County.

3. Property, Plant, and Equipment

Property, plant, and equipment are accounted for at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets.

4. Intangible Asset

The district is amortizing on a straight-line basis the cost of developing a Master Street Address Guide and related mapping system over a period of ten years.

5. Compensated Absences

The district allows employees to accumulate unlimited sick leave at the rate of eight hours per month or 12 days per year. Unused vacation days are transferred to the employee's sick leave account on the first day of January each year. Unused sick days will not be paid upon early termination. However, sick days are allowed to be accumulated and taken as early time off prior to an employee's normal retirement. Since the employee's accumulating rights to receive compensation are contingent upon the absences being caused by future illnesses and since such amounts cannot be reasonably estimated, a liability for unused sick days is not recorded in the financial statements.

6. Cash and Cash Equivalents

The district includes cash and cash equivalents in the presentation of the Statement of Cash Flows. Cash equivalents for this purpose are highly liquid investments with an original maturity of three months or less when purchased.

7. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

8. General

Under the guidance of GASB No. 20, pronouncements of the FASB issued before November 30, 1989, are applicable to proprietary funds unless they conflict with or contradict GASB guidance. After November 30, 1989, there are two options for a proprietary fund: (1) follow GASB guidance only and not follow any FASB guidance issued after that date or (2) continue to apply all future FASB guidance that does not conflict with or contradict GASB guidance. The district has adopted policy option one, as required by the Office of the Comptroller of the Treasury.

B. CASH AND CERTIFICATES OF DEPOSIT

The district is allowed to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Tennessee or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Tennessee or the United States; (4) obligations of states, agencies, countries, cities, and

other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than AA or its equivalent; (5) certificates of deposit issued by state and national banks, domiciled in Tennessee, that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or secured by obligations mentioned above; and (6) fully collateralized direct repurchase agreements having a defined termination date.

Most funds were covered by FDIC insurance, the State of Tennessee Bank Collateral Pool, or collateralized by securities held by the pledging financial institution or its agent. At year end, deposits of \$250,000 were collateralized by securities held by the pledging financial institution and \$77,019 were uncollateralized.

C. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment and estimated useful lives used for depreciation purposes consisted of the following at June 30, 2006:

	Balance			Balance	Estimated
	2005	Additions	Deletions	2006	Useful Life
Furniture and Fixtures	\$4,551	\$0	\$0	\$4,551	5 years
Automotive Equipment	41,950	0	0	41,950	5 years
Office Equipment	43,822	1,227	0	45,049	5 years
Leasehold Improvements	6,320	0	0	6,320	10 years
Communications System	276,517	35,862	0	312,379	10 years
Total	\$373,160	\$37,089	\$0	\$410,249	
Less Accumulated Depreciation	253,705	23,739	0	277,444	
Net Capital Assets	\$119,455	\$13,350	\$0	\$132,805	

D. ECONOMIC DEPENDENCY

Tennessee state law mandates collection of a surcharge by telephone companies from its customers to fund established E-911 agencies. Greeneville-Greene County Emergency Communications District received over 65 percent of its total revenues from surcharges collected by Embarq.

E. RISK MANAGEMENT

Significant losses in the areas of employee health, accident, general liability, errors and omissions, and auto liability are covered through commercial insurance policies. There have been no reductions in coverage, and

settlement amounts have not exceeded insurance coverage for the current year or three prior years.

F. RETIREMENT PLAN

Plan Description

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

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement 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 assessed at <http://www.treasury.state.tn.us/tcrs/PS/>.

Funding Policy

The district requires employees to contribute five percent of earnable compensation. The district is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2006, was 6.6 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the district is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2006, the district's annual pension cost of \$19,277 to TCRS was equal to the district'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. The district's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2005, was 15 years. An actuarial valuation was performed as of July 1, 2005, which established contribution rates effective July 1, 2006.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-06	\$ 19,277	100%	\$ 0
6-30-05	17,595	100	0
6-30-04	15,526	100	0

Schedule of Funding Progress for Greenville-Greene County Emergency Communications District (Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Payroll ((b-a)/c)
6-30-05	\$325	\$380	\$55	85.53%	\$267	20.60%
6-30-03	254	313	59	81.15	229	25.76
6-30-01	185	252	67	73.41	223	30.04

G. EQUIPMENT RENTAL

The district rents equipment from telephone companies for use in daily operations. These rents are paid on a month-to-month basis with no minimum requirements, no terms, and no buy-out provisions.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Greene County, Tennessee
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Actual (Budgetary Basis) and Budget
 General Fund
 For the Year Ended June 30, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 9,304,573	\$ 0	\$ 0	\$ 9,304,573	\$ 8,915,122	\$ 8,915,122	\$ 389,451
Licenses and Permits	275,031	0	0	275,031	267,100	267,100	7,931
Fines, Forfeitures, and Penalties	588,763	0	0	588,763	472,023	472,023	116,740
Charges for Current Services	3,049,149	0	0	3,049,149	2,927,267	2,999,326	49,823
Other Local Revenues	743,429	0	0	743,429	506,326	547,633	195,796
Fees Received from County Officials	2,717,702	0	0	2,717,702	2,380,000	2,380,000	337,702
State of Tennessee	1,570,632	0	0	1,570,632	1,586,275	1,589,974	(19,342)
Federal Government	798,949	0	0	798,949	148,321	1,039,055	(240,106)
Other Governments and Citizens Groups	653,361	0	0	653,361	1,019,581	1,020,531	(367,170)
Total Revenues	\$ 19,701,589	\$ 0	\$ 0	\$ 19,701,589	\$ 18,222,015	\$ 19,230,764	\$ 470,825
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 53,536	\$ 0	\$ 0	\$ 53,536	\$ 50,974	\$ 64,134	\$ 10,598
County Mayor/Executive	160,928	0	0	160,928	168,794	168,794	7,866
County Attorney	107,216	0	1,630	108,846	116,308	116,308	7,462
Election Commission	234,002	0	330,507	564,509	260,844	590,286	25,777
Register of Deeds	277,297	0	0	277,297	289,856	289,856	12,559
Planning	13,525	0	0	13,525	14,000	14,000	475
Codes Compliance	1,058	0	0	1,058	11,088	11,088	10,030
Geographical Information Systems	11,991	0	0	11,991	13,901	13,901	1,910
County Buildings	241,254	(19,351)	0	221,903	275,847	287,347	65,444
<u>Finance</u>							
Accounting and Budgeting	289,309	(11,825)	870	278,354	285,390	285,390	7,036
Purchasing	92,171	0	0	92,171	97,736	97,736	5,565
Property Assessor's Office	480,166	0	165	480,331	519,047	520,295	39,964
Reappraisal Program	3,629	0	0	3,629	4,150	4,150	521

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
County Trustee's Office	\$ 218,905	\$ 0	\$ 0	\$ 218,905	\$ 232,223	\$ 232,223	\$ 13,318
County Clerk's Office	384,435	0	3,250	387,685	406,054	409,289	21,604
<u>Administration of Justice</u>							
Circuit Court	494,597	(13,150)	0	481,447	503,859	505,359	23,912
General Sessions Court	224,637	(1,486)	0	223,151	229,924	229,924	6,773
Drug Court	84,443	0	0	84,443	108,443	108,443	24,000
Chancery Court	262,126	(1,486)	1,392	262,032	267,938	269,439	7,407
Juvenile Court	118,050	0	455	118,505	122,805	122,805	4,300
District Attorney General	10,767	0	0	10,767	12,500	12,500	1,733
Office of Public Defender	0	0	0	0	4,500	4,500	4,500
Other Administration of Justice	28,967	0	0	28,967	28,982	28,982	15
<u>Public Safety</u>							
Sheriff's Department	3,201,276	0	6,386	3,207,662	3,246,381	3,314,800	107,138
Special Patrols	261,522	0	6,515	268,037	220,292	274,297	6,260
Administration of the Sexual Offender Registry	1,334	0	0	1,334	0	1,409	75
Jail	4,106,733	(8,735)	0	4,097,998	4,209,191	4,229,191	131,193
Juvenile Services	68,935	0	0	68,935	99,000	99,000	30,065
Civil Defense	725,823	(197,448)	24,401	552,776	99,814	603,397	50,621
Rescue Squad	3,800	0	0	3,800	3,800	3,800	0
Disaster Relief	155,425	0	0	155,425	189,877	189,877	34,452
Other Emergency Management	13,579	0	1,364	14,943	15,000	15,000	57
Inspection and Regulation	115,604	0	0	115,604	128,698	128,698	13,094
County Coroner/Medical Examiner	82,827	0	0	82,827	91,328	91,328	8,501
Other Public Safety	0	0	60,000	60,000	3,000	63,000	3,000
<u>Public Health and Welfare</u>							
Local Health Center	481,781	0	0	481,781	521,078	531,827	50,046

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Rabies and Animal Control	\$ 111,629	\$ 0	\$ 0	\$ 111,629	\$ 132,016	\$ 132,016	\$ 20,387
Ambulance/Emergency Medical Services	2,690,616	0	2,230	2,692,846	2,718,924	2,780,739	87,893
Dental Health Program	0	0	0	0	13,000	13,000	13,000
Alcohol and Drug Programs	13,280	0	0	13,280	14,701	14,701	1,421
Other Local Health Services	250,274	0	0	250,274	390,146	390,146	139,872
Appropriation to State	50,250	0	0	50,250	67,000	67,000	16,750
Waste Pickup	49,697	0	0	49,697	55,148	55,148	5,451
<u>Social, Cultural, and Recreational Services</u>							
Libraries	75,500	0	0	75,500	75,500	75,500	0
<u>Agriculture & Natural Resources</u>							
Agriculture Extension Service	108,123	0	0	108,123	112,902	112,902	4,779
Forest Service	1,500	0	0	1,500	1,500	1,500	0
Soil Conservation	64,546	0	0	64,546	67,861	67,861	3,315
Other Agriculture & Natural Resources	2,545	0	0	2,545	0	2,545	0
<u>Other Operations</u>							
Tourism	87,000	0	0	87,000	87,000	87,000	0
Industrial Development	87,000	0	0	87,000	87,000	87,000	0
Airport	28,500	0	0	28,500	28,500	28,500	0
Veterans' Services	85,104	0	0	85,104	85,367	86,521	1,417
Other Charges	5,955	0	0	5,955	5,955	5,955	0
Contributions to Other Agencies	310,453	0	4,178	314,631	223,176	328,176	13,545
Miscellaneous	205,314	0	0	205,314	418,305	443,920	238,606
Total Expenditures	\$ 17,238,934	\$ (253,481)	\$ 443,343	\$ 17,428,796	\$ 17,436,623	\$ 18,712,503	\$ 1,283,707
<u>Excess (Deficiency) of Revenues Over Expenditures</u>							
	\$ 2,462,655	\$ 253,481	\$ (443,343)	\$ 2,272,793	\$ 785,392	\$ 518,261	\$ 1,754,532

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 30,044	\$ 0	\$ 0	\$ 30,044	\$ 0	\$ 24,119	\$ 5,925
Transfers Out	(1,079,198)	0	0	(1,079,198)	(804,010)	(1,204,010)	124,812
Total Other Financing Sources (Uses)	\$ (1,049,154)	\$ 0	\$ 0	\$ (1,049,154)	\$ (804,010)	\$ (1,179,891)	\$ 130,737
Net Change in Fund Balance	\$ 1,413,501	\$ 253,481	\$ (443,343)	\$ 1,223,639	\$ (18,618)	\$ (661,630)	\$ 1,885,269
Fund Balance, July 1, 2005	3,259,565	(253,481)	0	3,006,084	3,259,565	3,259,565	(253,481)
Fund Balance, June 30, 2006	\$ 4,673,066	\$ 0	\$ (443,343)	\$ 4,229,723	\$ 3,240,947	\$ 2,597,935	\$ 1,631,788

Exhibit F-2

Greene 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, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,407,495	\$ 0	\$ 0	\$ 2,407,495	\$ 2,351,645	\$ 2,351,645	\$ 55,850
Other Local Revenues	121,926	0	0	121,926	21,815	21,815	100,111
State of Tennessee	2,370,287	0	0	2,370,287	2,787,774	2,787,774	(417,487)
Federal Government	53,688	0	0	53,688	8,217	8,217	45,471
Other Governments and Citizens Groups	45,205	0	0	45,205	0	0	45,205
Total Revenues	\$ 4,998,601	\$ 0	\$ 0	\$ 4,998,601	\$ 5,169,451	\$ 5,169,451	\$ (170,850)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 276,009	\$ 0	\$ 0	\$ 276,009	\$ 308,986	\$ 308,986	\$ 32,977
Highway and Bridge Maintenance	3,167,083	(276,000)	414,000	3,305,083	3,747,715	4,107,715	802,632
Operation and Maintenance of Equipment	866,881	0	0	866,881	927,276	967,276	100,395
Other Charges	90,350	0	0	90,350	105,474	105,474	15,124
Capital Outlay	251,762	0	0	251,762	80,000	271,950	20,188
Total Expenditures	\$ 4,652,085	\$ (276,000)	\$ 414,000	\$ 4,790,085	\$ 5,169,451	\$ 5,761,401	\$ 971,316
Excess (Deficiency) of Revenues Over Expenditures	\$ 346,516	\$ 276,000	\$ (414,000)	\$ 208,516	\$ 0	\$ (591,950)	\$ 800,466
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 29,144	\$ 0	\$ 0	\$ 29,144	\$ 0	\$ 21,950	\$ 7,194
Total Other Financing Sources (Uses)	\$ 29,144	\$ 0	\$ 0	\$ 29,144	\$ 0	\$ 21,950	\$ 7,194

(Continued)

Exhibit F-2

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Net Change in Fund Balance	\$ 375,660	\$ 276,000	\$ (414,000)	\$ 237,660	\$ 0	\$ (570,000)	\$ 807,660
Fund Balance, July 1, 2005	1,333,139	(276,000)	0	1,057,139	1,333,139	1,333,139	(276,000)
Fund Balance, June 30, 2006	\$ 1,708,799	\$ 0	\$ (414,000)	\$ 1,294,799	\$ 1,333,139	\$ 763,139	\$ 531,660

GREENE COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2006

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 Greene 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, County Mayor/Executive, County Attorney, Election Commission, etc.). Management may make revisions within major categories, but only the Greene County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

**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 transactions relating to garbage pickup and contracted disposal services.

Special Purpose Fund – The Special Purpose Fund is used to account for the financial transactions pertaining to Greene County’s and the Greene County School Department’s workers’ compensation and general liability insurance coverage plans.

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

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

Other Special Revenue Fund – The Other Special Revenue Fund was established to account for resources remaining upon closing the county’s self-insured employee health insurance fund.

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

Debt Service Funds

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

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

Capital Projects Funds

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

General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county and the issuance of capital outlay notes contributed to the School Department.

Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for transactions relating to a water line extension project.

HUD Grant Projects Fund – The HUD Grant Projects Fund is used to account for the expenditures of the HOME Investment Partnerships Program.

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for the expenditure of other loans for highway improvements.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for funds held for recreation and performing arts capital expenditures.

Exhibit G-1

Greene County, Tennessee
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2006

	Special Revenue Funds						
	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitutional Officers - Fees	Total
<u>ASSETS</u>							
Cash	\$ 0	\$ 16,631	\$ 0	\$ 0	\$ 0	\$ 5,133	\$ 21,764
Equity in Pooled Cash and Investments	443,162	1,626,505	124,071	147,756	845,945	0	3,187,439
Accounts Receivable	18,458	1,796	0	0	0	1,168	21,422
Due from Other Governments	8,769	12	0	1,575	0	0	10,356
Due from Other Funds	49,353	0	9,799	0	0	0	59,152
Property Taxes Receivable	843,070	210,767	0	0	0	0	1,053,837
Allowance for Uncollectible Property Taxes	(22,044)	(5,511)	0	0	0	0	(27,555)
Prepaid Items	10,088	0	0	0	0	0	10,088
Total Assets	\$ 1,350,856	\$ 1,850,200	\$ 133,870	\$ 149,331	\$ 845,945	\$ 6,301	\$ 4,336,503
<u>LIABILITIES AND FUND BALANCES</u>							
<u>Liabilities</u>							
Accounts Payable	\$ 52,033	\$ 0	\$ 414	\$ 0	\$ 0	\$ 0	\$ 52,447
Payroll Deductions Payable	20	0	0	0	0	0	20
Claims and Judgements Payable	0	656,746	0	0	0	0	656,746
Due to Other Funds	0	0	0	0	0	6,301	6,301
Other Current Liabilities	0	0	0	0	0	0	0
Deferred Revenue - Current Property Taxes	793,274	198,318	0	0	0	0	991,592
Deferred Revenue - Delinquent Property Taxes	20,132	5,033	0	0	0	0	25,165
Other Deferred Revenues	2,036	926	9,799	0	0	0	12,761
Total Liabilities	\$ 867,495	\$ 861,023	\$ 10,213	\$ 0	\$ 0	\$ 6,301	\$ 1,745,032
<u>Fund Balances</u>							
Reserved for Encumbrances	\$ 142,448	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 142,448
Reserved for Capital Outlay	0	0	0	0	0	0	0
Reserved for Other General Purposes	0	0	0	0	0	0	0
Unreserved	340,913	989,177	123,657	149,331	845,945	0	2,449,023
Total Fund Balances	\$ 483,361	\$ 989,177	\$ 123,657	\$ 149,331	\$ 845,945	\$ 0	\$ 2,591,471
Total Liabilities and Fund Balances	\$ 1,350,856	\$ 1,850,200	\$ 133,870	\$ 149,331	\$ 845,945	\$ 6,301	\$ 4,336,503

(Continued)

Exhibit G-1

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

	Debt	Capital Projects Funds					Total	Total Nonmajor Governmental Funds
	Service Fund	General Capital Projects	HUD Grant Projects	Highway Capital Projects	Other Capital Projects			
<u>ASSETS</u>								
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,764	
Equity in Pooled Cash and Investments	977,507	429,314	4,000	368,959	137,675	939,948	5,104,894	
Accounts Receivable	12,089	0	0	0	12,089	12,089	45,600	
Due from Other Governments	37	0	0	0	0	0	10,393	
Due from Other Funds	0	400,000	0	0	0	400,000	459,152	
Property Taxes Receivable	632,303	0	0	0	0	0	1,686,140	
Allowance for Uncollectible Property Taxes	(16,534)	0	0	0	0	0	(44,089)	
Prepaid Items	0	0	0	0	0	0	10,088	
Total Assets	\$ 1,605,402	\$ 829,314	\$ 4,000	\$ 368,959	\$ 149,764	\$ 1,352,037	\$ 7,293,942	
<u>LIABILITIES AND FUND BALANCES</u>								
<u>Liabilities</u>								
Accounts Payable	\$ 170	\$ 0	\$ 0	\$ 0	\$ 50,000	\$ 50,000	\$ 102,617	
Payroll Deductions Payable	0	0	0	0	0	0	20	
Claims and Judgements Payable	0	0	0	0	0	0	656,746	
Due to Other Funds	0	30,174	0	0	0	30,174	36,475	
Other Current Liabilities	0	0	4,000	0	0	4,000	4,000	
Deferred Revenue - Current Property Taxes	594,955	0	0	0	0	0	1,586,547	
Deferred Revenue - Delinquent Property Taxes	15,099	0	0	0	0	0	40,264	
Other Deferred Revenues	0	0	0	0	0	0	12,761	
Total Liabilities	\$ 610,224	\$ 30,174	\$ 4,000	\$ 0	\$ 50,000	\$ 84,174	\$ 2,439,430	
<u>Fund Balances</u>								
Reserved for Encumbrances	\$ 0	\$ 22,950	\$ 0	\$ 45,429	\$ 10,000	\$ 78,379	\$ 220,827	
Reserved for Capital Outlay	0	0	0	323,530	57,151	380,681	380,681	
Reserved for Other General Purposes	0	0	0	0	32,613	32,613	32,613	
Unreserved	995,178	776,190	0	0	0	776,190	4,220,391	
Total Fund Balances	\$ 995,178	\$ 799,140	\$ 0	\$ 368,959	\$ 99,764	\$ 1,267,863	\$ 4,854,512	
Total Liabilities and Fund Balances	\$ 1,605,402	\$ 829,314	\$ 4,000	\$ 368,959	\$ 149,764	\$ 1,352,037	\$ 7,293,942	

Exhibit G-2

Greene County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2006

	Special Revenue Funds						Total
	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu - tional Officers - Fees	
<u>Revenues</u>							
Local Taxes	\$ 800,465	\$ 201,423	\$ 0	\$ 0	\$ 0	\$ 0	1,001,888
Fines, Forfeitures, and Penalties	0	0	22,468	44,072	0	0	66,540
Charges for Current Services	120,045	0	0	0	0	3,250	123,295
Other Local Revenues	104,553	74,882	0	2,981	0	0	182,416
State of Tennessee	12,500	653,609	0	0	0	0	666,109
Federal Government	5,347	0	0	0	0	0	5,347
Total Revenues	\$ 1,042,910	\$ 929,914	\$ 22,468	\$ 47,053	\$ 0	\$ 3,250	\$ 2,045,595
<u>Expenditures</u>							
Current:							
General Government	\$ 0	\$ 1,207,184	\$ 0	\$ 0	\$ 0	\$ 0	1,207,184
Administration of Justice	0	0	0	17,488	0	3,250	20,738
Public Safety	0	0	28,853	0	0	0	28,853
Public Health and Welfare	1,597,098	0	0	0	0	0	1,597,098
Other Operations	0	0	0	0	21	0	21
Debt Service:							
Principal on Debt	0	0	0	0	0	0	0
Interest on Debt	0	0	0	0	0	0	0
Other Debt Service	0	0	0	0	0	0	0
Capital Projects	0	0	0	0	0	0	0
Capital Projects - Donated	0	0	0	0	0	0	0
Total Expenditures	\$ 1,597,098	\$ 1,207,184	\$ 28,853	\$ 17,488	\$ 21	\$ 3,250	\$ 2,853,894
Excess (Deficiency) of Revenues Over Expenditures	\$ (554,188)	\$ (277,270)	\$ (6,385)	\$ 29,565	\$ (21)	\$ 0	(808,299)
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Loans Issued	0	0	0	0	0	0	0
Insurance Recovery	10,538	5,184	0	0	0	0	15,722
Transfers In	679,198	0	0	0	0	0	679,198
Total Other Financing Sources (Uses)	\$ 689,736	\$ 5,184	\$ 0	\$ 0	\$ 0	\$ 0	\$ 694,920

(Continued)

Exhibit G-2

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

	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Other Special Revenue	Constitu - tional Officers - Fees	Total
Net Change in Fund Balances	\$ 135,548	\$ (272,086)	\$ (6,385)	\$ 29,565	\$ (21)	\$ 0	\$ (113,379)
Fund Balance, July 1, 2005	347,813	1,261,263	130,042	119,766	845,966	0	2,704,850
Fund Balance, June 30, 2006	\$ 483,361	\$ 989,177	\$ 123,657	\$ 149,331	\$ 845,945	\$ 0	\$ 2,591,471

(Continued)

Exhibit G-2

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

	Debt Service Fund	Capital Projects Funds					Total	Total Nonmajor Governmental Funds
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	HUD Grant Projects	Highway Capital Projects		
<u>Revenues</u>								
Local Taxes	\$ 1,483,383	\$ 0	\$ 0	\$ 0	\$ 0	\$ 120,221	\$ 120,221	\$ 2,605,492
Fines, Forfeitures, and Penalties	0	0	0	0	0	0	0	66,540
Charges for Current Services	0	0	0	0	0	0	0	123,295
Other Local Revenues	42,010	0	0	0	0	0	0	224,426
State of Tennessee	0	0	0	0	0	0	0	666,109
Federal Government	0	0	377,370	227,712	0	0	605,082	610,429
Total Revenues	\$ 1,525,393	\$ 0	\$ 377,370	\$ 227,712	\$ 0	\$ 120,221	\$ 725,303	\$ 4,296,291
<u>Expenditures</u>								
Current:								
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,207,184
Administration of Justice	0	0	0	0	0	0	0	20,738
Public Safety	0	0	0	0	0	0	0	28,853
Public Health and Welfare	0	0	0	0	0	0	0	1,597,098
Other Operations	0	0	0	0	0	0	0	21
Debt Service:								
Principal on Debt	635,000	0	0	0	0	0	0	635,000
Interest on Debt	525,793	0	0	0	0	0	0	525,793
Other Debt Service	22,602	0	0	0	0	0	0	22,602
Capital Projects	0	299,258	377,370	227,712	3,223,510	103,232	4,231,082	4,231,082
Capital Projects - Donated	0	614,780	0	0	0	0	614,780	614,780
Total Expenditures	\$ 1,183,395	\$ 914,038	\$ 377,370	\$ 227,712	\$ 3,223,510	\$ 103,232	\$ 4,845,862	\$ 8,883,151
Excess (Deficiency) of Revenues Over Expenditures	\$ 341,998	\$ (914,038)	\$ 0	\$ 0	\$ (3,223,510)	\$ 16,989	\$ (4,120,559)	\$ (4,586,860)
<u>Other Financing Sources (Uses)</u>								
Notes Issued	\$ 0	\$ 614,780	\$ 0	\$ 0	\$ 0	\$ 0	\$ 614,780	\$ 614,780
Other Loans Issued	0	0	0	0	1,442,904	0	1,442,904	1,442,904
Insurance Recovery	0	0	0	0	0	0	0	15,722
Transfers In	0	400,000	0	0	0	0	400,000	1,079,198
Total Other Financing Sources (Uses)	\$ 0	\$ 1,014,780	\$ 0	\$ 0	\$ 1,442,904	\$ 0	\$ 2,457,684	\$ 3,152,604

(Continued)

Exhibit G-2

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

	General Debt Service	General Capital Projects	Community Development/ Industrial Park	HUD Grant Projects	Highway Capital Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Net Change in Fund Balances	\$ 341,998	\$ 100,742	\$ 0	\$ 0	\$ (1,780,606)	\$ 16,989	\$ (1,662,875)	\$ (1,434,256)
Fund Balance, July 1, 2005	653,180	698,398	0	0	2,149,565	82,775	2,930,738	6,288,768
Fund Balance, June 30, 2006	\$ 995,178	\$ 799,140	\$ 0	\$ 0	\$ 368,959	\$ 99,764	\$ 1,267,863	\$ 4,854,512

Exhibit G-3

Greene 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, 2006

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 800,465	\$ 0	\$ 800,465	\$ 782,191	\$ 782,191	\$ 18,274
Charges for Current Services	120,045	0	120,045	117,429	121,429	(1,384)
Other Local Revenues	104,553	0	104,553	62,682	75,682	28,871
State of Tennessee	12,500	0	12,500	0	12,500	0
Federal Government	5,347	0	5,347	0	0	5,347
Total Revenues	\$ 1,042,910	\$ 0	\$ 1,042,910	\$ 962,302	\$ 991,802	\$ 51,108
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Sanitation Management	\$ 961,096	\$ 0	\$ 961,096	\$ 1,096,183	\$ 1,104,345	\$ 143,249
Waste Pickup	358,905	142,448	501,353	395,689	538,137	36,784
Convenience Centers	244,369	0	244,369	249,440	258,278	13,909
Transfer Stations	17,815	0	17,815	25,000	25,000	7,185
Other Waste Disposal	14,913	0	14,913	0	14,913	0
Total Expenditures	\$ 1,597,098	\$ 142,448	\$ 1,739,546	\$ 1,766,312	\$ 1,940,673	\$ 201,127
Excess (Deficiency) of Revenues Over Expenditures	\$ (554,188)	\$ (142,448)	\$ (696,636)	\$ (804,010)	\$ (948,871)	\$ 252,235
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 10,538	\$ 0	\$ 10,538	\$ 0	\$ 0	\$ 10,538
Transfers In	679,198	0	679,198	804,010	804,010	(124,812)
Total Other Financing Sources (Uses)	\$ 689,736	\$ 0	\$ 689,736	\$ 804,010	\$ 804,010	\$ (114,274)

(Continued)

Exhibit G-3

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund (Cont.)

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 135,548	\$ (142,448)	\$ (6,900)	\$ 0	\$ (144,861)	\$ 137,961
Fund Balance, July 1, 2005	347,813	0	347,813	347,813	347,813	0
Fund Balance, June 30, 2006	\$ 483,361	\$ (142,448)	\$ 340,913	\$ 347,813	\$ 202,952	\$ 137,961

Exhibit G-4

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 201,423	\$ 196,591	\$ 198,660	\$ 2,763
Other Local Revenues	74,882	34,579	67,416	7,466
State of Tennessee	653,609	629,960	653,608	1
Total Revenues	<u>\$ 929,914</u>	<u>\$ 861,130</u>	<u>\$ 919,684</u>	<u>\$ 10,230</u>
<u>Expenditures</u>				
<u>General Government</u>				
Risk Management	\$ 1,207,184	\$ 1,414,641	\$ 1,595,710	\$ 388,526
Total Expenditures	<u>\$ 1,207,184</u>	<u>\$ 1,414,641</u>	<u>\$ 1,595,710</u>	<u>\$ 388,526</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (277,270)	\$ (553,511)	\$ (676,026)	\$ 398,756
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 5,184	0	0	\$ 5,184
Total Other Financing Sources (Uses)	<u>\$ 5,184</u>	<u>0</u>	<u>0</u>	<u>\$ 5,184</u>
Net Change in Fund Balance	\$ (272,086)	\$ (553,511)	\$ (676,026)	\$ 403,940
Fund Balance, July 1, 2005	1,261,263	1,261,263	1,261,263	0
Fund Balance, June 30, 2006	<u>\$ 989,177</u>	<u>\$ 707,752</u>	<u>\$ 585,237</u>	<u>\$ 403,940</u>

Exhibit G-5

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 22,468	\$ 17,886	\$ 17,886	\$ 4,582
Other Local Revenues	0	1,200	1,200	(1,200)
Total Revenues	<u>\$ 22,468</u>	<u>\$ 19,086</u>	<u>\$ 19,086</u>	<u>\$ 3,382</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 28,853	\$ 60,000	\$ 60,000	\$ 31,147
Total Expenditures	<u>\$ 28,853</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>	<u>\$ 31,147</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (6,385)</u>	<u>\$ (40,914)</u>	<u>\$ (40,914)</u>	<u>\$ 34,529</u>
Net Change in Fund Balance	\$ (6,385)	\$ (40,914)	\$ (40,914)	\$ 34,529
Fund Balance, July 1, 2005	<u>130,042</u>	<u>130,042</u>	<u>130,042</u>	<u>0</u>
Fund Balance, June 30, 2006	<u><u>\$ 123,657</u></u>	<u><u>\$ 89,128</u></u>	<u><u>\$ 89,128</u></u>	<u><u>\$ 34,529</u></u>

Exhibit G-6

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Other Operations</u>				
Employee Benefits	\$ 21	\$ 21	\$ 21	\$ 0
Total Expenditures	\$ 21	\$ 21	\$ 21	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ (21)	\$ (21)	\$ (21)	\$ 0
Net Change in Fund Balance	\$ (21)	\$ (21)	\$ (21)	\$ 0
Fund Balance, July 1, 2005	845,966	845,966	845,966	0
Fund Balance, June 30, 2006	\$ 845,945	\$ 845,945	\$ 845,945	\$ 0

Exhibit G-7

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,483,383	\$ 1,426,783	\$ 1,426,783	\$ 56,600
Other Local Revenues	42,010	7,381	7,381	34,629
Total Revenues	<u>\$ 1,525,393</u>	<u>\$ 1,434,164</u>	<u>\$ 1,434,164</u>	<u>\$ 91,229</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Highways and Streets	\$ 635,000	\$ 635,000	\$ 635,000	\$ 0
<u>Interest on Debt</u>				
General Government	138,075	138,075	138,075	0
Highways and Streets	387,718	563,058	563,058	175,340
<u>Other Debt Service</u>				
General Government	22,602	23,500	23,500	898
Total Expenditures	<u>\$ 1,183,395</u>	<u>\$ 1,359,633</u>	<u>\$ 1,359,633</u>	<u>\$ 176,238</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 341,998</u>	<u>\$ 74,531</u>	<u>\$ 74,531</u>	<u>\$ 267,467</u>
Net Change in Fund Balance	\$ 341,998	\$ 74,531	\$ 74,531	\$ 267,467
Fund Balance, July 1, 2005	<u>653,180</u>	<u>653,180</u>	<u>653,180</u>	<u>0</u>
Fund Balance, June 30, 2006	<u>\$ 995,178</u>	<u>\$ 727,711</u>	<u>\$ 727,711</u>	<u>\$ 267,467</u>

Major Governmental Fund

Education Debt Service Fund

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

Exhibit H

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Education Debt Service Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,231,745	\$ 2,153,892	\$ 2,153,892	\$ 77,853
Other Local Revenues	87,974	40,262	40,262	47,712
Total Revenues	<u>\$ 2,319,719</u>	<u>\$ 2,194,154</u>	<u>\$ 2,194,154</u>	<u>\$ 125,565</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 1,460,082	\$ 1,460,583	\$ 1,460,583	\$ 501
<u>Interest on Debt</u>				
Education	1,071,851	1,116,498	1,116,498	44,647
<u>Other Debt Service</u>				
Education	39,987	42,500	42,500	2,513
Total Expenditures	<u>\$ 2,571,920</u>	<u>\$ 2,619,581</u>	<u>\$ 2,619,581</u>	<u>\$ 47,661</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (252,201)</u>	<u>\$ (425,427)</u>	<u>\$ (425,427)</u>	<u>\$ 173,226</u>
Net Change in Fund Balance	\$ (252,201)	\$ (425,427)	\$ (425,427)	\$ 173,226
Fund Balance, July 1, 2005	<u>1,968,374</u>	<u>1,968,374</u>	<u>1,968,374</u>	<u>0</u>
Fund Balance, June 30, 2006	<u>\$ 1,716,173</u>	<u>\$ 1,542,947</u>	<u>\$ 1,542,947</u>	<u>\$ 173,226</u>

Fiduciary Funds

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

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

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

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

Exhibit I-1

Greene County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2006

	Agency Funds				Total
	Cities - Sales Tax	City School ADA - Greeneville	Constitu- tional Officers - Agency	Judicial District Drug	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 1,551,715	\$ 0	\$ 1,551,715
Equity in Pooled Cash and Investments	0	0	0	885	885
Due from Other Governments	1,168,910	422,389	0	25,129	1,616,428
Due from Joint Ventures	0	0	0	2,451	2,451
Property Taxes Receivable	0	2,292,984	0	0	2,292,984
Allowance for Uncollectible Property Taxes	0	(59,956)	0	0	(59,956)
Restricted Assets:					
Other Restricted Assets	0	0	111,635	0	111,635
Total Assets	\$ 1,168,910	\$ 2,655,417	\$ 1,663,350	\$ 28,465	\$ 5,516,142
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 18,666	\$ 18,666
Due to Other Funds	0	0	0	9,799	9,799
Due to Other Taxing Units	1,168,910	2,655,417	0	0	3,824,327
Due to Litigants, Heirs, and Others	0	0	1,663,350	0	1,663,350
Total Liabilities	\$ 1,168,910	\$ 2,655,417	\$ 1,663,350	\$ 28,465	\$ 5,516,142

Exhibit I-2

Greene County, Tennessee
Combining Statement of Changes in Assets
and Liabilities - All Agency Funds
For the Year Ended June 30, 2006

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 6,611,255	\$ 6,611,255	\$ 0
Due From Other Governments	1,078,330	1,168,910	1,078,330	1,168,910
Total Assets	\$ 1,078,330	\$ 7,780,165	\$ 7,689,585	\$ 1,168,910
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,078,330	\$ 7,780,165	\$ 7,689,585	\$ 1,168,910
Total Liabilities	\$ 1,078,330	\$ 7,780,165	\$ 7,689,585	\$ 1,168,910
<u>City School ADA - Greeneville Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 4,624,844	\$ 4,624,844	\$ 0
Due from Other Governments	389,337	422,389	389,337	422,389
Property Taxes Receivable	2,229,316	2,292,984	2,229,316	2,292,984
Allowance for Uncollectible Property Taxes	(54,804)	(59,956)	(54,804)	(59,956)
Total Assets	\$ 2,563,849	\$ 7,280,261	\$ 7,188,693	\$ 2,655,417
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,563,849	\$ 7,280,261	\$ 7,188,693	\$ 2,655,417
Total Liabilities	\$ 2,563,849	\$ 7,280,261	\$ 7,188,693	\$ 2,655,417
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,326,335	\$ 13,251,018	\$ 13,025,638	\$ 1,551,715
Accounts Receivable	686	0	686	0
Other Restricted Assets	108,173	3,462	0	111,635
Total Assets	\$ 1,435,194	\$ 13,254,480	\$ 13,026,324	\$ 1,663,350
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,435,194	\$ 13,254,480	\$ 13,026,324	\$ 1,663,350
Total Liabilities	\$ 1,435,194	\$ 13,254,480	\$ 13,026,324	\$ 1,663,350

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Judicial District Drug</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 3,375	\$ 144,171	\$ 146,661	\$ 885
Due from Other Governments	11,130	25,129	11,130	25,129
Due from Joint Ventures	0	2,451	0	2,451
Total Assets	\$ 14,505	\$ 171,751	\$ 157,791	\$ 28,465
<u>Liabilities</u>				
Accounts Payable	\$ 14,505	\$ 18,666	\$ 14,505	\$ 18,666
Due to Other Funds	0	9,799	0	9,799
Due to Joint Ventures	0	143,286	143,286	0
Total Liabilities	\$ 14,505	\$ 171,751	\$ 157,791	\$ 28,465
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 1,326,335	\$ 13,251,018	\$ 13,025,638	\$ 1,551,715
Equity in Pooled Cash and Investments	3,375	11,380,270	11,382,760	885
Accounts Receivable	686	0	686	0
Due from Other Governments	1,478,797	1,616,428	1,478,797	1,616,428
Due from Joint Ventures	0	2,451	0	2,451
Property Taxes Receivable	2,229,316	2,292,984	2,229,316	2,292,984
Allowance for Uncollectible Property Taxes	(54,804)	(59,956)	(54,804)	(59,956)
Other Restricted Assets	108,173	3,462	0	111,635
Total Assets	\$ 5,091,878	\$ 28,486,657	\$ 28,062,393	\$ 5,516,142
<u>Liabilities</u>				
Accounts Payable	\$ 14,505	\$ 18,666	\$ 14,505	\$ 18,666
Due to Other Funds	0	9,799	0	9,799
Due to Other Taxing Units	3,642,179	15,060,426	14,878,278	3,824,327
Due to Litigants, Heirs, and Others	1,435,194	13,254,480	13,026,324	1,663,350
Due to Joint Ventures	0	143,286	143,286	0
Total Liabilities	\$ 5,091,878	\$ 28,486,657	\$ 28,062,393	\$ 5,516,142

Exhibit J-1

Greene County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Greene County School Department
June 30, 2006

	<u>Major Fund</u>	Nonmajor <u>Funds</u>	Total
	General Purpose School	Other Govern- mental Funds	Govern- mental Funds
<u>ASSETS</u>			
Cash	\$ 574,240	\$ 1,200	\$ 575,440
Equity in Pooled Cash and Investments	1,756,256	1,105,103	2,861,359
Accounts Receivable	32,010	0	32,010
Due from Other Governments	1,724,877	367,215	2,092,092
Property Taxes Receivable	5,294,653	0	5,294,653
Allowance for Uncollectible Property Taxes	(138,443)	0	(138,443)
Total Assets	\$ 9,243,593	\$ 1,473,518	\$ 10,717,111
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 42,856	\$ 15,667	\$ 58,523
Cash Overdraft	0	172,226	172,226
Retainage Payable	0	4,298	4,298
Other Current Liabilities	558,529	0	558,529
Deferred Revenue - Current Property Taxes	4,981,920	0	4,981,920
Deferred Revenue - Delinquent Property Taxes	126,437	0	126,437
Other Deferred Revenues	456,175	0	456,175
Total Liabilities	\$ 6,165,917	\$ 192,191	\$ 6,358,108
<u>Fund Balances</u>			
Reserved for Encumbrances	\$ 351,152	\$ 311,781	\$ 662,933
Reserved for Career Ladder - Extended Contract	57,626	0	57,626
Reserved for Career Ladder Program	1,618	0	1,618
Reserved for Title I Grants to Local Education Agencies	0	4,154	4,154
Reserved for Special Education - Grants to States	0	8,533	8,533
Other Federal Reserves	18,232	0	18,232
Unreserved, Reported In:			
General Fund	2,649,048	0	2,649,048
Special Revenue Funds	0	956,739	956,739
Capital Projects Funds	0	120	120
Total Fund Balances	\$ 3,077,676	\$ 1,281,327	\$ 4,359,003
Total Liabilities and Fund Balances	\$ 9,243,593	\$ 1,473,518	\$ 10,717,111

Exhibit J-2

Greene County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
Discretely Presented Greene County School Department
June 30, 2006

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

Total fund balances - balance sheet - governmental funds (Exhibit J-1)		\$	4,359,003
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	886,166	
Add: construction in progress		121,642	
Add: buildings and improvements net of accumulated depreciation		29,323,577	
Add: other capital assets net of accumulated depreciation		<u>5,177,302</u>	
			35,508,687
(2) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			582,612
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences	\$	(54,151)	
Less: termination benefits		<u>(253,839)</u>	<u>(307,990)</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>40,142,312</u></u>

Exhibit J-3

Greene County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 10,241,569	\$ 0	\$ 10,241,569
Licenses and Permits	2,203	0	2,203
Charges for Current Services	439,302	1,514,841	1,954,143
Other Local Revenues	829,267	27,046	856,313
State of Tennessee	25,678,782	43,036	25,721,818
Federal Government	517,130	4,472,471	4,989,601
Other Governments and Citizens Groups	0	614,780	614,780
Total Revenues	<u>\$ 37,708,253</u>	<u>\$ 6,672,174</u>	<u>\$ 44,380,427</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 23,270,727	\$ 3,283,980	\$ 26,554,707
Support Services	12,386,770	507,493	12,894,263
Operation of Non-Instructional Services	602,503	3,359,761	3,962,264
Capital Outlay	724,324	0	724,324
Capital Projects	0	745,858	745,858
Total Expenditures	<u>\$ 36,984,324</u>	<u>\$ 7,897,092</u>	<u>\$ 44,881,416</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 723,929</u>	<u>\$ (1,224,918)</u>	<u>\$ (500,989)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 13,711	\$ 308,967	\$ 322,678
Transfers Out	(308,967)	(13,711)	(322,678)
Total Other Financing Sources (Uses)	<u>\$ (295,256)</u>	<u>\$ 295,256</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 428,673	\$ (929,662)	\$ (500,989)
Fund Balance, July 1, 2005	<u>2,649,003</u>	<u>2,210,989</u>	<u>4,859,992</u>
Fund Balance, June 30, 2006	<u>\$ 3,077,676</u>	<u>\$ 1,281,327</u>	<u>\$ 4,359,003</u>

Exhibit J-4

Greene County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

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

Net change in fund balances - total governmental funds (Exhibit J-3)		\$	(500,989)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The amount that capital outlays differ from depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	1,374,836	
Less: current year depreciation expense		<u>(1,930,876)</u>	(556,040)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.			
Add: assets donated and capitalized	\$	5,250	
Add: gain on disposals of capital assets		23,402	
Less: proceeds received from disposition of capital assets		(23,402)	
Less: assets donated		<u>(157,196)</u>	(151,946)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes/other deferred June 30, 2006	\$	582,612	
Less: deferred delinquent property taxes/other deferred June 30, 2005		<u>(597,294)</u>	(14,682)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Add: change in compensated absences	\$	7,858	
Add: change in termination benefits		<u>50,322</u>	<u>58,180</u>
Change in net assets of governmental activities (Exhibit B)			<u>\$ (1,165,477)</u>

Exhibit J-5

Greene County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Greene County School Department
June 30, 2006

	<u>Special Revenue Funds</u>			<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>School</u> <u>Federal</u> <u>Projects</u>	<u>Central</u> <u>Cafeteria</u>	<u>Total</u>	<u>Education</u> <u>Capital</u> <u>Projects</u>	
<u>ASSETS</u>					
Cash	\$ 0	\$ 1,200	\$ 1,200	\$ 0	\$ 1,200
Equity in Pooled Cash and Investments	0	778,034	778,034	327,069	1,105,103
Due from Other Governments	189,710	177,505	367,215	0	367,215
Total Assets	\$ 189,710	\$ 956,739	\$ 1,146,449	\$ 327,069	\$ 1,473,518
<u>LIABILITIES AND FUND BALANCES</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 4,797	\$ 0	\$ 4,797	\$ 10,870	\$ 15,667
Cash Overdraft	172,226	0	172,226	0	172,226
Retainage Payable	0	0	0	4,298	4,298
Total Liabilities	\$ 177,023	\$ 0	\$ 177,023	\$ 15,168	\$ 192,191
<u>Fund Balances</u>					
Reserved for Encumbrances	\$ 0	\$ 0	\$ 0	\$ 311,781	\$ 311,781
Reserved for Title I Grants to Local Education Agencies	4,154	0	4,154	0	4,154
Reserved for Special Education - Grants to States	8,533	0	8,533	0	8,533
Unreserved	0	956,739	956,739	120	956,859
Total Fund Balances	\$ 12,687	\$ 956,739	\$ 969,426	\$ 311,901	\$ 1,281,327
Total Liabilities and Fund Balances	\$ 189,710	\$ 956,739	\$ 1,146,449	\$ 327,069	\$ 1,473,518

Exhibit J-6

Greene County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects	
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 1,514,841	\$ 1,514,841	\$ 0	\$ 1,514,841
Other Local Revenues	0	27,046	27,046	0	27,046
State of Tennessee	0	43,036	43,036	0	43,036
Federal Government	2,575,729	1,896,742	4,472,471	0	4,472,471
Other Governments and Citizens Groups	0	0	0	614,780	614,780
Total Revenues	\$ 2,575,729	\$ 3,481,665	\$ 6,057,394	\$ 614,780	\$ 6,672,174
<u>Expenditures</u>					
Current:					
Instruction	\$ 3,283,980	\$ 0	\$ 3,283,980	\$ 0	\$ 3,283,980
Support Services	507,493	0	507,493	0	507,493
Operation of Non-Instructional Services	0	3,359,761	3,359,761	0	3,359,761
Capital Projects	0	0	0	745,858	745,858
Total Expenditures	\$ 3,791,473	\$ 3,359,761	\$ 7,151,234	\$ 745,858	\$ 7,897,092
Excess (Deficiency) of Revenues					
Over Expenditures	\$ (1,215,744)	\$ 121,904	\$ (1,093,840)	\$ (131,078)	\$ (1,224,918)
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 308,967	\$ 308,967
Transfers Out	(13,711)	0	(13,711)	0	(13,711)
Total Other Financing Sources (Uses)	\$ (13,711)	\$ 0	\$ (13,711)	\$ 308,967	\$ 295,256
Net Change in Fund Balances					
Fund Balance, July 1, 2005	\$ 1,242,142	\$ 834,835	\$ 2,076,977	\$ 134,012	\$ 2,210,989
Fund Balance, June 30, 2006	\$ 12,687	\$ 956,739	\$ 969,426	\$ 311,901	\$ 1,281,327

Exhibit J-7

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Greene County School Department
General Purpose School Fund
For the Year Ended June 30, 2006

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 10,241,569	\$ 0	\$ 10,241,569	\$ 9,889,538	\$ 10,099,662	\$ 141,907
Licenses and Permits	2,203	0	2,203	2,500	2,500	(297)
Charges for Current Services	439,302	0	439,302	518,807	430,946	8,356
Other Local Revenues	829,267	0	829,267	520,500	747,882	81,385
State of Tennessee	25,678,782	0	25,678,782	24,729,752	25,670,686	8,096
Federal Government	517,130	0	517,130	179,052	579,716	(62,586)
Total Revenues	\$ 37,708,253	\$ 0	\$ 37,708,253	\$ 35,840,149	\$ 37,531,392	\$ 176,861
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 18,954,226	\$ 24,760	\$ 18,978,986	\$ 18,556,324	\$ 19,232,669	\$ 253,683
Special Education Program	2,913,624	11,287	2,924,911	2,820,941	2,961,748	36,837
Vocational Education Program	1,293,341	0	1,293,341	1,268,953	1,305,785	12,444
Student Body Education Program	109,536	0	109,536	245,989	109,536	0
<u>Support Services</u>						
Attendance	116,217	0	116,217	118,440	120,676	4,459
Health Services	111,235	0	111,235	110,292	112,418	1,183
Other Student Support	902,388	0	902,388	899,103	916,155	13,767
Regular Instruction Program	1,824,765	484	1,825,249	1,820,820	1,859,262	34,013
Special Education Program	327,648	2,434	330,082	330,782	334,580	4,498
Vocational Education Program	88,782	0	88,782	88,488	89,550	768
Board of Education	701,637	112	701,749	700,905	719,059	17,310
Director of Schools	230,444	1,546	231,990	243,861	244,874	12,884
Office of the Principal	2,466,701	0	2,466,701	2,454,173	2,486,651	19,950

(Continued)

Exhibit J-7

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2006	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Support Services (Cont.)</u>						
Fiscal Services	\$ 207,272	\$ 124	\$ 207,396	\$ 201,642	\$ 214,496	\$ 7,100
Operation of Plant	2,634,350	14,425	2,648,775	2,677,208	2,737,406	88,631
Maintenance of Plant	581,870	67,732	649,602	665,335	661,685	12,083
Transportation	2,131,005	2,383	2,133,388	2,032,432	2,209,921	76,533
Central and Other	62,456	0	62,456	88,821	128,738	66,282
<u>Operation of Non-Instructional Services</u>						
Community Services	138,790	0	138,790	134,818	156,262	17,472
Early Childhood Education	463,713	6,400	470,113	0	491,405	21,292
<u>Capital Outlay</u>						
Regular Capital Outlay	724,324	219,465	943,789	400,822	948,260	4,471
Total Expenditures	\$ 36,984,324	\$ 351,152	\$ 37,335,476	\$ 35,860,149	\$ 38,041,136	\$ 705,660
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 723,929	\$ (351,152)	\$ 372,777	\$ (20,000)	\$ (509,744)	\$ 882,521
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 13,711	\$ 0	\$ 13,711	\$ 20,000	\$ 33,711	\$ (20,000)
Transfers Out	(308,967)	0	(308,967)	0	(308,967)	0
Total Other Financing Sources (Uses)	\$ (295,256)	\$ 0	\$ (295,256)	\$ 20,000	\$ (275,256)	\$ (20,000)
Net Change in Fund Balance						
Fund Balance, July 1, 2005	\$ 428,673	\$ (351,152)	\$ 77,521	\$ 0	\$ (785,000)	\$ 862,521
	2,649,003	0	2,649,003	2,805,026	2,805,026	(156,023)
Fund Balance, June 30, 2006						
	\$ 3,077,676	\$ (351,152)	\$ 2,726,524	\$ 2,805,026	\$ 2,020,026	\$ 706,498

Exhibit J-8

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Greene County School Department
School Federal Projects Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 2,575,729	\$ 3,666,095	\$ 3,748,353	\$ (1,172,624)
Total Revenues	\$ 2,575,729	\$ 3,666,095	\$ 3,748,353	\$ (1,172,624)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,646,513	\$ 1,885,739	\$ 1,923,132	\$ 276,619
Alternative Instruction Program	91,505	91,505	91,505	0
Special Education Program	1,358,099	2,156,736	2,016,420	658,321
Vocational Education Program	187,863	187,863	187,863	0
<u>Support Services</u>				
Health Services	0	100,000	100,000	100,000
Other Student Support	103,823	96,367	130,288	26,465
Regular Instruction Program	156,990	217,846	228,970	71,980
Special Education Program	70,828	158,280	117,946	47,118
Transportation	175,852	0	180,000	4,148
Total Expenditures	\$ 3,791,473	\$ 4,894,336	\$ 4,976,124	\$ 1,184,651
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,215,744)	\$ (1,228,241)	\$ (1,227,771)	\$ 12,027
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (13,711)	\$ (13,900)	\$ (14,370)	\$ 659
Total Other Financing Sources (Uses)	\$ (13,711)	\$ (13,900)	\$ (14,370)	\$ 659
Net Change in Fund Balance	\$ (1,229,455)	\$ (1,242,141)	\$ (1,242,141)	\$ 12,686
Fund Balance, July 1, 2005	1,242,142	1,242,141	1,242,141	1
Fund Balance, June 30, 2006	\$ 12,687	\$ 0	\$ 0	\$ 12,687

Exhibit J-9

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Greene County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2006

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 1,514,841	\$ 1,583,300	\$ 1,593,300	\$ (78,459)
Other Local Revenues	27,046	8,000	20,000	7,046
State of Tennessee	43,036	41,000	41,000	2,036
Federal Government	1,896,742	1,685,800	1,825,800	70,942
Total Revenues	<u>\$ 3,481,665</u>	<u>\$ 3,318,100</u>	<u>\$ 3,480,100</u>	<u>\$ 1,565</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 3,359,761	\$ 3,318,100	\$ 3,480,100	\$ 120,339
Total Expenditures	<u>\$ 3,359,761</u>	<u>\$ 3,318,100</u>	<u>\$ 3,480,100</u>	<u>\$ 120,339</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 121,904</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 121,904</u>
Net Change in Fund Balance	\$ 121,904	\$ 0	\$ 0	\$ 121,904
Fund Balance, July 1, 2005	<u>834,835</u>	<u>834,859</u>	<u>834,859</u>	<u>(24)</u>
Fund Balance, June 30, 2006	<u>\$ 956,739</u>	<u>\$ 834,859</u>	<u>\$ 834,859</u>	<u>\$ 121,880</u>

Greene County School Department

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

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

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

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

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

MISCELLANEOUS SCHEDULES

Exhibit K-1

Greene County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2006

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-05	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-06
NOTES PAYABLE								
<u>Payable through Education Debt Service Fund</u>								
Capital Outlay Note - EPA Asbestos Abatement	\$ 388,239	0%	5-1-1990	11-1-08	\$ 75,487	\$ 0	\$ 21,569	\$ 53,918
Capital Outlay Note - EPA Asbestos Abatement	124,635	0	5-1-1991	10-1-09	31,159	0	6,924	24,235
Capital Outlay Note - EPA Asbestos Abatement	355,759	0	5-1-1992	10-1-10	108,705	0	19,764	88,941
Capital Outlay Note - EPA Asbestos Abatement	321,134	0	5-1-1994	10-1-11	115,964	0	17,841	98,123
Capital Outlay Note - Energy Efficiency Loan	500,000	3	9-12-01	10-30-08	298,309	0	71,304	227,005
Capital Outlay Note - Buses	462,680	2.1	1-14-05	7-14-05	462,680	0	462,680	0
Capital Outlay Note - Buses	614,780	3.72	2-8-06	8-8-06	0	614,780	0	614,780
Total Payable through Education Debt Service Fund					<u>\$ 1,092,304</u>	<u>\$ 614,780</u>	<u>\$ 600,082</u>	<u>\$ 1,107,002</u>
Total Notes Payable					<u>\$ 1,092,304</u>	<u>\$ 614,780</u>	<u>\$ 600,082</u>	<u>\$ 1,107,002</u>
OTHER LOANS PAYABLE								
<u>Payable through General Debt Service Fund</u>								
Sevier County Public Building Authority Loan	9,000,000	2.895	(1) 6-20-1996	6-1-11	\$ 4,350,000	\$ 0	\$ 635,000	\$ 3,715,000
Blount County Public Building Authority Loan	10,000,000	4 to 5.25	5-3-04	6-1-21	8,557,096	1,442,904	0	10,000,000
Total Payable through General Debt Service Fund					<u>\$ 12,907,096</u>	<u>\$ 1,442,904</u>	<u>\$ 635,000</u>	<u>\$ 13,715,000</u>
Total Other Loans Payable					<u>\$ 12,907,096</u>	<u>\$ 1,442,904</u>	<u>\$ 635,000</u>	<u>\$ 13,715,000</u>

(1) - A portion of this issue was refunded during the year ended June 30, 2004, and the remaining amount was swapped from variable rate to fixed rate by execution of swap agreements during the year ended June 30, 2004.

(Continued)

Exhibit K-1

Greene County, Tennessee

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-05	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-06
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
General Obligation	\$ 3,060,000	4 to 4.375 %	4-1-1999	6-1-12	\$ 580,000	\$ 0	\$ 0	\$ 580,000
Total Payable through General Debt Service Fund					<u>\$ 580,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 580,000</u>
<u>Payable through Education Debt Service Fund</u>								
Rural School Bonds - 1998	6,255,000	3.95 to 4.8	4-15-1998	6-1-06	\$ 275,000	\$ 0	\$ 275,000	0
Rural School Bonds - 2001	18,000,000	4 to 5	10-1-01	6-1-26	2,940,000	0	320,000	2,620,000
Rural School Bonds (B) - 2001	3,925,000	3.25 to 4.6	10-1-01	12-1-16	1,535,000	0	135,000	1,400,000
Rural School Refunding Bonds, Series 2005A	5,200,000	2.5 to 5	6-30-05	6-1-18	5,200,000	0	40,000	5,160,000
Rural School Refunding Bonds, Series 2005B	14,980,000	2.5 to 5	6-30-05	6-1-26	14,980,000	0	75,000	14,905,000
Rural School Refunding Bonds, Series 2005C	2,150,000	2.5 to 4	6-30-05	12-1-16	2,150,000	0	15,000	2,135,000
Total Payable through Education Debt Service Fund					<u>\$ 27,080,000</u>	<u>\$ 0</u>	<u>\$ 860,000</u>	<u>\$ 26,220,000</u>
Total Bonds Payable					<u>\$ 27,660,000</u>	<u>\$ 0</u>	<u>\$ 860,000</u>	<u>\$ 26,800,000</u>

Exhibit K-2

Greene County, Tennessee
Schedule of Bond and Interest Requirements By Year

Year Ending June 30	<u>Payable through General Debt Service Fund</u>			<u>Payable through Education Debt Service Fund</u>			Total All Requirements
	Bond Requirements	Interest Requirements	Total Requirements	Bond Requirements	Interest Requirements	Total Requirements	
2007	\$ 0	\$ 25,375	\$ 25,375	\$ 820,000	\$ 1,101,975	\$ 1,921,975	\$ 1,947,350
2008	0	25,375	25,375	1,310,000	1,073,644	2,383,644	2,409,019
2009	0	25,375	25,375	1,130,000	1,025,550	2,155,550	2,180,925
2010	0	25,375	25,375	1,170,000	982,263	2,152,263	2,177,638
2011	0	25,375	25,375	1,140,000	938,856	2,078,856	2,104,231
2012	580,000	25,375	605,375	1,215,000	896,338	2,111,338	2,716,713
2013	0	0	0	1,280,000	851,053	2,131,053	2,131,053
2014	0	0	0	1,340,000	805,950	2,145,950	2,145,950
2015	0	0	0	1,400,000	758,525	2,158,525	2,158,525
2016	0	0	0	1,465,000	707,491	2,172,491	2,172,491
2017	0	0	0	1,545,000	650,300	2,195,300	2,195,300
2018	0	0	0	1,115,000	587,450	1,702,450	1,702,450
2019	0	0	0	1,190,000	531,700	1,721,700	1,721,700
2020	0	0	0	1,255,000	472,200	1,727,200	1,727,200
2021	0	0	0	1,300,000	422,000	1,722,000	1,722,000
2022	0	0	0	1,365,000	357,000	1,722,000	1,722,000
2023	0	0	0	1,435,000	288,750	1,723,750	1,723,750
2024	0	0	0	1,505,000	217,000	1,722,000	1,722,000
2025	0	0	0	1,585,000	141,750	1,726,750	1,726,750
2026	0	0	0	1,655,000	72,406	1,727,406	1,727,406
Total	\$ 580,000	\$ 152,250	\$ 732,250	\$ 26,220,000	\$ 12,882,201	\$ 39,102,201	\$ 39,834,451

Exhibit K-3

Greene County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>Primary Government</u>			
General	Solid Waste/Sanitation	To provide funds for operations	\$ 679,198
General	General Capital Projects	To provide funds for capital expenditures	<u>400,000</u>
Total Transfers Primary Government			<u>\$ 1,079,198</u>
<u>Discretely Presented Greene County School Department</u>			
General Purpose School	Education Capital Projects	To provide funds for capital expenditures	\$ 308,967
School Federal Projects	General Purpose School	Indirect costs	<u>13,711</u>
Total Transfers Discretely Presented Greene County School Department			<u>\$ 322,678</u>

Exhibit K-4

Greene County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <u>TCA</u>	\$ 77,561	\$ 50,000	Travelers Casualty and Surety Company of America
Highway Superintendent	Section 8-24-102, <u>TCA</u>	67,152	100,000	"
Director of Schools	State Board of Education and County Board of Education	90,450		
Trustee	Section 8-24-102, <u>TCA</u>	61,048	1,229,600	"
Assessor of Property	Section 8-24-102, <u>TCA</u>	61,048	10,000	"
Director of Accounts and Budgets	County Commission	54,281	25,000	"
County Clerk	Section 8-24-102, <u>TCA</u>	61,048	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <u>TCA</u>	61,048	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u> , and Chancery Court Judge	64,298 (1)	50,000	Fidelity and Deposit Company of Maryland
Register	Section 8-24-102, <u>TCA</u>	61,048	25,000	Travelers Casualty and Surety Company of America
Sheriff	Section 8-24-102, <u>TCA</u> and County Commission	74,386 (2)	25,000	"
Purchasing Agent	County Commission	34,953	10,000	"
Employee Blanket Bonds				
County Mayor			20,000	"
Highway Superintendent			20,000	"
Director of Schools			100,000	Fidelity and Deposit Company of Maryland
Director of Accounts and Budgets			20,000	Travelers Casualty and Surety Company of America
Trustee, Assessor of Property, County Clerk, Circuit Court Clerk, General Sessions Court Clerk, Clerk and Master, and Register			20,000	"
Sheriff			25,000	"

(1) Includes special commissioner fees of \$3,250.

(2) Includes county workhouse supplement of \$6,715 and law enforcement training supplement of \$519.

Exhibit K-5

Greene County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 For the Year Ended June 30, 2006

	Special Revenue Funds						
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 6,080,675	\$ 736,935	\$ 184,260	\$ 0	\$ 0	\$ 0	\$ 1,474,101
Trustee's Collections - Prior Year	264,118	27,693	7,883	0	0	0	63,060
Circuit/Clerk & Master Collections - Prior Years	73,887	7,945	2,209	0	0	0	19,026
Interest and Penalty	72,579	8,014	2,110	0	0	0	16,883
Pick-up Taxes	3,526	495	106	0	0	0	743
Payments in-Lieu-of Taxes - T.V.A.	5,001	606	152	0	0	0	1,212
Payments in-Lieu-of Taxes - Local Utilities	7,202	873	218	0	0	0	1,746
Payments in-Lieu-of Taxes - Other	97,170	11,736	2,943	0	0	0	23,547
<u>County Local Option Taxes</u>							
Local Option Sales Tax	1,146,855	0	0	0	0	0	0
Hotel/Motel Tax	180,331	0	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0	625,606
Litigation Tax - General	351,769	0	0	0	0	0	0
Litigation Tax - Special Purpose	196,601	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0	0
Business Tax	478,780	0	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0	169,236
Other County Local Option Taxes	65,394	0	0	0	0	0	0
<u>Statutory Local Taxes</u>							
Bank Excise Tax	50,883	6,168	1,542	0	0	0	12,335
Wholesale Beer Tax	223,070	0	0	0	0	0	0
Interstate Telecommunications Tax	6,732	0	0	0	0	0	0
Total Local Taxes	\$ 9,304,573	\$ 800,465	\$ 201,423	\$ 0	\$ 0	\$ 0	\$ 2,407,495
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Marriage Licenses	\$ 3,705	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	191,339	0	0	0	0	0	0
<u>Permits</u>							
Beer Permits	3,087	0	0	0	0	0	0
Building Permits	76,900	0	0	0	0	0	0
Total Licenses and Permits	\$ 275,031	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds						
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties</u>							
<u>Circuit Court</u>							
Fines	\$ 24,811	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	15,808	0	0	0	0	0	0
Drug Control Fines	0	0	0	10,264	0	0	0
Jail Fees	12,228	0	0	0	0	0	0
District Attorney General Fees	0	0	0	0	1,378	0	0
Data Entry Fee - Circuit Court	2,176	0	0	0	0	0	0
Courtroom Security Fee	27	0	0	0	0	0	0
<u>Criminal Court</u>							
Drug Court Fees	233	0	0	0	0	0	0
DUI Treatment Fines	570	0	0	0	0	0	0
<u>General Sessions Court</u>							
Fines	169,881	0	0	0	0	0	0
Fines for Littering	1,045	0	0	0	0	0	0
Officers Costs	116,793	0	0	0	0	0	0
Game and Fish Fines	164	0	0	0	0	0	0
Drug Court Fees	8,797	0	0	0	0	0	0
Jail Fees	153,912	0	0	0	0	0	0
District Attorney General Fees	0	0	0	0	9,729	0	0
DUI Treatment Fines	31,829	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	26,908	0	0	0	0	0	0
Courtroom Security Fee	154	0	0	0	0	0	0
<u>Juvenile Court</u>							
Fines	17,443	0	0	0	0	0	0
Drug Court Fees	798	0	0	0	0	0	0
<u>Chancery Court</u>							
Officers Costs	4,660	0	0	0	0	0	0
Data Entry Fee - Chancery Court	522	0	0	0	0	0	0
Courtroom Security Fee	4	0	0	0	0	0	0
<u>Courts in Other District Counties</u>							
District Attorney General Fees	0	0	0	0	32,965	0	0
<u>Other Fines, Forfeitures, and Penalties</u>							
Proceeds from Confiscated Property	0	0	0	12,204	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 588,763	\$ 0	\$ 0	\$ 22,468	\$ 44,072	\$ 0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds						
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Charges for Current Services</u>							
<u>General Service Charges</u>							
Self-Insurance Premiums/Contributions	\$ 58,818	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Tipping Fees	0	100,879	0	0	0	0	0
Solid Waste Disposal Fees	0	19,166	0	0	0	0	0
Patient Charges	2,710,583	0	0	0	0	0	0
Loaner Program	27,000	0	0	0	0	0	0
Work Release Charges for Board	55,453	0	0	0	0	0	0
Other General Service Charges	41,651	0	0	0	0	0	0
Service Charges	6,588	0	0	0	0	0	0
<u>Fees</u>							
Copy Fees	13,578	0	0	0	0	0	0
Telephone Commissions	86,739	0	0	0	0	0	0
Vending Machine Collections	3,730	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	3,250	0
Data Processing Fee - Register	30,438	0	0	0	0	0	0
Data Processing Fee - Sheriff	11,951	0	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	2,620	0	0	0	0	0	0
Total Charges for Current Services	\$ 3,049,149	\$ 120,045	\$ 0	\$ 0	\$ 0	\$ 3,250	\$ 0
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 235,845	\$ 28,152	\$ 71,367	\$ 0	\$ 0	\$ 0	\$ 56,302
Lease/Rentals	0	1,830	0	0	0	0	0
Sale of Materials and Supplies	87	73,490	0	0	0	0	2,274
Commissary Sales	304,419	0	0	0	0	0	0
Sale of Maps	460	0	0	0	0	0	0
Miscellaneous Refunds	33,746	81	3,515	0	2,981	0	5,245
<u>Nonrecurring Items</u>							
Revenue from Joint Ventures	157,546	0	0	0	0	0	0
Sale of Equipment	94	1,000	0	0	0	0	54,455
Damages Recovered from Individuals	1,269	0	0	0	0	0	3,650
<u>Other Local Revenues</u>							
Other Local Revenues	9,963	0	0	0	0	0	0
Total Other Local Revenues	\$ 743,429	\$ 104,553	\$ 74,882	\$ 0	\$ 2,981	\$ 0	\$ 121,926

(Continued)

Exhibit K-5

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

	Special Revenue Funds						
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>Fees Received from County Officials</u>							
<u>Fees-In-Lieu of Salary</u>							
County Clerk	\$ 630,517	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	222,346	0	0	0	0	0	0
General Sessions Court Clerk	681,854	0	0	0	0	0	0
Clerk and Master	123,754	0	0	0	0	0	0
Register	371,244	0	0	0	0	0	0
Sheriff	13,182	0	0	0	0	0	0
Trustee	674,805	0	0	0	0	0	0
Total Fees Received from County Officials	\$ 2,717,702	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
Juvenile Services Program	\$ 10,974	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
State Reappraisal Grant	24,998	0	0	0	0	0	0
Solid Waste Grants	0	12,500	0	0	0	0	0
<u>Public Safety Grants</u>							
Law Enforcement Training Programs	26,454	0	0	0	0	0	0
<u>Health and Welfare Grants</u>							
Health Department Programs	261,194	0	0	0	0	0	0
<u>Public Works Grants</u>							
State Aid Program	0	0	0	0	0	0	139,568
Litter Program	59,287	0	0	0	0	0	0
<u>Other State Revenues</u>							
Income Tax	82,919	0	0	0	0	0	0
Beer Tax	17,212	0	0	0	0	0	0
Alcoholic Beverage Tax	73,713	0	0	0	0	0	0
Mixed Drink Tax	14,107	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	653,609	0	0	0	0
Emergency Hospital - Prisoners	6,044	0	0	0	0	0	0
Prisoner Transportation	2,336	0	0	0	0	0	0
Contracted Prisoner Boarding	971,320	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0	2,180,113
Petroleum Special Tax	0	0	0	0	0	0	50,606

(Continued)

Exhibit K-5

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

	Special Revenue Funds						
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	District Attorney General	Constitutional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>							
<u>Other State Revenues (Cont.)</u>							
Registrar's Salary Supplement	\$ 16,380	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Other State Grants	2,540	0	0	0	0	0	0
Other State Revenues	1,154	0	0	0	0	0	0
Total State of Tennessee	\$ 1,570,632	\$ 12,500	\$ 653,609	\$ 0	\$ 0	\$ 0	\$ 2,370,287
<u>Federal Government</u>							
<u>Federal Through State</u>							
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Civil Defense Reimbursement	23,357	0	0	0	0	0	0
Homeland Security Grants	636,567	0	0	0	0	0	0
Other Federal through State	82,619	0	0	0	0	0	45,282
<u>Direct Federal Revenue</u>							
Police Service (Lake Area)	8,119	0	0	0	0	0	0
Forest Service	0	0	0	0	0	0	8,406
Other Direct Federal Revenue	48,287	5,347	0	0	0	0	0
Total Federal Government	\$ 798,949	\$ 5,347	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,688
<u>Other Governments and Citizens Groups</u>							
<u>Other Governments</u>							
Prisoner Board	\$ 649,976	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Contracted Services	1,390	0	0	0	0	0	45,205
<u>Citizens Groups</u>							
Donations	1,995	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 653,361	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,205
Total	\$ 19,701,589	\$ 1,042,910	\$ 929,914	\$ 22,468	\$ 47,053	\$ 3,250	\$ 4,998,601

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	Community Development/Industrial Park	HUD Grant Projects	Other Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 547,075	\$ 1,445,889	\$ 0	\$ 0	\$ 0	\$ 10,468,935
Trustee's Collections - Prior Year	29,358	83,764	0	0	0	475,876
Circuit/Clerk & Master Collections - Prior Years	6,626	27,607	0	0	0	137,300
Interest and Penalty	6,331	20,930	0	0	0	126,847
Pick-up Taxes	320	758	0	0	0	5,948
Payments in-Lieu-of Taxes - T.V.A.	455	1,894	0	0	0	9,320
Payments in-Lieu-of Taxes - Local Utilities	655	2,728	0	0	0	13,422
Payments in-Lieu-of Taxes - Other	8,830	32,496	0	0	0	176,722
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	615,679	0	0	0	1,762,534
Hotel/Motel Tax	120,581	0	0	0	120,221	421,133
Wheel Tax	625,606	0	0	0	0	1,251,212
Litigation Tax - General	0	0	0	0	0	351,769
Litigation Tax - Special Purpose	0	0	0	0	0	196,601
Litigation Tax - Jail, Workhouse, or Courthouse	132,920	0	0	0	0	132,920
Business Tax	0	0	0	0	0	478,780
Mineral Severance Tax	0	0	0	0	0	169,236
Other County Local Option Taxes	0	0	0	0	0	65,394
<u>Statutory Local Taxes</u>						
Bank Excise Tax	4,626	0	0	0	0	75,554
Wholesale Beer Tax	0	0	0	0	0	223,070
Interstate Telecommunications Tax	0	0	0	0	0	6,732
Total Local Taxes	\$ 1,483,383	\$ 2,231,745	\$ 0	\$ 0	120,221	\$ 16,549,305
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,705
Cable TV Franchise	0	0	0	0	0	191,339
<u>Permits</u>						
Beer Permits	0	0	0	0	0	3,087
Building Permits	0	0	0	0	0	76,900
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 275,031

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	Community Development/Industrial Park	HUD Grant Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	24,811
Officers Costs	0	0	0	0	0	15,808
Drug Control Fines	0	0	0	0	0	10,264
Jail Fees	0	0	0	0	0	12,228
District Attorney General Fees	0	0	0	0	0	1,378
Data Entry Fee - Circuit Court	0	0	0	0	0	2,176
Courtroom Security Fee	0	0	0	0	0	27
<u>Criminal Court</u>						
Drug Court Fees	0	0	0	0	0	233
DUI Treatment Fines	0	0	0	0	0	570
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	169,881
Fines for Littering	0	0	0	0	0	1,045
Officers Costs	0	0	0	0	0	116,793
Game and Fish Fines	0	0	0	0	0	164
Drug Court Fees	0	0	0	0	0	8,797
Jail Fees	0	0	0	0	0	153,912
District Attorney General Fees	0	0	0	0	0	9,729
DUI Treatment Fines	0	0	0	0	0	31,829
Data Entry Fee - General Sessions Court	0	0	0	0	0	26,908
Courtroom Security Fee	0	0	0	0	0	154
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	17,443
Drug Court Fees	0	0	0	0	0	798
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	4,660
Data Entry Fee - Chancery Court	0	0	0	0	0	522
Courtroom Security Fee	0	0	0	0	0	4
<u>Courts in Other District Counties</u>						
District Attorney General Fees	0	0	0	0	0	32,965
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	12,204
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	653,303

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	Community Development/Industrial Park	HUD Grant Projects	Other Capital Projects	
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Self-Insurance Premiums/Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	58,818
Tipping Fees	0	0	0	0	0	100,879
Solid Waste Disposal Fees	0	0	0	0	0	19,166
Patient Charges	0	0	0	0	0	2,710,583
Loaner Program	0	0	0	0	0	27,000
Work Release Charges for Board	0	0	0	0	0	55,453
Other General Service Charges	0	0	0	0	0	41,651
Service Charges	0	0	0	0	0	6,588
<u>Fees</u>						
Copy Fees	0	0	0	0	0	13,578
Telephone Commissions	0	0	0	0	0	86,739
Vending Machine Collections	0	0	0	0	0	3,730
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	3,250
Data Processing Fee - Register	0	0	0	0	0	30,438
Data Processing Fee - Sheriff	0	0	0	0	0	11,951
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	2,620
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,172,444
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 42,010	\$ 87,974	\$ 0	\$ 0	\$ 0	521,650
Lease/Rentals	0	0	0	0	0	1,830
Sale of Materials and Supplies	0	0	0	0	0	75,851
Commissary Sales	0	0	0	0	0	304,419
Sale of Maps	0	0	0	0	0	460
Miscellaneous Refunds	0	0	0	0	0	45,568
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	0	0	0	0	0	157,546
Sale of Equipment	0	0	0	0	0	53,549
Damages Recovered from Individuals	0	0	0	0	0	4,919
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	0	0	9,963
Total Other Local Revenues	\$ 42,010	\$ 87,974	\$ 0	\$ 0	\$ 0	1,177,755

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	Community Development/Industrial Park	HUD Grant Projects	Other Capital Projects	
Fees Received from County Officials						
Fees-In-Lieu of Salary						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	630,517
Circuit Court Clerk	0	0	0	0	0	222,346
General Sessions Court Clerk	0	0	0	0	0	681,854
Clerk and Master	0	0	0	0	0	123,754
Register	0	0	0	0	0	371,244
Sheriff	0	0	0	0	0	13,182
Trustee	0	0	0	0	0	674,805
Total Fees Received from County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,717,702
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10,974
State Reappraisal Grant	0	0	0	0	0	24,998
Solid Waste Grants	0	0	0	0	0	12,500
Public Safety Grants						
Law Enforcement Training Programs	0	0	0	0	0	26,454
Health and Welfare Grants						
Health Department Programs	0	0	0	0	0	261,194
Public Works Grants						
State Aid Program	0	0	0	0	0	139,568
Litter Program	0	0	0	0	0	59,287
Other State Revenues						
Income Tax	0	0	0	0	0	82,919
Beer Tax	0	0	0	0	0	17,212
Alcoholic Beverage Tax	0	0	0	0	0	73,713
Mixed Drink Tax	0	0	0	0	0	14,107
State Revenue Sharing - T.V.A.	0	0	0	0	0	653,609
Emergency Hospital - Prisoners	0	0	0	0	0	6,044
Prisoner Transportation	0	0	0	0	0	2,336
Contracted Prisoner Boarding	0	0	0	0	0	971,320
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,180,113
Petroleum Special Tax	0	0	0	0	0	50,606

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	Community Development/Industrial Park	HUD Grant Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Registrar's Salary Supplement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	16,380
Other State Grants	0	0	0	0	0	2,540
Other State Revenues	0	0	0	0	0	1,154
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4,607,028
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	377,370	\$ 0	\$ 0	377,370
Civil Defense Reimbursement	0	0	0	0	0	23,357
Homeland Security Grants	0	0	0	0	0	636,567
Other Federal through State	0	0	0	227,712	0	355,613
<u>Direct Federal Revenue</u>						
Police Service (Lake Area)	0	0	0	0	0	8,119
Forest Service	0	0	0	0	0	8,406
Other Direct Federal Revenue	0	0	0	0	0	53,634
Total Federal Government	\$ 0	\$ 0	\$ 377,370	\$ 227,712	\$ 0	1,463,066
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	649,976
Contracted Services	0	0	0	0	0	46,595
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	1,995
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	698,566
Total	\$ 1,525,393	\$ 2,319,719	\$ 377,370	\$ 227,712	\$ 120,221	\$ 31,316,200

Exhibit K-6

Greene County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 4,628,571	\$ 0	\$ 0	\$ 0	\$ 4,628,571
Trustee's Collections - Prior Year	197,910	0	0	0	197,910
Circuit/Clerk & Master Collections - Prior Years	55,464	0	0	0	55,464
Interest and Penalty	54,564	0	0	0	54,564
Pick-up Taxes	2,679	0	0	0	2,679
Payments in-Lieu-of Taxes - T.V.A.	5,455	0	0	0	5,455
Payments in-Lieu-of Taxes - Local Utilities	172,247	0	0	0	172,247
Payments in-Lieu-of Taxes - Other	82,398	0	0	0	82,398
<u>County Local Option Taxes</u>					
Local Option Sales Tax	4,994,977	0	0	0	4,994,977
<u>Statutory Local Taxes</u>					
Bank Excise Tax	38,764	0	0	0	38,764
Interstate Telecommunications Tax	8,197	0	0	0	8,197
Other Statutory Local Taxes	343	0	0	0	343
Total Local Taxes	\$ 10,241,569	\$ 0	\$ 0	\$ 0	\$ 10,241,569
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 2,203	\$ 0	\$ 0	\$ 0	\$ 2,203
Total Licenses and Permits	\$ 2,203	\$ 0	\$ 0	\$ 0	\$ 2,203
<u>Charges for Current Services</u>					
<u>Fees</u>					
Vending Machine Collections	\$ 5,793	\$ 0	\$ 0	\$ 0	\$ 5,793
<u>Education Charges</u>					
Tuition - Other	611	0	0	0	611
Lunch Payments - Children	0	0	748,638	0	748,638
Lunch Payments - Adults	0	0	96,375	0	96,375
Income from Breakfast	0	0	361,281	0	361,281
A la carte Sales	0	0	308,547	0	308,547
Transportation - Other State Systems	93,829	0	0	0	93,829
School Based Health Services - FFS	73	0	0	0	73
Receipts from Individual Schools	80,900	0	0	0	80,900
Community Service Fees - Children	148,560	0	0	0	148,560
<u>Other Charges for Services</u>					
Other Charges for Services	109,536	0	0	0	109,536
Total Charges for Current Services	\$ 439,302	\$ 0	\$ 1,514,841	\$ 0	\$ 1,954,143
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 270,256	\$ 0	\$ 27,046	\$ 0	\$ 297,302
Miscellaneous Refunds	448,320	0	0	0	448,320
<u>Nonrecurring Items</u>					
Sale of Equipment	23,402	0	0	0	23,402
Damages Recovered from Individuals	1,717	0	0	0	1,717
Contributions & Gifts	20,450	0	0	0	20,450
<u>Other Local Revenues</u>					
Other Local Revenues	65,122	0	0	0	65,122
Total Other Local Revenues	\$ 829,267	\$ 0	\$ 27,046	\$ 0	\$ 856,313

(Continued)

Exhibit K-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>State of Tennessee</u>					
<u>State Education Funds</u>					
Basic Education Program	\$ 24,571,489	\$ 0	\$ 0	\$ 0	\$ 24,571,489
Early Childhood Education	463,813	0	0	0	463,813
School Food Service	0	0	43,036	0	43,036
Driver Education	25,358	0	0	0	25,358
Other State Education Funds	86,737	0	0	0	86,737
Career Ladder Program	369,519	0	0	0	369,519
Career Ladder - Extended Contract	147,966	0	0	0	147,966
<u>Other State Revenues</u>					
Other State Grants	13,900	0	0	0	13,900
Total State of Tennessee	\$ 25,678,782	\$ 0	\$ 43,036	\$ 0	\$ 25,721,818
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,348,143	\$ 0	\$ 1,348,143
Breakfast	0	0	547,117	0	547,117
USDA - Other	0	0	1,482	0	1,482
Vocational Education - Basic Grants to States	0	187,863	0	0	187,863
Title I Grants to Local Education Agencies	0	1,031,811	0	0	1,031,811
Innovative Education Program Strategies	0	142,925	0	0	142,925
Special Education - Grants to States	140,413	856,328	0	0	996,741
Special Education Preschool Grants	0	38,637	0	0	38,637
Eisenhower Professional Development State Grants	0	276,736	0	0	276,736
Other Federal through State	305,806	41,429	0	0	347,235
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	45,692	0	0	0	45,692
Forest Service	25,219	0	0	0	25,219
Total Federal Government	\$ 517,130	\$ 2,575,729	\$ 1,896,742	\$ 0	\$ 4,989,601
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 0	\$ 0	\$ 0	\$ 614,780	\$ 614,780
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 614,780	\$ 614,780
Total	\$ 37,708,253	\$ 2,575,729	\$ 3,481,665	\$ 614,780	\$ 44,380,427

Greene County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2006

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	23,500	
Social Security		1,457	
State Retirement		1,257	
Employer Medicare		341	
Dues and Memberships		4,387	
Legal Services		5,755	
Legal Notices, Recording, and Court Costs		299	
Postal Charges		204	
Travel		8,968	
Other Contracted Services		6,816	
Other Charges		552	
Total County Commission			\$ 53,536

County Mayor/Executive

County Official/Administrative Officer	\$	77,561	
Secretary(ies)		29,402	
Overtime Pay		23	
Other Salaries & Wages		2,000	
Social Security		6,497	
State Retirement		10,201	
Life Insurance		83	
Medical Insurance		17,221	
Unemployment Compensation		72	
Employer Medicare		1,519	
Communication		2,419	
Dues and Memberships		1,975	
Legal Notices, Recording, and Court Costs		1,247	
Maintenance & Repair Services - Office Equipment		25	
Postal Charges		1,150	
Printing, Stationery, and Forms		112	
Rentals		4,626	
Travel		2,431	
Office Supplies		1,438	
Periodicals		199	
Premiums on Corporate Surety Bonds		175	
Other Charges		52	
Office Equipment		500	
Total County Mayor/Executive			160,928

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Attorney

County Official/Administrative Officer	\$	54,675	
Secretary(ies)		19,301	
Social Security		4,401	
State Retirement		6,924	
Life Insurance		83	
Medical Insurance		12,244	
Unemployment Compensation		112	
Employer Medicare		1,029	
Communication		1,302	
Dues and Memberships		100	
Legal Services		2,631	
Legal Notices, Recording, and Court Costs		2,878	
Maintenance & Repair Services - Office Equipment		352	
Postal Charges		196	
Printing, Stationery, and Forms		2	
Travel		50	
Office Supplies		690	
Periodicals		246	
Total County Attorney			\$ 107,216

Election Commission

County Official/Administrative Officer	\$	54,943
Clerical Personnel		52,828
Temporary Personnel		2,343
Overtime Pay		7,256
Election Commission		8,120
Election Workers		20,825
Social Security		7,781
State Retirement		10,691
Life Insurance		152
Medical Insurance		17,045
Unemployment Compensation		324
Employer Medicare		1,820
Communication		2,308
Contracts with Private Agencies		5,120
Dues and Memberships		325
Legal Notices, Recording, and Court Costs		9,997
Maintenance & Repair Services - Office Equipment		4,716
Postal Charges		5,978
Printing, Stationery, and Forms		5,959

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Rentals	\$	4,272	
Travel		2,265	
Other Contracted Services		2,026	
Equipment and Machinery Parts		112	
Office Supplies		3,540	
Periodicals		318	
Data Processing Equipment		1,732	
Office Equipment		1,206	
Total Election Commission			\$ 234,002

Register of Deeds

County Official/Administrative Officer	\$	61,048	
Accountants/Bookkeepers		23,647	
Clerical Personnel		92,624	
Social Security		10,605	
State Retirement		16,597	
Life Insurance		227	
Medical Insurance		40,754	
Unemployment Compensation		280	
Employer Medicare		2,480	
Communication		1,123	
Dues and Memberships		271	
Postal Charges		1,381	
Printing, Stationery, and Forms		100	
Rentals		24,855	
Office Supplies		901	
Premiums on Corporate Surety Bonds		175	
Other Charges		31	
Office Equipment		198	
Total Register of Deeds			277,297

Planning

Board and Committee Members Fees	\$	2,025	
Contracts with Government Agencies		11,500	
Total Planning			13,525

Codes Compliance

Postal Charges	\$	152	
Other Contracted Services		906	
Total Codes Compliance			1,058

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Geographical Information Systems

Salary Supplements	\$	5,000	
Social Security		296	
State Retirement		468	
Unemployment Compensation		8	
Employer Medicare		69	
Data Processing Services		2,000	
Dues and Memberships		20	
Maintenance & Repair Services - Equipment		3,138	
Travel		164	
Office Supplies		828	
Total Geographical Information Systems			\$ 11,991

County Buildings

Maintenance Personnel	\$	41,388
Part-time Personnel		6,749
Overtime Pay		871
Social Security		2,988
State Retirement		3,867
Life Insurance		69
Medical Insurance		8,377
Unemployment Compensation		244
Employer Medicare		699
Architects		2,250
Communication		1,120
Contracts with Private Agencies		29,420
Licenses		17
Maintenance & Repair Services - Buildings		697
Maintenance & Repair Services - Equipment		5,743
Maintenance & Repair Services - Vehicles		238
Pest Control		1,248
Rentals		1,036
Travel		38
Other Contracted Services		452
Custodial Supplies		5,423
Electricity		52,181
Equipment and Machinery Parts		3,499
Garage Supplies		404
Gasoline		4,622
General Construction Materials		11,927
Natural Gas		10,979

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Road Signs	\$	4,268	
Water and Sewer		2,046	
Other Supplies and Materials		1,654	
Building Improvements		627	
Furniture and Fixtures		1,952	
Heating and Air Conditioning Equipment		29,431	
Motor Vehicles		3,350	
Other Equipment		1,380	
Total County Buildings			\$ 241,254

Finance

Accounting and Budgeting

Supervisor/Director	\$	54,281	
Accountants/Bookkeepers		99,034	
Part-time Personnel		5,653	
Overtime Pay		864	
Social Security		9,373	
State Retirement		14,429	
Life Insurance		208	
Medical Insurance		39,874	
Unemployment Compensation		326	
Employer Medicare		2,192	
Audit Services		14,203	
Communication		2,879	
Data Processing Services		11,426	
Dues and Memberships		560	
Legal Notices, Recording, and Court Costs		678	
Maintenance & Repair Services - Office Equipment		6,847	
Postal Charges		2,850	
Printing, Stationery, and Forms		3,861	
Travel		268	
Other Contracted Services		415	
Office Supplies		9,808	
Periodicals		1,585	
Premiums on Corporate Surety Bonds		175	
Other Charges		30	
Data Processing Equipment		6,206	
Furniture and Fixtures		380	
Office Equipment		904	
Total Accounting and Budgeting			289,309

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Purchasing

Supervisor/Director	\$	34,953	
Purchasing Personnel		25,976	
Overtime Pay		1,307	
Social Security		3,637	
State Retirement		5,825	
Life Insurance		83	
Medical Insurance		11,332	
Unemployment Compensation		112	
Employer Medicare		851	
Communication		1,508	
Dues and Memberships		365	
Legal Notices, Recording, and Court Costs		1,131	
Postal Charges		296	
Printing, Stationery, and Forms		1,883	
Rentals		1,437	
Office Supplies		989	
Other Supplies and Materials		38	
Premiums on Corporate Surety Bonds		270	
Furniture and Fixtures		29	
Office Equipment		149	
Total Purchasing			\$ 92,171

Property Assessor's Office

County Official/Administrative Officer	\$	61,048
Data Processing Personnel		28,599
Assessment Personnel		148,536
Clerical Personnel		17,774
Part-time Personnel		7,212
Board and Committee Members Fees		3,220
Social Security		15,762
State Retirement		23,958
Life Insurance		358
Medical Insurance		54,762
Unemployment Compensation		497
Employer Medicare		3,686
Communication		2,019
Contracts with Government Agencies		29,479
Dues and Memberships		1,493
Legal Notices, Recording, and Court Costs		121
Maintenance & Repair Services - Office Equipment		933

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Maintenance & Repair Services - Vehicles	\$	645	
Postal Charges		1,253	
Printing, Stationery, and Forms		85	
Rentals		1,057	
Travel		1,060	
Other Contracted Services		52,190	
Equipment and Machinery Parts		295	
Garage Supplies		149	
Gasoline		2,858	
Office Supplies		1,906	
Periodicals		316	
Tires and Tubes		158	
Other Supplies and Materials		209	
Premiums on Corporate Surety Bonds		221	
Data Processing Equipment		1,656	
Furniture and Fixtures		298	
Motor Vehicles		16,055	
Office Equipment		298	
Total Property Assessor's Office			\$ 480,166

Reappraisal Program

Maintenance & Repair Services - Office Equipment	\$	360	
Postal Charges		1,599	
Gasoline		1,533	
Office Supplies		137	
Total Reappraisal Program			3,629

County Trustee's Office

County Official/Administrative Officer	\$	61,048	
Assistant(s)		28,599	
Accountants/Bookkeepers		23,647	
Clerical Personnel		13,972	
Part-time Personnel		12,741	
Overtime Pay		5,825	
Social Security		8,588	
State Retirement		12,266	
Life Insurance		141	
Medical Insurance		27,260	
Unemployment Compensation		263	
Employer Medicare		2,008	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Communication	\$	933	
Dues and Memberships		192	
Legal Notices, Recording, and Court Costs		191	
Maintenance & Repair Services - Office Equipment		4,901	
Postal Charges		10,638	
Printing, Stationery, and Forms		1,977	
Rentals		15	
Travel		1,019	
Office Supplies		1,182	
Premiums on Corporate Surety Bonds		175	
Office Equipment		1,324	
Total County Trustee's Office			\$ 218,905

County Clerk's Office

County Official/Administrative Officer	\$	61,048	
Assistant(s)		31,555	
Accountants/Bookkeepers		24,312	
Clerical Personnel		115,545	
Part-time Personnel		3,662	
Overtime Pay		3,455	
Social Security		14,284	
State Retirement		21,972	
Life Insurance		373	
Medical Insurance		54,727	
Unemployment Compensation		546	
Employer Medicare		3,341	
Communication		1,606	
Dues and Memberships		632	
Legal Notices, Recording, and Court Costs		346	
Maintenance & Repair Services - Office Equipment		12,991	
Postal Charges		7,000	
Printing, Stationery, and Forms		8,441	
Rentals		6,639	
Office Supplies		4,483	
Premiums on Corporate Surety Bonds		204	
Data Processing Equipment		6,685	
Office Equipment		588	
Total County Clerk's Office			384,435

(Continued)

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	61,048	
Assistant(s)		28,599	
Accountants/Bookkeepers		4,026	
Clerical Personnel		161,274	
Part-time Personnel		12,698	
Overtime Pay		20,205	
Other Salaries & Wages		15,675	
Jury and Witness Fees		10,676	
Social Security		17,838	
State Retirement		25,647	
Life Insurance		376	
Medical Insurance		70,877	
Unemployment Compensation		693	
Employer Medicare		4,172	
Communication		2,908	
Data Processing Services		1,990	
Dues and Memberships		732	
Legal Notices, Recording, and Court Costs		380	
Maintenance & Repair Services - Office Equipment		4,608	
Postal Charges		5,615	
Printing, Stationery, and Forms		13,705	
Rentals		4,635	
Travel		817	
Other Contracted Services		928	
Office Supplies		6,665	
Premiums on Corporate Surety Bonds		175	
Data Processing Equipment		14,135	
Office Equipment		3,500	
Total Circuit Court			\$ 494,597

General Sessions Court

Judge(s)	\$	102,699
Probation Officer(s)		30,423
Secretary(ies)		26,054
Overtime Pay		1,415
Social Security		9,105
State Retirement		15,032
Life Insurance		124
Medical Insurance		25,539
Unemployment Compensation		108

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Employer Medicare	\$	2,265	
Communication		4,946	
Dues and Memberships		260	
Maintenance & Repair Services - Office Equipment		360	
Printing, Stationery, and Forms		97	
Rentals		1,434	
Travel		971	
Other Contracted Services		191	
Office Supplies		1,598	
Periodicals		338	
Other Supplies and Materials		1,486	
Premiums on Corporate Surety Bonds		192	
Total General Sessions Court			\$ 224,637

Drug Court

Other Contracted Services	\$	84,443	
Total Drug Court			84,443

Chancery Court

County Official/Administrative Officer	\$	61,048	
Assistant(s)		31,026	
Clerical Personnel		66,320	
Part-time Personnel		6,337	
Social Security		9,649	
State Retirement		14,826	
Life Insurance		207	
Medical Insurance		42,466	
Unemployment Compensation		344	
Employer Medicare		2,256	
Bank Charges		108	
Communication		4,101	
Data Processing Services		1,500	
Dues and Memberships		652	
Legal Notices, Recording, and Court Costs		1,114	
Maintenance & Repair Services - Office Equipment		5,102	
Postal Charges		1,439	
Printing, Stationery, and Forms		969	
Rentals		2,942	
Travel		570	
Tuition		320	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Other Contracted Services	\$	412	
Office Supplies		2,976	
Periodicals		620	
Premiums on Corporate Surety Bonds		175	
Data Processing Equipment		4,075	
Office Equipment		572	
Total Chancery Court			\$ 262,126

Juvenile Court

Youth Service Officer(s)	\$	33,101	
Secretary(ies)		45,473	
Overtime Pay		568	
Social Security		4,771	
State Retirement		7,408	
Life Insurance		124	
Medical Insurance		14,053	
Unemployment Compensation		163	
Employer Medicare		1,116	
Communication		1,597	
Dues and Memberships		235	
Maintenance & Repair Services - Office Equipment		1,509	
Postal Charges		300	
Rentals		1,434	
Travel		791	
Other Contracted Services		520	
Equipment and Machinery Parts		55	
Gasoline		224	
Office Supplies		1,075	
Data Processing Equipment		3,354	
Office Equipment		179	
Total Juvenile Court			118,050

District Attorney General

Communication	\$	4,767	
Rentals		6,000	
Total District Attorney General			10,767

Other Administration of Justice

Salary Supplements	\$	5,000	
Part-time Personnel		18,516	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice (Cont.)

Social Security	\$	1,450	
State Retirement		468	
Unemployment Compensation		65	
Employer Medicare		339	
Maintenance & Repair Services - Office Equipment		1,200	
Tuition		135	
Other Supplies and Materials		1,794	
Total Other Administration of Justice			\$ 28,967

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	73,867
Assistant(s)		46,124
Deputy(ies)		863,226
Detective(s)		233,665
Captain(s)		85,524
Lieutenant(s)		225,611
Sergeant(s)		167,581
Mechanic(s)		52,137
Dispatchers/Radio Operators		168,526
Part-time Personnel		15,050
Overtime Pay		101,308
Other Salaries & Wages		43,300
In-Service Training		26,454
Social Security		125,518
State Retirement		188,485
Life Insurance		2,309
Medical Insurance		448,124
Unemployment Compensation		3,521
Employer Medicare		29,355
Communication		11,653
Contracts with Government Agencies		1,600
Contributions		1,697
Confidential Drug Enforcement Payments		500
Dues and Memberships		2,413
Legal Notices, Recording, and Court Costs		909
Licenses		215
Maintenance & Repair Services - Buildings		430
Maintenance & Repair Services - Equipment		4,370
Maintenance & Repair Services - Office Equipment		3,000

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Maintenance & Repair Services - Vehicles	\$	11,627	
Postal Charges		1,898	
Printing, Stationery, and Forms		2,697	
Rentals		7,692	
Travel		6,408	
Tuition		7,916	
Veterinary Services		1,486	
Other Contracted Services		1,840	
Electricity		5,032	
Equipment and Machinery Parts		31,982	
Food Supplies		2,221	
Garage Supplies		17,095	
Gasoline		101,858	
Law Enforcement Supplies		15,026	
Office Supplies		3,694	
Periodicals		553	
Tires and Tubes		10,960	
Uniforms		9,569	
Water and Sewer		535	
Other Supplies and Materials		2,495	
Premiums on Corporate Surety Bonds		3,158	
In Service/Staff Development		3,726	
Data Processing Equipment		14,981	
Law Enforcement Equipment		7,384	
Office Equipment		1,797	
Other Equipment		1,174	
Total Sheriff's Department			\$ 3,201,276

Special Patrols

Secretary(ies)	\$	25,223	
Social Security		1,399	
State Retirement		2,361	
Life Insurance		41	
Medical Insurance		12,244	
Unemployment Compensation		56	
Employer Medicare		327	
Contributions		11,203	
Law Enforcement Equipment		67,014	
Motor Vehicles		141,654	
Total Special Patrols			261,522

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Office Supplies	\$ 1,334		
Total Administration of the Sexual Offender Registry		\$	1,334

Jail

Deputy(ies)	\$ 1,448,124
Captain(s)	36,770
Lieutenant(s)	102,918
Sergeant(s)	217,209
Medical Personnel	123,082
Cafeteria Personnel	162,228
Maintenance Personnel	26,371
Part-time Personnel	29,570
Overtime Pay	15,579
Other Salaries & Wages	37,022
Social Security	130,549
State Retirement	198,791
Life Insurance	3,296
Medical Insurance	556,684
Unemployment Compensation	5,352
Employer Medicare	30,532
Communication	22,475
Dues and Memberships	72
Maintenance Agreements	5,940
Maintenance & Repair Services - Buildings	1,078
Maintenance & Repair Services - Equipment	23,790
Medical and Dental Services	26,425
Pest Control	780
Postal Charges	585
Printing, Stationery, and Forms	2,000
Rentals	6,048
Travel	2,134
Tuition	375
Disposal Fees	701
Other Contracted Services	2,243
Custodial Supplies	28,005
Drugs and Medical Supplies	90,713
Electricity	91,633
Equipment and Machinery Parts	6,959
Food Preparation Supplies	7,339
Food Supplies	239,616

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Gasoline	\$	51,564	
General Construction Materials		13,318	
Law Enforcement Supplies		4,992	
Natural Gas		87,093	
Office Supplies		5,499	
Prisoners Clothing		6,413	
Uniforms		13,772	
Water and Sewer		27,851	
Other Supplies and Materials		14,988	
In Service/Staff Development		500	
Other Charges		160,692	
Building Improvements		7,184	
Data Processing Equipment		3,926	
Food Service Equipment		1,922	
Furniture and Fixtures		1,954	
Law Enforcement Equipment		14,999	
Other Equipment		7,078	
Total Jail			\$ 4,106,733

Juvenile Services

Contracts with Private Agencies	\$	65,531	
Legal Services		3,404	
Total Juvenile Services			68,935

Civil Defense

Supervisor/Director	\$	36,895	
Secretary(ies)		21,477	
Overtime Pay		3,992	
Other Salaries & Wages		250	
Social Security		3,677	
State Retirement		5,837	
Life Insurance		83	
Medical Insurance		16,928	
Unemployment Compensation		112	
Employer Medicare		860	
Communication		4,651	
Dues and Memberships		35	
Maintenance & Repair Services - Equipment		151	
Postal Charges		60	
Rentals		1,140	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Travel	\$	10,241	
Other Contracted Services		7,907	
Equipment and Machinery Parts		14	
Garage Supplies		460	
Gasoline		2,619	
Office Supplies		1,255	
Uniforms		200	
Other Charges		11,723	
Communication Equipment		141,929	
Data Processing Equipment		3,234	
Motor Vehicles		42,490	
Other Equipment		407,603	
Total Civil Defense			\$ 725,823

Rescue Squad

Contributions	\$	3,800	
Total Rescue Squad			3,800

Disaster Relief

Life Insurance	\$	358	
Medical Insurance		58,452	
Contributions		96,615	
Total Disaster Relief			155,425

Other Emergency Management

Licenses	\$	68	
Other Equipment		13,511	
Total Other Emergency Management			13,579

Inspection and Regulation

Assistant(s)	\$	30,234	
Supervisor/Director		32,928	
Clerical Personnel		15,616	
Social Security		4,791	
State Retirement		7,374	
Life Insurance		104	
Medical Insurance		13,663	
Unemployment Compensation		211	
Employer Medicare		1,120	
Communication		2,433	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Inspection and Regulation (Cont.)

Legal Notices, Recording, and Court Costs	\$	469	
Maintenance & Repair Services - Office Equipment		275	
Postal Charges		287	
Printing, Stationery, and Forms		68	
Rentals		1,392	
Travel		35	
Other Contracted Services		180	
Equipment and Machinery Parts		55	
Garage Supplies		45	
Gasoline		1,686	
Office Supplies		1,800	
Other Supplies and Materials		236	
Data Processing Equipment		397	
Furniture and Fixtures		205	
Total Inspection and Regulation			\$ 115,604

County Coroner/Medical Examiner

Other Salaries & Wages	\$	10,923	
Social Security		677	
Unemployment Compensation		57	
Employer Medicare		158	
Communication		1,080	
Contracts with Private Agencies		12,000	
Contributions		36,900	
Licenses		17	
Maintenance & Repair Services - Vehicles		278	
Transportation - Other than Students		3,386	
Other Contracted Services		6,162	
Equipment and Machinery Parts		331	
Gasoline		583	
Other Supplies and Materials		985	
Motor Vehicles		7,086	
Other Equipment		2,204	
Total County Coroner/Medical Examiner			82,827

Public Health and Welfare

Local Health Center

Medical Personnel	\$	84,486	
Salary Supplements		12,977	
Clerical Personnel		107,415	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Custodial Personnel	\$	36,605	
Social Security		13,698	
State Retirement		21,372	
Life Insurance		328	
Medical Insurance		44,813	
Unemployment Compensation		500	
Employer Medicare		3,203	
Advertising		233	
Communication		13,502	
Contracts with Private Agencies		19,211	
Dues and Memberships		340	
Maintenance Agreements		3,991	
Maintenance & Repair Services - Buildings		1,244	
Maintenance & Repair Services - Equipment		3,693	
Maintenance & Repair Services - Vehicles		34	
Medical and Dental Services		99	
Postal Charges		4,950	
Printing, Stationery, and Forms		997	
Rentals		11,434	
Travel		830	
Disposal Fees		2,610	
Other Contracted Services		2,784	
Custodial Supplies		3,756	
Drugs and Medical Supplies		28,686	
Electricity		24,672	
Equipment and Machinery Parts		912	
Food Supplies		322	
Garage Supplies		200	
Office Supplies		12,159	
Periodicals		572	
Water and Sewer		1,023	
Other Supplies and Materials		3,158	
Building Improvements		2,840	
Furniture and Fixtures		9,792	
Other Equipment		2,340	
Total Local Health Center			\$ 481,781

Rabies and Animal Control

Supervisor/Director	\$	24,592
Paraprofessionals		37,559

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Part-time Personnel	\$	3,659	
Social Security		3,986	
State Retirement		5,817	
Life Insurance		117	
Medical Insurance		12,706	
Unemployment Compensation		280	
Employer Medicare		932	
Communication		2,342	
Licenses		60	
Maintenance & Repair Services - Equipment		82	
Maintenance & Repair Services - Vehicles		246	
Rentals		341	
Disposal Fees		667	
Custodial Supplies		1,399	
Drugs and Medical Supplies		978	
Electricity		4,199	
Equipment and Machinery Parts		752	
Food Supplies		338	
Gasoline		5,135	
Office Supplies		134	
Tires and Tubes		339	
Water and Sewer		423	
Other Supplies and Materials		2,582	
Other Equipment		1,964	
Total Rabies and Animal Control			\$ 111,629

Ambulance/Emergency Medical Services

Supervisor/Director	\$	41,280
Mechanic(s)		26,371
Clerical Personnel		49,743
Attendants		825,457
Part-time Personnel		19,314
Overtime Pay		662,364
Other Salaries & Wages		57,921
Social Security		99,711
State Retirement		147,478
Life Insurance		1,856
Medical Insurance		381,701
Unemployment Compensation		3,385
Employer Medicare		23,319

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Communication	\$	13,258	
Dues and Memberships		160	
Licenses		1,450	
Maintenance & Repair Services - Buildings		125	
Maintenance & Repair Services - Equipment		1,459	
Maintenance & Repair Services - Office Equipment		2,729	
Maintenance & Repair Services - Vehicles		1,296	
Pest Control		528	
Postal Charges		5,487	
Printing, Stationery, and Forms		2,000	
Rentals		3,766	
Travel		2,073	
Tuition		5,956	
Other Contracted Services		600	
Custodial Supplies		2,511	
Diesel Fuel		64,331	
Drugs and Medical Supplies		64,566	
Electricity		3,963	
Equipment and Machinery Parts		13,862	
Garage Supplies		6,543	
Gasoline		2,950	
Natural Gas		5,665	
Office Supplies		1,961	
Tires and Tubes		4,852	
Uniforms		11,212	
Water and Sewer		828	
Other Supplies and Materials		705	
Refunds		33,222	
Other Charges		1,213	
Data Processing Equipment		1,644	
Furniture and Fixtures		4,181	
Motor Vehicles		83,195	
Office Equipment		1,017	
Health Equipment		997	
Other Equipment		411	
Total Ambulance/Emergency Medical Services			\$ 2,690,616

Alcohol and Drug Programs

Other Charges	\$	13,280	
Total Alcohol and Drug Programs			13,280

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services

Medical Personnel	\$	48,878	
Part-time Personnel		9,459	
Other Salaries & Wages		107,681	
Social Security		9,683	
State Retirement		14,575	
Life Insurance		262	
Medical Insurance		54,107	
Unemployment Compensation		412	
Employer Medicare		2,264	
Travel		2,421	
Other Supplies and Materials		532	
Total Other Local Health Services			\$ 250,274

Appropriation to State

Contributions	\$	50,250	
Total Appropriation to State			50,250

Waste Pickup

Other Salaries & Wages	\$	25,223	
Social Security		1,498	
State Retirement		2,361	
Life Insurance		41	
Medical Insurance		7,769	
Unemployment Compensation		56	
Employer Medicare		350	
Contributions		11,900	
Other Supplies and Materials		499	
Total Waste Pickup			49,697

Social, Cultural, and Recreational Services

Libraries

Contributions	\$	75,500	
Total Libraries			75,500

Agriculture & Natural Resources

Agriculture Extension Service

Salary Supplements	\$	79,207	
Part-time Personnel		5,124	
Social Security		3,858	
State Retirement		1,869	

(Continued)

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

General Fund (Cont.)

Agriculture & Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Unemployment Compensation	\$	41	
Employer Medicare		552	
Other Fringe Benefits		6,515	
Communication		2,244	
Operating Lease Payments		1,301	
Travel		241	
Other Contracted Services		75	
Data Processing Equipment		7,096	
Total Agriculture Extension Service			\$ 108,123

Forest Service

Contributions	\$	1,500	
Total Forest Service			1,500

Soil Conservation

Paraprofessionals	\$	21,653	
Secretary(ies)		23,501	
Overtime Pay		171	
Social Security		2,683	
State Retirement		4,242	
Life Insurance		68	
Medical Insurance		9,599	
Unemployment Compensation		112	
Employer Medicare		627	
Contributions		490	
Dues and Memberships		1,100	
Postal Charges		300	
Total Soil Conservation			64,546

Other Agriculture & Natural Resources

Advertising	\$	1,220	
Other Equipment		1,325	
Total Other Agriculture & Natural Resources			2,545

Other Operations

Tourism

Contributions	\$	87,000	
Total Tourism			87,000

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Industrial Development

Contributions	\$ 87,000	
Total Industrial Development		\$ 87,000

Airport

Contributions	\$ 28,500	
Total Airport		28,500

Veterans' Services

Supervisor/Director	\$ 31,291	
Clerical Personnel	23,419	
Social Security	3,233	
State Retirement	5,121	
Life Insurance	68	
Medical Insurance	13,531	
Unemployment Compensation	112	
Employer Medicare	756	
Communication	527	
Postal Charges	940	
Rentals	5,141	
Travel	755	
Office Supplies	121	
Office Equipment	89	
Total Veterans' Services		85,104

Other Charges

Dues and Memberships	\$ 5,955	
Total Other Charges		5,955

Contributions to Other Agencies

Contributions	\$ 303,953	
Rentals	6,500	
Total Contributions to Other Agencies		310,453

Miscellaneous

Dues and Memberships	\$ 22,000	
Legal Notices, Recording, and Court Costs	407	
Other Contracted Services	10,537	
Liability Insurance	2,835	
Premiums on Corporate Surety Bonds	50	
Trustee's Commission	167,378	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Other Charges	\$ 2,107	
Total Miscellaneous		\$ 205,314

Total General Fund \$ 17,238,934

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Assistant(s)	\$ 26,413
Supervisor/Director	30,506
Social Security	3,362
State Retirement	5,327
Life Insurance	84
Medical Insurance	16,377
Unemployment Compensation	112
Employer Medicare	786
Communication	7,763
Contracts with Other Public Agencies	679,198
Licenses	28
Maintenance & Repair Services - Equipment	203
Maintenance & Repair Services - Vehicles	1,749
Postal Charges	395
Printing, Stationery, and Forms	294
Rentals	401
Travel	8
Tuition	474
Other Contracted Services	176
Custodial Supplies	238
Diesel Fuel	72,402
Electricity	7,378
Equipment and Machinery Parts	5,691
Garage Supplies	6,211
Gasoline	3,908
Lubricants	3,100
Office Supplies	313
Small Tools	268
Tires and Tubes	11,847
Uniforms	3,061
Water and Sewer	282
Other Supplies and Materials	2,705

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Trustee's Commission	\$	15,949	
Other Charges		230	
Data Processing Equipment		692	
Motor Vehicles		25,183	
Other Equipment		27,982	
Total Sanitation Management			\$ 961,096

Waste Pickup

Mechanic(s)	\$	73,695	
Truck Drivers		151,569	
Part-time Personnel		6,627	
Overtime Pay		5,196	
Social Security		13,866	
State Retirement		21,572	
Life Insurance		388	
Medical Insurance		82,081	
Unemployment Compensation		669	
Employer Medicare		3,242	
Total Waste Pickup			358,905

Convenience Centers

Attendants	\$	199,462	
Overtime Pay		42	
Social Security		12,357	
Unemployment Compensation		1,561	
Employer Medicare		2,890	
Communication		5,269	
Disposal Fees		4,738	
Crushed Stone		2,870	
Custodial Supplies		443	
Electricity		7,854	
Water and Sewer		2,555	
Other Supplies and Materials		4,328	
Total Convenience Centers			244,369

Transfer Stations

Disposal Fees	\$	17,815	
Total Transfer Stations			17,815

(Continued)

Exhibit K-7

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

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

<u>Other Waste Disposal</u>		
Other Equipment	\$ 14,913	
Total Other Waste Disposal		\$ 14,913

Total Solid Waste/Sanitation Fund \$ 1,597,098

Special Purpose Fund

General Government

Risk Management

Consultants	\$ 18,756	
Dues and Memberships	445	
Evaluation and Testing	5,160	
Fiscal Agent Charges	4,423	
Legal Services	3,775	
Other Contracted Services	30,632	
Boiler Insurance	20,967	
Building and Contents Insurance	166,560	
Liability Insurance	164,393	
Trustee's Commission	11,186	
Workers' Compensation Insurance	95,442	
Liability Claims	247,054	
Other Self-Insured Claims	438,391	
Total Risk Management		\$ 1,207,184

Total Special Purpose Fund 1,207,184

Drug Control Fund

Public Safety

Sheriff's Department

Communication	\$ 3,284	
Travel	1,769	
Tuition	425	
Other Contracted Services	1,804	
Electricity	1,614	
Law Enforcement Supplies	466	
Water and Sewer	335	
Other Supplies and Materials	217	
Other Charges	6,620	
Furniture and Fixtures	4,999	
Law Enforcement Equipment	7,320	
Total Sheriff's Department		\$ 28,853

Total Drug Control Fund 28,853

(Continued)

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

District Attorney General Fund

Administration of Justice

District Attorney General

Communication	\$	521	
Dues and Memberships		315	
Travel		10,602	
Tuition		1,150	
Other Contracted Services		961	
Office Supplies		383	
Data Processing Equipment		634	
Furniture and Fixtures		548	
Office Equipment		2,374	
Total District Attorney General			\$ 17,488

Total District Attorney General Fund \$ 17,488

Other Special Revenue Fund

Other Operations

Employee Benefits

Trustee's Commission	\$	21	
Total Employee Benefits			\$ 21

Total Other Special Revenue Fund 21

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	3,250	
Total Chancery Court			\$ 3,250

Total Constitutional Officers - Fees Fund 3,250

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	67,152	
Accountants/Bookkeepers		57,470	
Overtime Pay		374	
Other Salaries & Wages		55,740	
Social Security		10,619	
State Retirement		16,917	
Life Insurance		230	
Medical Insurance		50,148	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Unemployment Compensation	\$	112	
Employer Medicare		2,484	
Dues and Memberships		3,353	
Maintenance & Repair Services - Buildings		746	
Maintenance & Repair Services - Office Equipment		931	
Postal Charges		312	
Travel		2,963	
Other Contracted Services		1,296	
Office Supplies		1,965	
Other Charges		1,923	
Data Processing Equipment		1,274	
Total Administration			\$ 276,009

Highway and Bridge Maintenance

Assistant(s)	\$	33,575	
Foremen		103,623	
Equipment Operators - Heavy		392,313	
Equipment Operators - Light		105,599	
Truck Drivers		329,367	
Laborers		292,235	
Part-time Personnel		13,612	
Overtime Pay		55,501	
Social Security		77,745	
State Retirement		122,528	
Life Insurance		2,470	
Medical Insurance		439,814	
Unemployment Compensation		3,523	
Employer Medicare		18,183	
Other Contracted Services		44,124	
Asphalt		548,721	
Concrete		36,204	
Crushed Stone		106,167	
Explosives and Drilling Supplies		2,074	
General Construction Materials		157,391	
Pipe - Metal		32,111	
Road Signs		6,478	
Salt		6,867	
Other Charges		1,365	
Highway Construction		235,493	
Total Highway and Bridge Maintenance			3,167,083

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

Supervisor/Director	\$	27,254	
Mechanic(s)		120,373	
Laborers		43,706	
Overtime Pay		8,215	
Social Security		11,924	
State Retirement		18,678	
Life Insurance		287	
Medical Insurance		42,375	
Unemployment Compensation		448	
Employer Medicare		2,788	
Licenses		500	
Maintenance & Repair Services - Equipment		2,564	
Maintenance & Repair Services - Vehicles		14,548	
Custodial Supplies		1,434	
Diesel Fuel		187,555	
Equipment and Machinery Parts		199,024	
Garage Supplies		46,501	
Gasoline		73,035	
Lubricants		12,085	
Small Tools		3,517	
Tires and Tubes		47,325	
Other Charges		2,745	
Total Operation and Maintenance of Equipment			\$ 866,881

Other Charges

Communication	\$	10,261	
Travel		1,184	
Other Contracted Services		629	
Electricity		11,261	
Natural Gas		1,136	
Water and Sewer		846	
Premiums on Corporate Surety Bonds		544	
Trustee's Commission		62,319	
Other Charges		2,170	
Total Other Charges			90,350

Capital Outlay

Highway Equipment	\$	215,662	
Motor Vehicles		36,100	
Total Capital Outlay			251,762

Total Highway/Public Works Fund \$ 4,652,085

(Continued)

Exhibit K-7

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

General Debt Service Fund

Principal on Debt

Highways and Streets

Principal on Other Loans	\$ 635,000	
Total Highways and Streets		\$ 635,000

Interest on Debt

General Government

Interest on Bonds	\$ 25,375	
Interest on Other Loans	112,700	
Total General Government		138,075

Highways and Streets

Interest on Other Loans	\$ 387,718	
Total Highways and Streets		387,718

Other Debt Service

General Government

Trustee's Commission	\$ 19,593	
Other Charges	3,009	
Total General Government		22,602

Total General Debt Service Fund		\$ 1,183,395
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Education Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 860,000	
Principal on Notes	600,082	
Total Education		\$ 1,460,082

Interest on Debt

Education

Interest on Bonds	\$ 1,058,017	
Interest on Notes	13,834	
Total Education		1,071,851

Other Debt Service

Education

Trustee's Commission	\$ 37,994	
Other Charges	1,993	
Total Education		39,987

Total Education Debt Service Fund		2,571,920
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(Continued)

Exhibit K-7

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

General Capital Projects Fund

Capital Projects

General Administration Projects

Architects	\$	2,970	
Other Contracted Services		24,637	
General Construction Materials		11,816	
Total General Administration Projects			\$ 39,423

Public Health and Welfare Projects

Legal Notices, Recording, and Court Costs	\$	52	
Licenses		200	
Other Contracted Services		1,565	
Building Construction		4,515	
Site Development		9,595	
Other Equipment		11,061	
Other Construction		4,612	
Total Public Health and Welfare Projects			31,600

Social, Cultural, and Recreation Projects

Contributions	\$	26,927	
Total Social, Cultural, and Recreation Projects			26,927

Other General Government Projects

Architects	\$	4,050	
Other Contracted Services		7,386	
Building Improvements		187,986	
Data Processing Equipment		1,886	
Total Other General Government Projects			201,308

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$	614,780	
Total Capital Projects Donated to School Department			614,780

Total General Capital Projects Fund \$ 914,038

Community Development/Industrial Park Fund

Capital Projects

Public Utility Projects

Consultants	\$	21,012	
Engineering Services		10,942	
Other Construction		345,416	
Total Public Utility Projects			\$ 377,370

Total Community Development/Industrial Park Fund 377,370

(Continued)

Exhibit K-7

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

HUD Grant Projects Fund

Capital Projects

Public Health and Welfare Projects

Architects	\$	10,811	
Consultants		15,181	
Other Construction		201,720	
Total Public Health and Welfare Projects			\$ 227,712

Total HUD Grant Projects Fund \$ 227,712

Highway Capital Projects Fund

Capital Projects

Highway & Street Capital Projects

Other Contracted Services	\$	48,579	
Asphalt		2,984,060	
Crushed Stone		190,871	
Total Highway & Street Capital Projects			\$ 3,223,510

Total Highway Capital Projects Fund 3,223,510

Other Capital Projects Fund

Capital Projects

Social, Cultural, and Recreation Projects

Contributions	\$	102,000	
Evaluation and Testing		17	
Trustee's Commission		1,215	
Total Social, Cultural, and Recreation Projects			\$ 103,232

Total Other Capital Projects Fund 103,232

Total Governmental Funds - Primary Government \$ 33,346,090

Greene County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Greene County School Department
For the Year Ended June 30, 2006

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 13,399,452	
Career Ladder Program	214,326	
Career Ladder Extended Contracts	84,700	
Educational Assistants	289,914	
Other Salaries & Wages	198,329	
Certified Substitute Teachers	62,735	
Non-certified Substitute Teachers	103,524	
Social Security	849,308	
State Retirement	787,019	
Life Insurance	6,128	
Medical Insurance	1,809,016	
Dental Insurance	28,143	
Unemployment Compensation	10,547	
Employer Medicare	198,630	
Maintenance & Repair Services - Equipment	14,146	
Travel	449	
Other Contracted Services	1,500	
Instructional Supplies and Materials	191,537	
Textbooks	349,200	
Other Supplies and Materials	30,650	
In Service/Staff Development	8,116	
Other Charges	95,162	
Regular Instruction Equipment	221,695	
Total Regular Instruction Program		\$ 18,954,226

Special Education Program

Teachers	\$ 1,757,652
Career Ladder Program	28,000
Homebound Teachers	131,230
Educational Assistants	185,749
Other Salaries & Wages	113,741
Certified Substitute Teachers	4,090
Non-certified Substitute Teachers	5,095
Social Security	133,585
State Retirement	119,064
Life Insurance	942
Medical Insurance	276,781
Dental Insurance	4,481
Unemployment Compensation	2,055

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	31,242	
Contracts with Private Agencies		16,600	
Maintenance & Repair Services - Equipment		425	
Other Contracted Services		19,956	
Instructional Supplies and Materials		51,753	
Other Supplies and Materials		20,389	
Special Education Equipment		10,794	
Total Special Education Program			\$ 2,913,624

Vocational Education Program

Teachers	\$	780,379	
Career Ladder Program		10,000	
Certified Substitute Teachers		5,666	
Non-certified Substitute Teachers		7,910	
Social Security		47,788	
State Retirement		43,439	
Life Insurance		295	
Medical Insurance		102,086	
Dental Insurance		1,122	
Unemployment Compensation		550	
Employer Medicare		11,176	
Contracts with Other School Systems		213,080	
Maintenance & Repair Services - Equipment		2,238	
Instructional Supplies and Materials		24,707	
Other Supplies and Materials		940	
Other Charges		8,186	
Vocational Instruction Equipment		33,779	
Total Vocational Education Program			1,293,341

Student Body Education Program

Supervisor/Director	\$	16,250	
Educational Assistants		40,572	
Certified Substitute Teachers		3,000	
Non-certified Substitute Teachers		3,000	
Social Security		3,816	
State Retirement		4,034	
Life Insurance		27	
Medical Insurance		5,189	
Dental Insurance		119	

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Student Body Education Program (Cont.)

Unemployment Compensation	\$	150	
Employer Medicare		893	
Other Contracted Services		7	
Food Supplies		11,134	
Liability Insurance		20,847	
Other Charges		498	
Total Student Body Education Program			\$ 109,536

Support Services

Attendance

Supervisor/Director	\$	39,405	
Career Ladder Program		3,000	
Clerical Personnel		11,008	
Other Salaries & Wages		36,869	
Social Security		5,469	
State Retirement		5,325	
Life Insurance		36	
Medical Insurance		9,974	
Dental Insurance		125	
Unemployment Compensation		78	
Employer Medicare		1,279	
Travel		574	
Other Contracted Services		2,970	
Other Supplies and Materials		105	
Total Attendance			116,217

Health Services

Medical Personnel	\$	74,205	
Social Security		4,488	
State Retirement		4,081	
Life Insurance		31	
Medical Insurance		8,871	
Dental Insurance		250	
Unemployment Compensation		52	
Employer Medicare		1,049	
Travel		1,767	
Other Contracted Services		5,500	
Drugs and Medical Supplies		7,326	
Other Supplies and Materials		1,985	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Other Charges	\$ 689	
Health Equipment	941	
Total Health Services	941	\$ 111,235

Other Student Support

Career Ladder Program	\$ 7,000	
Guidance Personnel	554,263	
Attendants	83,783	
School Resource Officer	44,905	
Social Security	41,917	
State Retirement	40,814	
Life Insurance	371	
Medical Insurance	93,062	
Dental Insurance	984	
Unemployment Compensation	665	
Employer Medicare	9,803	
Evaluation and Testing	6,080	
Other Contracted Services	18,000	
Other Supplies and Materials	741	
Total Other Student Support	902,388	902,388

Regular Instruction Program

Supervisor/Director	\$ 141,497
Career Ladder Program	23,000
Librarians	617,156
Education Media Personnel	421,520
Instructional Computer Personnel	53,040
Secretary(ies)	23,955
Clerical Personnel	26,229
Educational Assistants	66,931
Other Salaries & Wages	16,108
Social Security	83,664
State Retirement	81,018
Life Insurance	575
Medical Insurance	152,001
Dental Insurance	3,741
Unemployment Compensation	999
Employer Medicare	19,566
Maintenance & Repair Services - Equipment	122

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Travel	\$	9,033	
Other Contracted Services		26,847	
Instructional Supplies and Materials		530	
Library Books/Media		43,302	
Other Supplies and Materials		9,087	
In Service/Staff Development		2,642	
Other Charges		749	
Other Equipment		1,453	
Total Regular Instruction Program			\$ 1,824,765

Special Education Program

Supervisor/Director	\$	71,618	
Career Ladder Program		7,000	
Psychological Personnel		58,799	
Assessment Personnel		16,239	
Secretary(ies)		26,354	
Other Salaries & Wages		59,439	
Social Security		14,436	
State Retirement		14,807	
Life Insurance		78	
Medical Insurance		24,802	
Dental Insurance		375	
Unemployment Compensation		129	
Employer Medicare		3,376	
Maintenance & Repair Services - Equipment		60	
Travel		7,985	
Other Contracted Services		14,860	
Other Supplies and Materials		3,011	
In Service/Staff Development		1,548	
Other Charges		2,732	
Total Special Education Program			327,648

Vocational Education Program

Supervisor/Director	\$	65,184
Career Ladder Program		3,000
Social Security		3,975
State Retirement		3,750
Life Insurance		16
Medical Insurance		7,060

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program (Cont.)

Dental Insurance	\$	125	
Unemployment Compensation		26	
Employer Medicare		930	
Travel		4,716	
Total Vocational Education Program			\$ 88,782

Board of Education

Secretary to Board	\$	4,000	
Other Salaries & Wages		112,006	
Board and Committee Members Fees		10,175	
In-Service Training		400	
Social Security		7,823	
State Retirement		374	
Life Insurance		1,669	
Medical Insurance		291,355	
Unemployment Compensation		242	
Employer Medicare		1,830	
Audit Services		12,800	
Dues and Memberships		7,193	
Legal Services		2,100	
Travel		6,762	
Other Contracted Services		2,500	
Trustee's Commission		225,932	
Criminal Investigation of Applicants - TBI		6,816	
Refund to Applicant for Criminal Investigation		912	
Other Charges		6,748	
Total Board of Education			701,637

Director of Schools

County Official/Administrative Officer	\$	90,450
Assistant(s)		38,906
Career Ladder Program		600
Clerical Personnel		28,142
Social Security		9,787
State Retirement		9,848
Life Insurance		32
Medical Insurance		8,201
Dental Insurance		250
Unemployment Compensation		52

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Employer Medicare	\$	2,303	
Communication		14,935	
Dues and Memberships		1,834	
Postal Charges		8,183	
Travel		169	
Other Contracted Services		8,041	
Office Supplies		5,503	
Other Charges		879	
Administration Equipment		2,329	
Total Director of Schools			\$ 230,444

Office of the Principal

Principals	\$	942,946	
Career Ladder Program		30,000	
Assistant Principals		345,960	
Secretary(ies)		492,226	
Other Salaries & Wages		56,329	
Social Security		112,878	
State Retirement		121,650	
Life Insurance		841	
Medical Insurance		235,068	
Dental Insurance		5,102	
Unemployment Compensation		1,437	
Employer Medicare		26,398	
Communication		13,513	
Dues and Memberships		6,050	
Maintenance & Repair Services - Equipment		242	
Travel		3,292	
Other Contracted Services		69,664	
Other Supplies and Materials		2,355	
Other Charges		750	
Total Office of the Principal			2,466,701

Fiscal Services

Supervisor/Director	\$	46,966	
Clerical Personnel		98,426	
Social Security		8,719	
State Retirement		13,609	
Life Insurance		62	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Medical Insurance	\$	20,366	
Dental Insurance		447	
Unemployment Compensation		104	
Employer Medicare		2,039	
Maintenance & Repair Services - Equipment		395	
Travel		1,349	
Other Contracted Services		5,921	
Data Processing Supplies		5,935	
Office Supplies		700	
Other Supplies and Materials		1,364	
Other Charges		400	
Administration Equipment		470	
Total Fiscal Services			\$ 207,272

Operation of Plant

Supervisor/Director	\$	48,999	
Career Ladder Program		1,000	
Custodial Personnel		732,161	
Other Salaries & Wages		53,141	
Social Security		50,697	
State Retirement		73,409	
Life Insurance		568	
Medical Insurance		150,932	
Dental Insurance		2,123	
Unemployment Compensation		1,450	
Employer Medicare		11,856	
Contracts with Government Agencies		20,000	
Other Contracted Services		18,337	
Custodial Supplies		94,345	
Electricity		1,037,049	
Natural Gas		200,698	
Water and Sewer		131,897	
Other Charges		317	
Plant Operation Equipment		5,371	
Total Operation of Plant			2,634,350

Maintenance of Plant

Supervisor/Director	\$	17,524
Maintenance Personnel		237,630

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Social Security	\$	15,410	
State Retirement		23,336	
Life Insurance		169	
Medical Insurance		48,638	
Dental Insurance		616	
Unemployment Compensation		298	
Employer Medicare		3,604	
Laundry Service		3,669	
Maintenance & Repair Services - Buildings		126,305	
Maintenance & Repair Services - Equipment		27,660	
Other Contracted Services		27,375	
Equipment and Machinery Parts		16,914	
Other Supplies and Materials		24,054	
Other Charges		8,668	
Total Maintenance of Plant			\$ 581,870

Transportation

Supervisor/Director	\$	66,310
Mechanic(s)		138,041
Bus Drivers		791,341
Other Salaries & Wages		65,664
Social Security		64,268
State Retirement		96,750
Life Insurance		1,273
Medical Insurance		348,788
Dental Insurance		4,665
Unemployment Compensation		2,354
Employer Medicare		15,030
Laundry Service		2,784
Maintenance & Repair Services - Vehicles		2,070
Medical and Dental Services		8,133
Travel		1,371
Other Contracted Services		90
Diesel Fuel		330,962
Garage Supplies		1,845
Gasoline		44,127
Lubricants		5,743
Tires and Tubes		44,142
Vehicle Parts		75,218

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Other Supplies and Materials	\$	6,022	
Other Charges		9,536	
Transportation Equipment		4,478	
Total Transportation			\$ 2,131,005

Central and Other

Other Salaries & Wages	\$	22,604	
Social Security		1,400	
State Retirement		2,116	
Life Insurance		15	
Medical Insurance		4,435	
Dental Insurance		125	
Unemployment Compensation		26	
Employer Medicare		327	
Travel		620	
Office Supplies		129	
Other Charges		29,709	
Data Processing Equipment		950	
Total Central and Other			62,456

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	27,704	
Other Salaries & Wages		80,949	
Social Security		6,707	
State Retirement		2,593	
Life Insurance		16	
Dental Insurance		80	
Unemployment Compensation		351	
Employer Medicare		1,569	
Travel		1,609	
Food Supplies		10,725	
Other Supplies and Materials		988	
Other Charges		5,499	
Total Community Services			138,790

Early Childhood Education

Teachers	\$	180,820	
Certified Substitute Teachers		225	

(Continued)

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Non-certified Substitute Teachers	\$	1,040	
Social Security		11,271	
State Retirement		9,940	
Life Insurance		83	
Medical Insurance		16,297	
Dental Insurance		500	
Unemployment Compensation		161	
Employer Medicare		2,635	
Contracts with Other Public Agencies		28,455	
Maintenance & Repair Services - Equipment		6,000	
Travel		491	
Instructional Supplies and Materials		72,694	
In Service/Staff Development		1,002	
Other Charges		45,000	
Regular Instruction Equipment		87,099	
Total Early Childhood Education			\$ 463,713

Capital Outlay

Regular Capital Outlay

Architects	\$	27,452	
Building Improvements		696,872	
Total Regular Capital Outlay			<u>724,324</u>

Total General Purpose School Fund \$ 36,984,324

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	1,063,445
Educational Assistants		37,888
Certified Substitute Teachers		2,348
Non-certified Substitute Teachers		2,772
Social Security		67,181
State Retirement		61,399
Life Insurance		473
Medical Insurance		127,992
Dental Insurance		2,142
Unemployment Compensation		291
Employer Medicare		15,603

(Continued)

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Other Contracted Services	\$	5,200	
Instructional Supplies and Materials		152,709	
Other Charges		7,678	
Regular Instruction Equipment		99,392	
Total Regular Instruction Program			\$ 1,646,513

Alternative Instruction Program

Teachers	\$	72,000	
Social Security		4,464	
State Retirement		3,960	
Life Insurance		56	
Medical Insurance		9,550	
Dental Insurance		300	
Unemployment Compensation		75	
Employer Medicare		1,100	
Total Alternative Instruction Program			91,505

Special Education Program

Teachers	\$	18,000	
Educational Assistants		695,136	
Other Salaries & Wages		42,818	
Social Security		44,772	
State Retirement		50,950	
Life Insurance		745	
Medical Insurance		173,740	
Dental Insurance		3,404	
Unemployment Compensation		649	
Employer Medicare		10,471	
Contracts with Private Agencies		13,745	
Maintenance & Repair Services - Equipment		12,138	
Other Contracted Services		131,225	
Instructional Supplies and Materials		136,217	
Other Supplies and Materials		5,200	
Special Education Equipment		18,889	
Total Special Education Program			1,358,099

Vocational Education Program

Contracts with Other School Systems	\$	113,790	
Travel		2,264	

(Continued)

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program (Cont.)

Instructional Supplies and Materials	\$	37,809	
In Service/Staff Development		3,000	
Vocational Instruction Equipment		31,000	
Total Vocational Education Program			\$ 187,863

Support Services

Other Student Support

Other Salaries & Wages	\$	64,180	
Social Security		3,949	
State Retirement		3,530	
Life Insurance		16	
Medical Insurance		4,074	
Dental Insurance		125	
Unemployment Compensation		9	
Employer Medicare		924	
Travel		1,279	
Instructional Supplies and Materials		995	
Other Supplies and Materials		19,076	
Other Charges		5,666	
Total Other Student Support			103,823

Regular Instruction Program

Secretary(ies)	\$	11,180	
Social Security		676	
State Retirement		1,046	
Life Insurance		9	
Medical Insurance		2,615	
Dental Insurance		125	
Employer Medicare		158	
Consultants		24,980	
Travel		26,581	
Other Contracted Services		12,381	
Other Supplies and Materials		3,969	
In Service/Staff Development		65,167	
Other Charges		8,103	
Total Regular Instruction Program			156,990

Special Education Program

Other Salaries & Wages	\$	31,524	
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(Continued)

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Social Security	\$	1,903	
State Retirement		1,734	
Life Insurance		16	
Dental Insurance		125	
Unemployment Compensation		9	
Employer Medicare		445	
Maintenance & Repair Services - Equipment		45	
Travel		13,460	
Other Supplies and Materials		6,490	
In Service/Staff Development		15,077	
Total Special Education Program			\$ 70,828

Transportation

Diesel Fuel	\$	75,000	
Transportation Equipment		100,852	
Total Transportation			175,852

Total School Federal Projects Fund \$ 3,791,473

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	34,720
Accountants/Bookkeepers		333,948
Clerical Personnel		20,124
Cafeteria Personnel		713,002
Part-time Personnel		40,985
Other Salaries & Wages		3,525
Social Security		68,790
State Retirement		101,050
Life Insurance		1,397
Medical Insurance		320,409
Dental Insurance		6,662
Unemployment Compensation		2,539
Employer Medicare		16,088
Communication		4,632
Maintenance & Repair Services - Equipment		44,819
Travel		3,987
Other Contracted Services		128,942

(Continued)

Exhibit K-8

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Food Supplies	\$ 1,219,692	
Office Supplies	7,069	
Uniforms	9,200	
Other Supplies and Materials	199,254	
In Service/Staff Development	4,463	
Other Charges	29,929	
Food Service Equipment	44,535	
Total Food Service		\$ 3,359,761

Total Central Cafeteria Fund \$ 3,359,761

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 33,730	
Building Construction	97,348	
Transportation Equipment	614,780	
Total Education Capital Projects		\$ 745,858

Total Education Capital Projects Fund 745,858

Total Governmental Funds - Greene County School Department \$ 44,881,416

Exhibit K-9

Greene County, Tennessee
Schedule of Detailed Receipts, Disbursements, and Changes
in Cash Balances - City Agency Funds
For the Year Ended June 30, 2006

	Cities - Sales Tax Fund	City School ADA- Greeneville Fund	Total
<u>Cash Receipts</u>			
Current Property Taxes	\$ 0	\$ 1,984,174	\$ 1,984,174
Trustee's Collections - Prior Years	0	95,764	95,764
Circuit/Clerk and Master Collections - Prior Years	0	24,689	24,689
Interest and Penalty	0	23,824	23,824
Pickup Taxes	0	1,161	1,161
Payments in Lieu of Taxes - Local Utilities	0	65,018	65,018
Payments in Lieu of Taxes - Other	0	35,694	35,694
Local Option Sales Tax	6,611,255	2,373,220	8,984,475
Bank Excise Tax	0	16,745	16,745
Interstate Telecommunications Tax	0	3,293	3,293
Other Statutory Local Taxes	0	150	150
Marriage Licenses	0	1,112	1,112
Total Cash Receipts	<u>\$ 6,611,255</u>	<u>\$ 4,624,844</u>	<u>\$ 11,236,099</u>
<u>Cash Disbursements</u>			
Remittance of Revenues Collected	\$ 6,545,366	\$ 4,557,536	\$ 11,102,902
Trustee's Commission	65,889	67,308	133,197
Total Cash Disbursements	<u>\$ 6,611,255</u>	<u>\$ 4,624,844</u>	<u>\$ 11,236,099</u>
Excess of Cash Receipts Over (Under)			
Cash Disbursements	\$ 0	\$ 0	\$ 0
Cash Balance, July 1, 2005	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance, June 30, 2006	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

STATISTICAL SECTION

This part of Greene County's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	Table	Page(s)
Financial Trends:		
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-7	209-217
Revenue Capacity:		
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	8-11	218-221
Debt Capacity:		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	12-16	222-226
Demographic and Economic Information:		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	17-18	227-228
Operating Information:		
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	19-21	229-241

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Net Assets by Component
Last Four Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending			
	2003	2004	2005	2006
Primary government				
Governmental activities				
Invested in capital assets, net of related debt	\$ 22,551,008	\$ 24,078,399	\$ 24,355,434	\$24,126,291
Restricted	4,063,100	4,761,323	4,381,570	5,398,025
Unrestricted	(24,626,471)	(22,351,499)	(19,972,716)	(17,895,591)
Total primary government's governmental activities net assets	\$ 1,987,637	\$ 6,488,223	\$ 8,764,288	\$11,628,725
Discretely presented Greene County School Department				
Governmental activities				
Invested in capital assets	\$ 0	\$ 34,918,876	\$ 36,216,673	\$35,508,687
Restricted	0	3,558,667	2,199,034	1,343,905
Unrestricted	0	2,317,969	2,892,082	3,289,720
Total discretely presented Greene County School Department's governmental activities net assets	\$ 0	\$ 40,795,512	\$ 41,307,789	\$40,142,312

Note(s): The primary government implemented Governmental Accounting Standards Board's Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments for the fiscal year ended June 30, 2003. The discretely presented Greene County School Department implemented the standard as of June 30, 2004.

Table 2

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Changes in Net Assets
Last Four Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending							
	2003		2004		2005		2006	
	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit
Expenses								
Governmental activities:								
General government	\$ 1,100,026	\$ 0	\$ 1,058,614	\$ 0	\$ 1,176,861	\$ 0	\$ 1,248,461	\$ 0
Finance	1,311,610	0	1,339,619	0	1,463,941	0	1,484,857	0
Administration of justice	1,129,659	0	1,076,743	0	1,209,071	0	1,249,788	0
Public safety	7,596,920	0	7,624,671	0	8,498,966	0	9,055,469	0
Public health and welfare ⁴	4,867,122	0	4,813,480	0	5,309,761	0	6,458,578	0
Social, cultural, and recreational services	71,994	0	75,498	0	73,990	0	192,427	0
Agricultural and natural resources	153,734	0	437,421	0	258,322	0	179,561	0
Other operations	540,680	0	632,647	0	826,706	0	810,990	0
Highways	5,279,547	0	4,495,179	0	5,511,674	0	5,372,638	0
Education	807,056	0	1,116,463	0	1,431,151	0	1,029,844	0
Debt service:								
Interest on long-term debt	1,637,215	0	1,574,497	0	1,884,085	0	1,678,532	0
Other debt service	84,808	0	84,312	0	42,640	0	152,221	0
Component unit - Greene County School Department ¹	0	0	0	38,968,401	0	43,086,401	0	45,583,866
Total Expenses	\$ 24,580,371	\$ 0	\$ 24,329,144	\$ 38,968,401	\$ 27,687,168	\$ 43,086,401	\$ 28,913,366	\$ 45,583,866
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$ 490,874	\$ 0	\$ 570,708	\$ 0	\$ 481,600	\$ 0	\$ 507,056	\$ 0
Finance	1,078,032	0	1,391,862	0	1,270,629	0	1,314,046	0
Administration of justice	1,244,037	0	1,303,400	0	1,274,576	0	1,529,566	0
Public safety	2,316,637	0	2,568,890	0	2,518,106	0	2,589,288	0
Public health and welfare	2,118,573	0	2,435,864	0	2,993,272	0	3,028,853	0
Highways ²	38,000	0	449,247	0	456,559	0	50,850	0
Component unit - Greene County School Department	0	0	0	1,916,362	0	1,951,640	0	1,954,143
Operating grants and contributions ⁴	2,917,883	0	3,020,568	5,533,700	3,066,003	5,878,697	3,634,777	5,389,730
Capital grants and contributions ⁵	1,032,007	0	699,191	439,296	470,380	462,680	966,530	620,030
Total revenues	\$ 11,236,043	\$ 0	\$ 12,439,730	\$ 7,889,358	\$ 12,531,125	\$ 8,293,017	\$ 13,620,966	\$ 7,963,903
Net (expense)/revenue								
Total	\$ (13,344,328)	\$ 0	\$ (11,889,414)	\$ (31,079,043)	\$ (15,156,043)	\$ (34,793,384)	\$ (15,292,400)	\$ (37,619,963)

(Continued)

Table 2

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Change in Net Assets
Last Four Fiscal Years
(accrual basis of accounting) (cont.)

	Fiscal Year Ending							
	2003		2004		2005		2006	
	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes								
Property taxes ³	\$ 9,073,268	\$ 0	\$ 10,637,869	\$ 4,693,390	\$ 10,987,560	\$ 4,829,278	\$ 11,216,462	\$ 4,862,046
Sales taxes	1,412,257	0	1,513,041	4,471,331	1,716,845	4,769,150	1,780,552	5,057,346
Franchise taxes	141,784	0	156,446	0	186,610	0	192,173	0
Other taxes	2,710,974	0	2,860,091	7,385	3,103,507	7,157	3,306,912	8,288
Unrestricted grants and contributions	888,054	0	977,672	22,873,043	1,019,557	25,237,106	1,086,162	26,047,292
Investment earnings	429,643	0	180,310	93,709	239,737	135,238	521,650	270,256
Gain on sale/disposal of capital assets	172,328	0	20,000	0	84,560	25,694	5,845	23,402
Miscellaneous	7,228	0	44,571	361,638	9,679	302,038	47,081	185,856
Total	\$ 14,835,536	\$ 0	\$ 16,390,000	\$ 32,500,496	\$ 17,348,055	\$ 35,305,661	\$ 18,156,837	\$ 36,454,486
Change in Net Assets								
Total	\$ 1,491,208	\$ 0	\$ 4,500,586	\$ 1,421,453	\$ 2,192,012	\$ 512,277	\$ 2,864,437	\$ (1,165,477)

Note(s): The primary government implemented Governmental Accounting Standards Board's Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments for the fiscal year ended June 30, 2003.

The discretely presented Greene County School Department implemented Governmental Accounting Standards Board's Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments for the fiscal year ended June 30, 2004.

¹ Increase from 2004 to 2005 fiscal year due primarily to first full year of depreciation on new high school and middle schools' renovations, increase in health insurance costs, and cost of living raises.

² The substantial increase from the 2003 fiscal year to the 2004 and 2005 fiscal years was the result of reimbursements from the county and the United States Department of Agriculture for work performed cleaning up flood damage to various streambeds in the county.

³ The increase from the 2003 to the 2004 fiscal year for the primary government is primarily the result of a \$.15 increase in the property tax levy.

⁴ Increase from 2005 to 2006 fiscal year primarily due to a Community Development Block Grant - water line extension project and a Housing Urban Development - Home Grant.

⁵ Increase due primarily to Home Land Security Grants received in the 2006 fiscal year.

Table 3

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Governmental Activities Tax Revenues By Source
Last Four Fiscal Years
(accrual basis of accounting)

Fiscal Year Ending	Property Tax¹	Local Option Sales Tax	Franchise Tax	Hotel/Motel Tax	Wheel Tax	Litigation Tax	Business Tax	Mineral Severance Tax	Wholesale Beer Tax	Interstate Telecommunications Tax	Other Statutory Local Taxes	Total
Primary government												
2003	\$ 9,073,268	\$ 1,412,257	\$ 141,784	\$ 156,895	\$ 1,146,542	\$ 613,791	\$ 401,659	\$ 158,943	\$ 224,976	\$ 8,168	\$ 0	\$ 13,338,283
2004	10,637,869	1,513,041	156,446	195,405	1,181,810	635,117	459,581	161,986	218,967	7,129	96	15,167,447
2005	10,987,560	1,716,845	186,610	397,571	1,210,542	653,679	442,294	170,415	221,748	7,117	141	15,994,522
2006	11,216,462	1,780,552	192,173	421,133	1,251,212	746,684	478,780	169,236	223,070	6,732	10,065	16,496,099
Component unit												
2004	\$ 4,693,390	\$ 4,471,331	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,385	\$ 0	\$ 9,172,106
2005	4,829,278	4,769,150	0	0	0	0	0	0	0	7,157	0	9,605,585
2006	4,862,046	5,057,346	0	0	0	0	0	0	0	8,288	0	9,927,680

Note(s): The primary government implemented Governmental Accounting Standards Board's Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments for the fiscal year ended June 30, 2003.

The discretely presented Greene County School Department implemented Governmental Accounting Standards Board's Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments for the fiscal year ended June 30, 2004.

¹ The increase in property tax from the 2003 to the 2004 fiscal year for the primary government is primarily the result of a \$.15 increase in the property tax levy.

Table 4

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Primary government:										
General Fund										
Reserved ⁸	\$ 98,982	\$ 87,200	\$ 333,064	\$ 191,631	\$ 225,426	\$ 72,719	\$ 112,868	\$ 334,292	\$ 354,255	\$ 604,458
Unreserved	330,663	505,552	1,235,071	2,608,113	2,467,493	2,249,707	1,564,182	2,679,366	2,905,310	4,068,608
Total General Fund	\$ 429,645	\$ 592,752	\$ 1,568,135	\$ 2,799,744	\$ 2,692,919	\$ 2,322,426	\$ 1,677,050	\$ 3,013,658	\$ 3,259,565	\$ 4,673,066
All other governmental funds										
Reserved ^{1,2,3,4}	\$ 173,203	\$ 124,944	\$ 354,400	\$ 742,889	\$ 1,324,297	\$ 0	\$ 259,150	\$ 1,081,839	\$ 2,696,326	\$ 1,048,121
Unreserved, reported in:										
Special revenue funds ⁵	721,386	926,206	1,098,961	1,175,889	662,902	1,157,318	3,193,144	2,862,623	3,761,989	3,743,822
Debt service funds	2,779,076	2,239,900	1,975,924	1,761,211	2,335,974	2,744,642	3,127,451	2,885,399	2,621,554	2,711,351
Capital projects funds ²	209,920	1,929,861	2,871,029	1,514,250	(191,208)	96,820	113,000	60,290	510,412	776,190
Total all other governmental funds	\$ 3,883,585	\$ 5,220,911	\$ 6,300,314	\$ 5,194,239	\$ 4,131,965	\$ 3,998,780	\$ 6,692,745	\$ 6,890,151	\$ 9,590,281	\$ 8,279,484
Component unit:										
General fund (General Purpose School)										
Reserved ^{6,9}	\$ 1,286,151	\$ 2,297,055	\$ 1,854,020	\$ 1,293,468	\$ 2,669,745	\$ 2,761,027	\$ 2,505,908	\$ 91,874	\$ 5,826	\$ 428,628
Unreserved	1,004,954	1,136,288	1,835,846	1,397,801	1,427,814	2,022,150	1,988,638	2,139,989	2,643,177	2,649,048
Total general fund	\$ 2,291,105	\$ 3,433,343	\$ 3,689,866	\$ 2,691,269	\$ 4,097,559	\$ 4,783,177	\$ 4,494,546	\$ 2,231,863	\$ 2,649,003	\$ 3,077,676
All other governmental funds										
Reserved ⁷	\$ 156,180	\$ 4,867,352	\$ 781,884	\$ 690,269	\$ 808,238	\$ 15,884,381	\$ 3,352,994	\$ 3,057,454	\$ 1,242,142	\$ 324,468
Unreserved, reported in:										
Special revenue funds	672,020	627,674	554,978	760,919	844,515	837,958	773,140	809,203	834,835	956,739
Capital projects funds ⁷	(506,167)	1,162,564	(34,136)	3,771	0	2,523,328	1,095,330	(399,864)	134,012	120
Total all other governmental funds	\$ 322,033	\$ 6,657,590	\$ 1,302,726	\$ 1,454,959	\$ 1,652,753	\$ 19,245,667	\$ 5,221,464	\$ 3,466,793	\$ 2,210,989	\$ 1,281,327

Note(s): ¹ The significant variance between 1999 and 2000 was the result of reserves for encumbrance in the Highway/Public Works fund related to equipment purchases.

² The variance between 2000 and 2001 was primarily the result of encumbrances related to the courthouse annex renovations and the construction of the workhouse.

³ The variance in the 2004 fiscal year was primarily the result of amounts reserved for encumbrances in the Highway/Public Works fund for equipment purchases and a streambed repair project.

⁴ The variance in 2005 is primarily the result of other loan proceeds reserved for road projects.

⁵ On July 1, 2002, the special purpose fund was reclassified to a special revenue fund from an internal service fund as required by GASB No. 34.

⁶ Decrease in the 2004 fiscal year due to BEP Non-classroom reserve was expended for a school addition.

⁷ Variances due primarily to reserves for encumbrances for school construction and renovation projects.

⁸ Increase from 2005 to 2006 fiscal year primarily the result of an increase in reserved for encumbrances for voting machines.

⁹ Increase in the 2006 fiscal year due to an increase in reserved for encumbrances for outstanding purchase orders.

Table 5

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

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Local taxes	\$ 8,794,026	\$ 9,052,202	\$ 10,897,570	\$ 11,327,043	\$ 12,309,991	\$ 12,503,832	\$ 13,252,194	\$ 15,182,779	\$ 15,752,654	\$ 16,549,305
Licenses and permits	90,125	91,761	113,092	188,545	148,348	223,227	180,196	232,956	249,805	275,031
Fines, forfeitures, and penalties	343,392	396,297	392,604	409,153	389,964	403,219	506,071	579,436	570,262	655,303
Charges for current services ¹	3,093,506	3,066,486	3,223,650	3,317,524	3,671,251	4,074,161	4,506,558	2,662,165	2,930,722	3,172,444
Investment earnings	309,363	368,070	503,138	447,311	565,481	516,896	426,143	180,294	239,727	521,650
Other local revenues	486,175	402,898	341,064	461,150	267,500	504,766	734,221	708,152	610,967	610,537
Miscellaneous	28,802	106,500	5,617	7,406	5,418	16,532	7,228	18,987	9,674	45,568
Fees received from county officials ¹	0	0	0	0	0	0	0	2,393,932	2,387,955	2,717,702
State of Tennessee	3,560,916	3,395,378	3,736,459	4,083,334	3,436,042	3,934,357	4,622,176	4,957,172	4,431,160	4,607,028
Federal government	598,031	190,899	514,796	293,770	334,555	874,702	531,259	471,339	904,060	1,463,066
Other governments and citizens groups	544,145	412,500	216,528	586,068	544,036	749,101	1,129,741	1,312,982	1,168,718	698,566
Total revenues	\$ 17,848,481	\$ 17,482,991	\$ 19,944,518	\$ 21,121,304	\$ 21,672,586	\$ 23,800,793	\$ 25,895,787	\$ 28,700,194	\$ 29,255,704	\$ 31,316,200
Expenditures										
General government ^{2,3}	\$ 579,181	\$ 608,298	\$ 768,585	\$ 794,826	\$ 1,013,411	\$ 895,772	\$ 1,828,984	\$ 1,758,861	\$ 2,806,448	\$ 2,307,991
Finance	703,582	962,289	930,552	1,055,790	1,051,693	1,098,937	1,303,666	1,372,475	1,412,240	1,468,615
Administration of justice	636,028	780,708	808,556	875,213	833,393	918,370	1,125,025	1,110,782	1,204,768	1,244,325
Public safety	3,388,800	3,949,873	4,238,913	4,797,271	5,602,991	6,140,225	7,378,509	7,611,278	8,080,124	8,765,711
Public health and welfare ⁴	3,912,404	3,834,027	3,774,399	4,139,706	4,426,748	4,338,838	4,617,831	4,803,663	5,137,533	5,244,625
Social, cultural, and recreational services	51,250	55,000	57,750	60,000	66,923	67,354	71,994	75,498	73,990	75,500
Agricultural and natural resources	128,367	158,226	161,302	141,708	146,023	143,649	153,247	440,445	170,853	176,714
Other operations ⁵	1,006,035	420,899	478,944	505,276	601,478	546,930	590,687	634,294	777,215	809,347
Highways ⁶	8,677,321	5,327,977	5,280,487	4,610,902	5,389,195	4,978,139	4,681,450	4,941,906	5,504,397	4,652,085
Capital outlay	0	0	0	0	0	0	356,643	0	0	0
Debt service:										
Principal	1,672,851	2,056,316	1,931,824	2,022,483	1,897,796	1,810,507	1,992,887	2,518,828	1,838,834	2,095,082
Interest	356,749	509,299	873,759	933,356	880,678	1,330,056	1,630,799	1,513,199	1,968,701	1,597,644
Other debt service	45,206	40,770	205,468	49,260	52,646	63,363	55,959	213,769	297,738	62,589
Capital projects	1,182,555	221,407	1,657,785	1,009,979	1,069,833	1,297,149	272,476	782,695	3,135,392	4,231,082
Capital projects - donated ⁷	0	0	0	0	0	0	0	439,296	462,680	614,780
Total expenditures	\$ 22,340,329	\$ 18,925,089	\$ 21,168,324	\$ 20,995,770	\$ 23,032,808	\$ 23,629,289	\$ 26,060,157	\$ 28,216,989	\$ 32,870,913	\$ 33,346,090
Excess of revenues over (under) expenditures	\$ (4,491,848)	\$ (1,442,098)	\$ (1,223,806)	\$ 125,534	\$ (1,360,222)	\$ 171,504	\$ (164,370)	\$ 483,205	\$ (3,615,209)	\$ (2,029,890)

(Continued)

Table 5

Greene County, Tennessee
General Government
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting) (cont.)

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Other financing sources (uses)										
Transfers in ¹	\$ 3,304,253	\$ 3,612,273	\$ 2,865,857	\$ 3,265,309	\$ 3,270,136	\$ 3,631,039	\$ 3,375,260	\$ 950,736	\$ 2,356,483	\$ 1,079,198
Transfers out ¹	(3,304,253)	(3,612,273)	(2,865,857)	(3,265,309)	(3,628,835)	(4,306,221)	(3,375,260)	(950,736)	(1,510,517)	(1,079,198)
Operating transfers to component units	(75,000)	(75,000)	0	0	0	0	0	0	0	0
Public building authority loan proceeds	0	0	0	0	0	0	0	0	0	0
Other loans issued	5,940,000	2,956,050	0	0	0	0	0	3,557,096	5,000,000	1,442,904
Notes issued	810,000	0	218,592	0	549,822	0	356,643	439,296	462,680	614,780
Insurance Recovery	0	0	0	0	0	0	0	0	0	74,910
Premiums on debt issued	0	0	0	0	0	0	0	434,306	577,946	0
Refunding bonds issued	0	0	3,060,000	0	0	0	0	0	22,330,000	0
Payments to refunded bond escrow agent	0	0	0	0	0	0	0	(3,379,889)	(22,655,346)	0
Total other financing sources (uses)	\$ 6,675,000	\$ 2,881,050	\$ 3,278,592	\$ -	\$ 191,123	\$ (675,182)	\$ 356,643	\$ 1,050,809	\$ 6,561,246	\$ 2,132,594
Net change in fund balances	\$ 2,183,152	\$ 1,438,952	\$ 2,054,786	\$ 125,534	\$ (1,169,099)	\$ (503,678)	\$ 192,273	\$ 1,534,014	\$ 2,946,037	\$ 102,704
Debt service as a percentage of non-capital expenditures	9.81%	13.94%	15.43%	15.04%	12.89%	14.35%	14.47%	15.73%	14.02%	13.18%

Note(s):

¹ Before July 1, 2004, fees received from the individual constitutional officers' offices were presented as charges for services and as an operating transfer from a special revenue fund to the general fund. From that time forward they have been shown as fees received from county officials in the general fund only.

² The special purpose fund (workers' compensation and liability fund), previous to July 1, 2002, was considered an internal service fund; however, upon the implementation of GASB Statement No. 34 it was reclassified to a special revenue fund.

³ Increase in 2005 fiscal year primarily due to increase in workers' compensation and liability self-insurance costs.

⁴ Amounts for a sanitization note and an Emergency Medical Services note that were previously shown as an expense of the function were broken out into debt service costs as of July 1, 2002.

⁵ The costs for Social Security, Medicare, and retirement were paid from Other General Government until July 1, 1997. From that time forward it has been paid from the individual department's budgets.

⁶ As of July 1, 2002, amounts for a highway note that were previously shown as an expense of the function were broken out into debt service costs.

⁷ For debt issued by the primary government for the Greene County School Department.

Table 6

Greene County, Tennessee
Discretely Presented Greene County School Department
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Local taxes	\$ 7,203,667	\$ 7,300,510	\$ 7,898,738	\$ 8,195,063	\$ 8,382,250	\$ 8,716,686	\$ 8,911,828	\$ 9,394,184	\$ 9,758,739	\$ 10,241,569
Licenses and permits	3,140	3,296	3,201	3,630	3,074	3,305	2,765	2,724	2,816	2,203
Charges for current services	1,427,859	1,523,771	1,558,152	1,666,708	1,699,282	1,943,508	1,820,843	1,873,612	1,951,640	1,954,143
Investment earnings	225,026	361,724	333,114	270,742	312,451	161,729	113,821	93,709	144,936	297,302
Other local revenues	118,626	74,194	179,751	72,950	33,086	340,601	286,281	237,148	183,300	110,691
Miscellaneous	71,723	15,030	17,379	57,803	65,948	62,223	104,839	196,523	282,457	448,320
State of Tennessee	16,588,583	18,323,554	19,256,680	19,774,199	21,191,496	20,990,423	21,652,907	22,552,184	24,228,996	25,721,818
Federal government	2,867,441	3,152,561	3,278,330	3,722,186	4,094,284	4,355,657	4,972,650	5,360,212	6,221,427	4,989,601
Other governments and citizens groups	0	30,122	0	25,482	83,158	620,694	839,693	439,296	462,680	614,780
Total revenues	\$ 28,506,065	\$ 30,784,762	\$ 32,525,345	\$ 33,788,763	\$ 35,865,029	\$ 37,194,826	\$ 38,705,627	\$ 40,149,592	\$ 43,236,991	\$ 44,380,427
Expenditures										
Current:										
Instruction	\$ 19,068,551	\$ 18,443,514	\$ 19,136,297	\$ 20,667,880	\$ 20,944,207	\$ 21,715,479	\$ 22,746,543	\$ 23,986,443	\$ 25,511,213	\$ 26,554,707
Support services	5,871,748	7,878,833	8,477,875	9,482,138	9,839,797	10,193,810	10,713,195	11,425,828	12,062,083	12,894,263
Operation of non-instructional services	2,137,329	2,421,093	2,489,967	2,520,237	2,687,672	2,996,781	2,888,006	3,029,676	3,260,208	3,962,264
Capital outlay	1,299,150	780,627	868,324	1,879,084	704,433	1,060,210	1,587,856	1,046,132	673,518	724,324
Capital projects	1,484,895	2,692,324	7,074,499	538,540	576,112	5,070,210	15,082,861	4,678,867	2,568,633	745,858
Total expenditures	\$ 29,861,673	\$ 32,216,391	\$ 38,046,962	\$ 35,087,879	\$ 34,752,221	\$ 41,036,490	\$ 53,018,461	\$ 44,166,946	\$ 44,075,655	\$ 44,881,416
Excess of revenues over (under) expenditures	\$ (1,355,608)	\$ (1,431,629)	\$ (5,521,617)	\$ (1,299,116)	\$ 1,112,808	\$ (3,841,664)	\$ (14,312,834)	\$ (4,017,354)	\$ (838,664)	\$ (500,989)
Other financing sources (uses)										
Transfers in	\$ 74,824	\$ 29,349	\$ 1,069,291	\$ 184,438	\$ 1,981	\$ 13,000	\$ 122,000	\$ 2,203,096	\$ 557,006	\$ 322,678
Transfers out	(74,824)	(29,349)	(1,069,291)	(184,438)	(1,981)	(13,000)	(122,000)	(2,203,096)	(557,006)	(322,678)
Notes issued	1,249,675	2,654,424	423,276	452,752	356,013	500,000	0	0	0	0
Bonds issued	0	6,255,000	0	0	0	21,925,000	0	0	0	0
Discount on bonds issued	0	0	0	0	0	(89,859)	0	0	0	0
Other debt issuance charges	0	0	0	0	0	(214,945)	0	0	0	0
Total other financing sources (uses)	\$ 1,249,675	\$ 8,909,424	\$ 423,276	\$ 452,752	\$ 356,013	\$ 22,120,196	\$ 0	\$ 0	\$ 0	\$ 0
Net change in fund balances	\$ (105,933)	\$ 7,477,795	\$ (5,098,341)	\$ (846,364)	\$ 1,468,821	\$ 18,278,532	\$ (14,312,834)	\$ (4,017,354)	\$ (838,664)	\$ (500,989)

Table 7

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending	Property Tax¹	Local Option Sales Tax²	Franchise Tax	Hotel/Motel Tax	Wheel Tax	Litigation Tax	Business Tax	Mineral Severance Tax	Wholesale Beer Tax	Bank Excise Tax	Interstate Telecommunications Tax	Other Statutory Local Taxes	Total
Primary government:													
1997	\$5,732,032	\$ 710,498	\$ 33,046	\$ 76,303	\$ 1,021,232	\$ 402,378	\$ 283,951	\$252,046	\$258,523	\$57,063	\$ 0	\$ 0	\$ 8,827,072
1998	5,823,578	768,438	34,567	119,534	1,048,486	441,609	348,274	203,600	233,491	65,192	0	0	9,086,769
1999	7,707,494	639,467	33,217	120,516	1,091,199	456,692	370,739	219,206	228,135	64,122	0	0	10,930,787
2000	7,827,165	943,527	41,915	126,793	1,118,546	459,521	357,797	206,131	221,820	65,743	0	0	11,368,958
2001	8,049,167	1,472,691	67,722	146,572	1,122,050	621,034	402,969	221,692	210,201	62,931	684	0	12,377,713
2002	8,353,875	1,427,524	140,751	137,535	1,141,970	570,644	425,584	178,713	211,946	56,041	0	0	12,644,583
2003	9,083,592	1,386,930	105,985	156,895	1,146,542	613,791	401,659	158,943	224,976	70,875	7,991	0	13,358,179
2004	10,712,512	1,531,470	154,207	195,405	1,181,810	635,117	459,581	161,986	218,967	78,517	7,318	96	15,336,986
2005	10,897,506	1,694,970	177,567	397,571	1,210,542	653,679	442,294	170,415	221,748	56,795	7,134	0	15,930,221
2006	11,414,370	1,762,534	191,339	421,133	1,251,212	746,684	478,780	169,236	223,070	75,554	6,732	0	16,740,644
Component unit:													
1997	\$3,653,669	\$ 3,504,989	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$44,456	\$ 0	\$ 553	\$ 7,203,667
1998	3,653,227	3,596,301	0	0	0	0	0	0	0	50,372	0	610	7,300,510
1999	4,063,962	3,794,589	0	0	0	0	0	0	0	39,330	0	857	7,898,738
2000	4,152,356	4,001,346	0	0	0	0	0	0	0	40,860	0	501	8,195,063
2001	4,213,300	4,129,571	0	0	0	0	0	0	0	38,940	0	439	8,382,250
2002	4,414,970	4,259,284	0	0	0	0	0	0	0	34,717	7,253	462	8,716,686
2003	4,718,986	4,141,627	0	0	0	0	0	0	0	42,682	8,061	472	8,911,828
2004	4,891,144	4,454,811	0	0	0	0	0	0	0	40,144	7,575	510	9,394,184
2005	4,960,441	4,761,386	0	0	0	0	0	0	0	29,205	7,167	540	9,758,739
2006	5,199,288	4,994,977	0	0	0	0	0	0	0	38,764	8,197	343	10,241,569

Note(s):

¹ The property tax levy for the primary government was increased by \$.15 per \$100 of assessed value for the 2004 fiscal year.

² The local optional sales tax received by the primary government was increased by 1/4 of a percent on all taxable items during the 2000 fiscal year.

Table 8

Greene County, Tennessee
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ending June 30	Tax Year	Real Property Assessed			Tangible Personal Property Assessed Commercial & Industrial Property	Public Utility Property	Total Taxable Assessed Value (Inside City of Greeneville)	Total Taxable Assessed Value (Outside City of Greeneville)	Total Taxable Assessed Value	Total Direct Tax Rate Inside	Total Direct Tax Rate Outside	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Residential, Farm, Agricultural, & Forest Property	Commercial, Industrial, & Mineral Property	Commercial & Industrial Property									
1997	1996	\$ 293,476,718	\$ 101,674,553	\$ 49,944,421	\$ 27,820,862	\$ 179,870,620	\$ 293,045,934	\$ 472,916,554	2.20	2.62	\$ 1,691,605,654	27.96%	
1998	1997	306,664,598	103,184,633	55,110,781	20,839,165	184,136,520	301,662,657	485,799,177	2.20	2.62	1,731,081,519	28.06%	
1999	1998	442,197,546	144,649,120	79,998,217	28,687,454	257,980,424	437,551,913	695,532,337	1.81	2.11	2,466,718,301	28.20%	
2000	1999	452,068,650	157,865,680	85,125,534	31,407,455	273,831,458	452,635,861	726,467,319	1.81	2.11	2,543,794,901	28.56%	
2001	2000	470,403,225	162,029,920	75,170,995	29,450,888	271,235,162	465,819,866	737,055,028	1.81	2.11	2,632,337,725	28.00%	
2002	2001	482,185,775	167,453,760	89,647,869	31,491,442	300,134,156	470,644,690	770,778,846	1.81	2.11	2,753,800,861	27.99%	
2003	2002	493,078,325	171,365,520	81,207,524	31,056,125	297,535,507	479,171,987	776,707,494	1.81	2.11	2,785,586,648	27.88%	
2004	2003	598,565,800	190,733,400	111,978,020	36,418,748	344,299,648	593,396,320	937,695,968	1.70	1.95	3,310,572,446	28.32%	
2005	2004	610,401,675	194,664,520	114,732,558	41,873,373	350,740,179	610,931,947	961,672,126	1.70	1.95	3,386,843,025	28.39%	
2006	2005	626,342,250	197,984,480	98,456,331	37,812,709	346,438,566	614,157,204	960,595,770	1.70	1.95	3,437,172,852	27.95%	

Source(s): Assessors' summary assessments and the Tennessee Comptroller of the Treasury - Division of Property Assessments.

Note(s): Exempt properties are not included in the assessed or estimated value. Tax rates are per \$100 of assessed value. A reappraisal was performed during the 1998 and 2003 tax years. Appraised to taxable values are based on the following table. The breakdown between real and personal property assessed values for tax years 1995-98 was estimated using a three year moving average of the following years.

Assessment Ratio Table	
Category	Percentage of Appraised Value
Real Property:	
Public utilities	55%
Commercial	40%
Industrial	40%
Residential	25%
Farm	25%
Agriculture	25%
Forest	25%
Mineral	40%
Personal Property:	
Public Utilities	55%
Commercial	30%
Industrial	30%

Table 9

**Greene County, Tennessee
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Greene County, Tennessee											
Fiscal Year Ending ¹	Tax Year	General Fund	Highway Fund	General Purpose School Fund ²	General Debt Service Fund	Employee Benefit Fund	Self Insurance Fund	Solid Waste Fund	Total ³	City of Greeneville, Tennessee ^{3,4}	Total ³
1997	1996	\$ 0.58	\$ 0.18	\$ 1.07	\$ 0.10	\$ 0.15	\$ 0.03	\$ 0.09	\$ 2.20	\$ 2.96	\$ 5.16
1998	1997	0.55	0.21	1.07	0.10	0.15	0.03	0.09	2.20	2.96	5.16
1999	1998 ⁵	0.59	0.15	0.79	0.07	0.11	0.02	0.08	1.81	2.22	4.03
2000	1999	0.59	0.15	0.79	0.07	0.11	0.02	0.08	1.81	2.40	4.21
2001	2000	0.59	0.15	0.79	0.07	0.11	0.02	0.08	1.81	2.40	4.21
2002	2001	0.59	0.15	0.79	0.07	0.11	0.02	0.08	1.81	2.56	4.37
2003	2002	0.62	0.18	0.84	0.07	0.00	0.02	0.08	1.81	2.56	4.37
2004	2003 ⁵	0.67	0.16	0.72	0.06	0.00	0.02	0.07	1.70	2.29	3.99
2005	2004	0.67	0.16	0.72	0.06	0.00	0.02	0.07	1.70	2.29	3.99
2006	2005	0.66	0.16	0.72	0.06	0.00	0.02	0.08	1.70	2.29	3.99

Source(s): Greene County Commission's resolutions for tax levies by fiscal year and the City of Greeneville Recorder's Office.

Note(s):

¹ Taxes assessed in one fiscal year are for the benefit of the following fiscal year.

² The portion of property taxes designated for education are allocated between the Greene County Board of Education and the City of Greeneville Board of Education based on average daily attendance. An additional \$0.42 for fiscal years ending 1997 and 1998, \$0.30 for fiscal years ending 1999-2003, and \$0.25 for fiscal years ending 2004, 2005, and 2006 is for rural school debt and is applied only to taxpayers living outside the City of Greeneville. These additional amounts for rural school debt are not included in this schedule.

³ Rates are applied per \$100 of assessed valuation.

⁴ The City of Greeneville is considered an overlapping government. There are three other cities in the county; however, they do not have a property tax.

⁵ A reappraisal was performed during the 1998 and 2003 tax years.

Table 10

**Greene County, Tennessee
Principal Property Taxpayers
June 30, 2006**

Taxpayer	Fiscal Year Ending 2006			Fiscal Year Ending 1997		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
United Telephone Southeast Inc. Plus Mark, Inc./	\$ 11,485,226	1	1.2%	\$ 9,652,380	3	2.0%
American Greetings	10,021,726	2	1.0%	11,024,084	2	2.3%
DTR Tennessee, Inc.	9,758,910	3	1.0%	-	-	-
Wal-Mart, Inc.	7,310,001	4	0.8%	4,083,969	7	0.9%
John Deere Power Products	7,226,922	5	0.8%	1,666,412	10	0.4%
Metals Engineering Corporation	5,674,766	6	0.6%	4,616,590	4	1.0%
Parker Hannifin	5,236,237	7	0.5%	3,521,145	8	0.7%
Norfolk Southern - Main Line	4,974,013	8	0.5%	4,224,441	5	0.9%
Tennessee Electro Minerals	4,794,273	9	0.5%	-	-	-
Alltrista Zinc Products LP	4,026,575	10	0.4%	4,115,477	6	0.9%
G.C. Capital/Phillips	-	-	-	15,655,136	1	3.3%
New Plan of Tennessee	-	-	-	3,338,091	9	0.7%
Totals	\$ 70,508,649		7.3%	\$ 61,897,725		13.1%

Table 11

**Greene County, Tennessee
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ending June 30	Tax Year	Adjusted Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1997	1996	\$ 11,587,495	\$ 11,041,576	95.29%	\$ 527,532	\$ 11,569,108	99.84%
1998	1997	12,232,757	11,211,698	91.65%	876,218	12,087,916	98.82%
1999	1998	13,830,317	13,295,370	96.13%	532,285	13,827,655	99.98%
2000	1999	14,436,908	13,798,613	95.58%	638,295	14,436,908	100.00%
2001	2000	14,898,988	14,032,565	94.18%	819,297	14,851,862	99.68%
2002	2001	15,363,648	14,524,438	94.54%	808,368	15,332,806	99.80%
2003	2002	15,479,499	14,631,068	94.52%	818,233	15,449,301	99.80%
2004	2003	17,147,450	16,288,173	94.99%	824,115	17,112,287	99.79%
2005	2004	17,623,718	16,590,077	94.13%	902,503	17,492,580	99.26%
2006	2005	17,838,349	17,081,680	95.76%	0	17,081,680	95.76%

Source(s): Trustee's tax rolls, trustee's tax collection records and clerk and master's tax collections records.

Note(s): Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalties 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.

Table 12

Greene County, Tennessee
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ending June 30	Governmental Activities					Total Primary Government ¹	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	Rural School Bonds	Capital Outlay Notes	Capital Leases	Other Loans Payable			
1997	\$ 1,910,000	\$ 385,000	\$ 3,722,551	\$ 36,842	\$ 6,043,950	\$ 12,098,343	1.06%	\$ 201
1998	1,250,000	6,255,000	5,279,734	11,162	9,000,000	21,795,896	1.73%	355
1999	4,135,000	6,255,000	4,430,358	0	8,643,750	23,464,108	1.73%	376
2000	3,950,000	6,255,000	3,462,939	0	8,086,667	21,754,606	1.52%	345
2001	3,755,000	6,190,000	3,166,357	0	7,504,167	20,615,524	1.39%	325
2002	3,550,000	28,050,000	2,444,234	0	6,945,000	40,989,234	2.62%	644
2003	3,340,000	27,890,000	1,812,990	0	6,310,000	39,352,990	2.26%	614
2004	725,000	27,320,000	1,208,458	0	8,332,096	37,585,554	2.00%	582
2005	580,000	27,080,000	1,092,304	0	12,907,096	41,659,400	2.04%	641
2006	580,000	26,220,000	1,107,002	0	13,715,000	41,622,002	1.88%	636

Note(s):

¹ Details regarding the county's outstanding debt can be found in the notes to the financial statements.

² See the Schedule of Demographic and Economic Statistics Table 17 for personal income and population data.

Table 13

Greene County, Tennessee
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ending June 30	General Obligation Bonds	Rural School Bonds	Total Bonded Debt ¹	Less: Amounts Available in General Debt Service Fund	Less: Amounts Available in Education Debt Service Fund ²	Less: Amounts Available in All Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property ³		Per Capita ⁴
1997	\$ 1,910,000	\$ 385,000	\$ 2,295,000	\$ 906,360	\$ 1,872,716	\$ 2,779,076	\$ (484,076)	0.00%		\$ 0
1998	1,250,000	6,255,000	7,505,000	338,912	1,900,988	2,239,900	5,265,100	0.30%		86
1999	4,135,000	6,255,000	10,390,000	246,937	1,728,987	1,975,924	8,414,076	0.34%		135
2000	3,950,000	6,255,000	10,205,000	37,402	1,723,809	1,761,211	8,443,789	0.33%		134
2001	3,755,000	6,190,000	9,945,000	88,141	2,247,833	2,335,974	7,609,026	0.29%		120
2002	3,550,000	28,050,000	31,600,000	230,665	2,513,977	2,744,642	28,855,358	1.05%		453
2003	3,340,000	27,890,000	31,230,000	359,468	2,767,983	3,127,451	28,102,549	1.01%		438
2004	725,000	27,320,000	28,045,000	513,377	2,372,022	2,885,399	25,159,601	0.76%		390
2005	580,000	27,080,000	27,660,000	653,180	1,968,374	2,621,554	25,038,446	0.74%		385
2006	580,000	26,220,000	26,800,000	995,178	1,716,173	2,711,351	24,088,649	0.70%		368

Source(s): Debt amortization schedules

Note(s):

¹ Details regarding the county's outstanding debt can be found in the notes to the financial statements.

² Amounts available in the education debt service fund can only be used for rural school debt.

³ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Table 8 for property value data.

⁴ Population data can be found in the Schedule of Demographic and Economic Statistics on Table 17.

Table 14

Greene County, Tennessee
Direct and Overlapping Governmental Activities Debt
As of June 30, 2006

<u>Governmental Unit</u>	<u>Total County Direct Debt</u>	<u>City of Greeneville Overlapping and Debt Direct</u>	<u>Town of Mosheim Overlapping and Debt Direct</u>	<u>City of Tusculum Overlapping and Debt Direct</u>	<u>Town of Baileyton Overlapping and Debt Direct</u>
City's or Town's debt	\$ -	\$ 25,148,338	\$ 1,195,942	\$ 32,949	\$ 369,705
Subtotal, overlapping debt	\$ -	\$ 25,148,338	\$ 1,195,942	\$ 32,949	\$ 369,705
Greene County direct debt	41,622,002	15,065,188	1,130,969	1,125,284	292,988
Total direct and overlapping debt	<u>\$ 41,622,002</u>	<u>\$ 40,213,526</u>	<u>\$ 2,326,911</u>	<u>\$ 1,158,233</u>	<u>\$ 662,693</u>

Source(s): County's amortization schedules and city recorders' offices.

Note(s): Overlapping governments are those that are within the geographic boundaries of the county. This schedule presents outstanding debt of those overlapping governments that are within Greene County. When considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government. The amount of the county's debt overlapping with a city is estimated based on that city's percentage of property tax assessment.

Table 15

**Greene County, Tennessee
Legal Debt Margin Information
Last Ten Fiscal Years**

Not applicable to Greene County, Tennessee

Table 16

**Greene County, Tennessee
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Not applicable to Greene County, Tennessee

Table 17
Greene County, Tennessee
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ending June 30	Population¹	Personal Income (amounts expressed in thousands)¹	Per Capita Personal Income¹	Median Age²	Greene County School Enrollment³	Greeneville City School Enrollment³	Annual Unemployment Rate⁴
1997	60,211	\$ 1,141,004	\$ 18,950	38.2	7,869	3,508	9.4%
1998	61,357	1,262,938	20,583	38.4	7,914	3,192	6.3%
1999	62,357	1,354,202	21,717	38.7	8,052	3,601	5.6%
2000	63,049	1,434,325	22,749	38.9	8,135	3,483	5.9%
2001	63,375	1,480,474	23,361	39.2	8,181	3,555	7.5%
2002	63,682	1,563,413	24,550	39.4	8,160	3,532	6.5%
2003	64,110	1,740,447	27,148	39.7	8,110	3,553	7.4%
2004	64,581	1,882,771	29,154	39.9	8,227	3,595	7.7%
2005	64,988	2,040,316	31,395	40.2	8,352	3,581	8.5%
2006	65,398	2,211,044	33,809	40.4	8,517	3,689	9.3%

Source(s): Bureau of Economic Analysis, Regional Economic Accounts, U.S. Bureau of the Census, Tennessee Department of Education and the Tennessee Department of Labor & Workforce Development.

Note(s):

¹ Amounts were provided by the Bureau of Economic Analysis: Regional Economic Accounts. Population and personal income amounts for the 2005 and 2006 fiscal years were estimated using a three-year average change of the three previous years. Per capita personal income was calculated by dividing personal income by population.

² U.S. Bureau of the Census amounts for 1990 and 2000 were used to interpolate intervening years. The 2000 amount is actual per United States Bureau of the Census. Fiscal years 2001-06 were calculated by taking a three-year average change of the three previous years.

³ Enrollment amounts represent the weighted full time equivalent average daily attendance.

⁴ Unemployment data was provided by the Tennessee Department of Labor & Workforce Development. The 2006 unemployment rate was calculated by taking a three-year average change of the three previous years.

Table 18
Greene County, Tennessee
Principal Employers
Current Year and Nine Years Ago

<u>Employer⁴</u>	<u>2006</u>			<u>1997</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment¹</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment^{2 & 3}</u>
Greene Valley Developmental Center	1,400	1	4.69%	1,300	3	4.17%
Wal-Mart Distribution Center	1,100	2	3.69%	-	-	-
Plus Mark, Inc.	1,075	3	3.60%	1,421	2	4.55%
DTR-Tennessee	950	4	3.18%	-	-	-
Wal-Mart Stores, Inc.	800	5	2.68%	-	-	-
Laughlin Memorial Hospital	700	6	2.35%	568	6	1.82%
John Deere Power Products	650	7	2.18%	-	-	-
EcoQuest International	540	8	1.81%	-	-	-
Parker-Hannifin	450	9	1.51%	-	-	-
Takoma Adventist Hospital	400	10	1.34%	-	-	-
Phillips Consumer Electronics	-	-	-	2,464	1	7.89%
MECO Corporation	-	-	-	784	4	2.51%
Doehler-Jarvis	-	-	-	600	5	1.92%
Hurd Corporation	-	-	-	300	7	0.96%
Total	<u>8,065</u>		<u>27.04%</u>	<u>7,437</u>		<u>23.83%</u>

Source(s): Tennessee Department of Economic and Community Development, Tennessee Department of Labor & Workforce Development and the First Tennessee Development District.

Note(s):

- ¹ Percentage is based on June 2006 employment data provided by the Tennessee Department of Labor & Workforce Development.
- ² Percentage is based on 1997 employment data provided by the Tennessee Department of Labor & Workforce Development.
- ³ Information was only available on the top seven employers for the 1997 fiscal year.
- ⁴ Employer information does not include local governments' employees.

Table 19

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Full-time Equivalent Employees as of June 30</u>									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government										
County commission										
County commissioners ¹	21	21	21	21	21	21	21	21	21	21
County mayor										
County mayor	1	1	1	1	1	1	1	1	1	1
Secretary(ies)	1	1	1	1	1	1	1	1	1	1
County attorney										
County attorney ²	0	0	1	1	1	1	1	1	1	1
Secretary(ies)	0	0	0	0	1	1	1	1	1	1
Election commission										
Registrar of elections	1	1	1	1	1	1	1	1	1	1
Clerical personnel	1	1	1	1	1	2	3	3	3	3
Election commission ³	5	5	5	5	5	5	5	5	5	5
Register of deeds										
Register of deeds	1	1	1	1	1	1	1	1	1	1
Accountants/bookkeepers	0	0	0	0	0	0	0	1	1	1
Clerical personnel	5	5	5	4	4	5	5	4	4	4
County buildings										
Custodial personnel	2	2	2	2	0	0	0	0	0	0
Maintenance personnel	0	0	0	2	1	2	2	2	2	2
Total general government	38	38	39	40	38	41	42	42	42	42
Finance										
Accounting and budgeting										
Budget director	1	1	1	1	1	1	1	1	1	1
Accountants/bookkeepers	3	3	3	4	4	4	4	4	4	4
Purchasing										
Purchasing agent	1	1	1	1	1	1	1	1	1	1
Purchasing personnel	1	1	1	1	1	1	1	1	1	1
Property assessor's office										
Property assessor	1	1	1	1	1	1	1	1	1	1
Data processing personnel	0	0	0	0	0	0	0	0	0	1
Assessment personnel	9	9	9	9	9	9	9	9	9	7
Clerical personnel	0	0	0	0	0	0	0	0	0	1
County trustee's office										
Trustee	1	1	1	1	1	1	1	1	1	1
Assistant(s)	1	1	1	1	1	1	1	1	1	1
Accountants/bookkeepers	0	0	0	0	0	1	1	1	1	1
Clerical personnel	1	1	1	1	1	1	1	1	1	1
County clerk's office										
County clerk	1	1	1	1	1	1	1	1	1	1
Assistant(s)	0	0	0	0	0	0	0	1	1	1
Accountants/bookkeepers	0	0	0	0	0	0	0	0	0	1
Clerical personnel	7	7	7	8	8	8	8	8	8	7
Total finance	27	27	27	29	29	30	30	31	31	31

(Continued)

Table 19

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years (cont.)

Full-time Equivalent Employees as of June 30										
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Administration of justice										
Circuit court										
Circuit court clerk	1	1	1	1	1	1	1	1	1	1
Assistant(s)	0	0	0	0	0	0	0	1	1	1
Accountants/bookkeepers	0	0	0	0	0	0	0	1	1	1
Clerical personnel	9	9	9	9	10	10	10	8	8	8
General sessions court										
Judge(s)	1	1	1	1	1	1	1	1	1	1
Probation officer(s)	1	1	1	1	1	1	1	1	1	1
Secretary(ies)	1	1	1	1	1	1	1	1	1	1
Chancery court										
Clerk and master	1	1	1	1	1	1	1	1	1	1
Assistant(s)	0	0	0	0	0	0	0	0	0	1
Clerical personnel	3	3	4	4	4	4	4	4	4	3
Juvenile court										
Youth service officer(s)	1	1	1	1	1	1	1	1	1	1
Secretary(ies)	2	2	2	2	2	2	2	2	2	2
Other administration of justice										
Juvenile referee ⁴	0	0	0	0	0	0	1	1	1	1
Truancy officer	1	1	1	1	1	1	1	0	0	0
Total administration of justice	21	21	22	22	23	23	24	23	23	23
Public safety										
Sheriff's department										
Sheriff	1	1	1	1	1	1	1	1	1	1
Assistant(s)	1	1	1	1	1	1	1	1	1	1
Deputy(ies)	25	25	27	27	29	33	35	31	31	31
Detective(s)	5	5	6	5	7	7	7	6	7	7
Captain(s)	0	0	0	1	0	0	0	2	2	2
Lieutenant(s)	4	5	5	5	5	5	5	5	5	6
Sergeant(s)	4	6	5	5	5	4	4	7	6	5
Mechanic(s)	1	2	2	2	2	2	2	2	2	2
Dispatchers/radio operators	4	4	5	5	6	6	6	6	6	6
Clerical personnel	1	1	1	0	0	0	0	0	0	0
Special patrols										
Secretary(ies)	0	0	0	0	0	1	1	1	1	1
Jail										
Assistant(s)	1	1	1	1	1	1	1	0	0	0
Supervisor/director	0	0	0	0	1	1	1	1	1	1
Deputy(ies)	39	42	42	43	43	43	42	40	38	41
Captain(s)	0	0	0	0	0	0	0	1	1	1
Lieutenant(s)	3	3	3	3	3	3	3	3	3	3
Sergeant(s)	3	3	3	3	3	3	3	5	7	7
Medical personnel	4	4	4	4	4	4	3	3	4	5
Cafeteria personnel	3	4	4	4	4	4	4	4	4	4
Maintenance personnel	1	1	1	1	1	1	1	1	1	1
Workhouse										
Deputy(ies)	0	0	0	0	4	4	21	21	21	21
Cafeteria personnel	0	0	0	0	1	1	4	4	4	4
Mechanic(s)	0	0	0	0	0	0	1	1	1	0

Table 19

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years (cont.)

Full-time Equivalent Employees as of June 30										
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Public safety (Continued)										
Civil defense										
Supervisor/director	1	1	1	1	1	1	1	1	1	1
Secretary(ies)	0	0	0	0	0	1	1	1	1	1
Inspection and regulation										
Supervisor/director	1	1	1	1	1	1	1	1	1	1
Assistant(s)	0	0	0	0	0	0	0	0	0	1
Clerical personnel	1	1	1	1	1	1	1	1	1	1
County coroner/medical examiner										
Other salaries & wages ⁶	0	0	0	0	1	1	1	1	1	1
Total public safety	103	111	114	114	125	130	151	151	152	156
Public health and welfare										
Local health center										
Guidance personnel	1	0	0	0	0	0	0	0	0	0
Medical personnel	1	0	1	0	2	2	2	1	1	2
Paraprofessionals	1	1	1	1	0	0	0	0	0	0
Clerical personnel	4	4	4	4	4	4	4	5	5	5
Custodial personnel	0	0	1	2	1	1	2	2	2	2
Maintenance personnel	0	0	1	0	0	0	0	0	0	0
Educational assistants	2	2	0	0	0	0	0	0	0	0
Temporary personnel	0	0	0	0	0	0	0	0	0	0
Rabies and animal control										
Supervisor/director	0	0	0	0	0	0	0	0	0	1
Animal Control Personnel	0	0	0	2	2	2	2	2	2	2
Ambulance/emergency medical services										
Supervisor/director	1	1	1	1	1	1	1	1	1	1
Mechanic(s)	0	0	0	0	1	1	1	1	1	1
Clerical personnel	2	2	2	2	2	3	3	3	3	2
Attendants	33	33	33	30	36	35	38	36	39	44
Sanitation management										
Supervisor/director	1	1	1	1	1	1	1	1	1	1
Assistant(s)	0	0	0	0	0	0	0	0	0	1
Mechanic(s)	2	3	3	3	3	3	3	3	3	3
Laborer	9	9	9	9	9	10	10	8	8	8
Litter officer	1	1	1	1	1	1	1	1	1	0
Waste pickup										
Litter grant	2	2	2	2	1	1	1	1	1	1
Convenience centers										
Attendants ⁵	24	30	30	30	30	33	33	33	33	36
Other local health services										
Social worker(s)	0	0	0	0	0	1	0	0	0	0
Medical personnel	1	3	4	4	3	3	4	4	4	5
Other salaries & wages	0	3	4	4	3	4	4	4	4	4
Paraprofessionals	0	0	0	0	1	0	0	0	0	0
Total public health and welfare	85	95	98	96	101	106	110	106	109	119

(Continued)

Table 19

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years (cont.)

	Full-time Equivalent Employees as of June 30									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Agriculture & natural resources										
Soil conservation										
Paraprofessionals	1	1	1	1	1	1	1	1	1	1
Secretary(ies)	1	1	1	1	1	1	1	1	1	1
Total agriculture & natural resources	2	2	2	2	2	2	2	2	2	2
Other operations										
Veteran's services										
Supervisor/director	1	1	1	1	1	1	1	1	1	1
Clerical personnel	1	1	1	1	1	1	1	1	1	1
Total other operations	2	2	2	2	2	2	2	2	2	2
Highways										
Administration										
Highway superintendent	1	1	1	1	1	1	1	1	1	1
Accountants/bookkeepers	2	2	2	2	2	2	2	2	2	2
Road commissioners	3	3	3	3	3	3	3	3	3	3
Highway and bridge maintenance										
Assistant(s)	0	0	0	0	0	0	0	1	1	1
Foremen	3	5	5	5	4	4	4	3	3	4
Equipment operators--heavy	11	11	12	11	10	17	18	18	20	19
Equipment operators--light	2	15	16	16	13	5	5	5	6	6
Truck drivers	17	17	17	18	19	17	16	16	19	19
Laborers	14	13	13	13	14	20	19	18	17	16
Operation and maintenance of equipment										
Supervisor/director	1	1	1	1	1	1	1	1	1	1
Mechanic(s)	7	4	4	5	5	6	6	6	6	6
Laborers	1	1	1	1	1	1	2	2	2	2
Total highways	62	73	75	76	73	77	77	76	81	80
Total primary government	340	369	379	381	393	411	438	433	442	455

(Continued)

Table 19

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years (cont.)

	Full-time Equivalent Employees as of June 30									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Discretely Presented Greene County School Department										
School department										
Director	1	1	1	1	1	1	1	1	1	1
Assistant director	1	1	1	1	1	1	1	1	1	1
Supervisors	5	5	5	6	6	7	6	6	6	7
Principals	16	16	16	16	16	16	16	17	17	17
Assistant principals	8	8	8	9	9	9	9	9	6	7
Extended school program director	1	1	1	1	1	2	2	2	2	1
Teachers	417	438	445	459	464	468	470	474	484	495
Teachers assistants	93	116	120	129	129	126	126	123	136	135
Nurses	3	2	1	2	2	2	3	3	3	4
Psychologist	1	1	1	1	1	1	1	1	1	1
Budget director	1	1	1	1	1	1	1	1	1	1
Secretarial and clerical	32	36	37	38	38	37	37	38	39	41
Safety officers	0	0	0	2	2	2	2	2	2	2
Technology personnel	4	4	6	9	10	11	11	11	10	10
Maintenance supervisor	1	1	1	1	1	1	1	1	1	1
Maintenance personnel	10	10	10	10	10	9	9	9	9	9
Mechanic supervisor	1	1	1	1	1	1	1	1	1	1
Mechanics	6	6	6	6	6	6	6	6	6	6
Bus drivers	82	82	82	80	79	87	84	77	78	81
Food service director	1	1	1	1	1	1	1	1	1	1
Cooks	75	81	84	84	85	85	87	87	94	94
Custodians	38	38	38	37	37	37	37	37	39	40
Total school department	<u>797</u>	<u>850</u>	<u>866</u>	<u>895</u>	<u>901</u>	<u>911</u>	<u>912</u>	<u>908</u>	<u>938</u>	<u>956</u>

Source(s): Greene County Department of Accounts and Budgets' Payroll Records, Discretely Presented Greene County School Department's Payroll Records, letters of agreement, and approved budgets.

Note(s):

¹ County commissioners are paid on a per meeting basis.

² The county attorney is paid an annual salary, which is considered to be compensation for two days of work per week.

³ Election commission members are paid on a per meeting basis.

⁴ Juvenile referee position is for only one day a week.

⁵ Convenience center operators work on a regular basis between 16 and 20 hours per week.

⁶ The county coroner works on a regular basis; however, he works less than 100 days per fiscal year.

Table 20

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Operating Indicators by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year Ending</u>									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government										
Warranty deeds	2,582	2,692	2,807	2,862	2,962	3,238	3,461	3,452	3,520	3,732
Trust deeds	3,154	3,335	3,526	3,314	4,130	4,358	5,144	4,451	4,152	4,092
Number of elections	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	3	2	3	2
Number of registered voters	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	31,309	32,918	35,459	36,675
Number of votes cast	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	33,236	11,019	30,725	13,263
Debris cleanup enforcement performed	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	0	5	0	15
Debris cleanup complaints filed	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	80	166	102	126
Finance										
Number of checks issued	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	15,916	11,218	13,287	10,503
Number of purchase orders issued	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	5,734	5,390	4,931
Number of bids	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	56	61	50
Number of taxable and non-taxable properties	N/A ⁴	N/A ⁴	N/A ⁴	37,645	38,893	39,944	40,517	41,226	41,798	42,354
Administration of justice										
Cases filed in Circuit Court	1,949	1,715	1,266	1,315	1,307	1,347	1,559	1,524	1,612	N/A ¹
Cases filed in General Sessions Court	17,110	17,810	14,272	16,193	15,052	15,773	16,289	14,982	18,936	N/A ¹
Cases filed in Juvenile Court	1,032	914	1,310	1,317	1,064	1,118	1,071	1,119	1,440	N/A ¹
Cases filed in Chancery Court	289	449	412	458	438	446	359	364	377	N/A ¹

(Continued)

Table 20

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Operating Indicators by Function
Last Ten Fiscal Years (cont.)

<u>Function</u>	<u>Fiscal Year Ending</u>									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Public safety										
Physical arrests	1,245	1,168	1,429	805	542	668	1,875	2,424	1,716	N/A ³
Traffic citations	236	291	292	413	288	608	607	497	459	N/A ³
Warrants served	8,700	8,469	9,192	9,766	10,622	11,496	12,129	12,303	10,142	N/A ³
Accidents worked	1,069	1,051	1,084	1,333	1,213	1,266	1,372	1,311	907	N/A ³
Complaints received	13,498	13,473	13,511	14,512	13,999	14,404	14,186	13,638	10,176	N/A ³
Summary of inmate days:										
Felons-convicted	14,477	20,255	26,164	20,807	15,870	28,115	29,603	28,083	23,610	31,217
Misdemeanant-convicted	34,694	34,794	31,978	24,362	29,429	32,098	35,048	36,709	45,380	56,178
Pretrial	15,293	21,656	10,775	9,751	13,165	14,027	15,206	17,996	20,709	18,125
Other	10,590	6,129	2,725	7,043	8,383	17,952	21,357	23,557	25,139	17,870
Total inmate days	75,054	82,834	71,642	61,963	66,847	92,192	101,214	106,345	114,838	123,390
Other daily inmate information										
Average daily population	205.6	226.9	196.3	169.8	183.1	252.6	277.3	291.4	314.6	338.1
Daily inmate capacity of facility	158	158	158	161	161	438	438	438	438	438
Building permits issued	884	798	883	1,541	758	750	666	677	575	622
Zoning violations filed	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴	55	24	29	37

(Continued)

Table 20

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Operating Indicators by Function
Last Ten Fiscal Years (cont.)

<u>Function</u>	<u>Fiscal Year Ending</u>									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Public health and welfare										
EMS (emergency) calls	3,899	4,320	4,586	5,010	4,833	4,579	4,441	4,502	5,306	4,273
EMS (non-emergency) calls	4,360	4,480	4,013	4,028	4,609	4,886	5,342	6,152	7,363	6,645
Solid waste department										
Refuse collected (in tons)	16,038.91	15,822.92	15,410.57	16,058.53	16,481.54	17,431.68	17,689.10	18,391.73	18,518.08	19,018.31
Recyclables collected (in tons)										
Paper	181.10	177.27	191.05	193.74	195.20	141.80	192.53	268.10	332.56	398.73
Batteries	7.46	8.86	16.19	37.80	22.06	20.16	22.22	38.42	28.13	23.90
Plastics	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.06	0.00	0.00
Metals	285.88	262.72	432.64	436.50	696.16	780.84	757.41	790.48	755.30	772.48
Tires	0.00	49.22	83.42	117.59	118.38	101.71	94.47	91.62	106.84	101.69
Used oil	18.36	36.84	38.48	33.78	36.79	37.28	33.60	44.88	46.10	38.84
Health department										
Number of patients treated ²	33,020	34,434	37,050	42,989	36,912	28,248	26,014	27,570	10,636	11,060
Agriculture & natural resources										
Contacts by program areas										
Agriculture	11,351	10,341	10,864	3,229	3,696	2,796	2,182	6,120	3,454	N/A ¹
Non-farm agriculture	NA	NA	1,011	543	511	1,138	1,863	2,099	1,486	N/A ¹
Community resource development	1,553	2,535	856	2,121	2,348	1,649	459	783	2,924	N/A ¹
Family & consumer science	35,157	36,933	30,344	14,803	16,670	12,443	12,451	13,694	7,601	N/A ¹
4-H youth	33,462	27,608	26,230	7,590	7,245	7,733	4,687	11,024	9,587	N/A ¹
Highway										
Number of potholes patched	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	635	514
Number of roads re-surfaced	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	0	55	208	165
Bridges replaced	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	NA ⁴	1	1	4	4

(Continued)

Table 20

**Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Operating Indicators by Function
Last Ten Fiscal Years (cont.)**

	Fiscal Year Ending									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Component Unit:										
Greene County School Department										
Weighted Full Time Equivalent Average										
Daily Attendance	7,869	7,927	8,052	8,135	8,181	8,160	8,110	8,227	8,352	8,517
Number Graduated	337	324	336	436	365	380	426	408	426	478

Source(s): Various government departments' records.

Note(s):

Social, cultural, and recreational services and other operations did not have any pertinent operating indicators.

¹ Data only available on calendar year, 2006 not available.

² Detailed information was not available.

³ Data not available in time for inclusion in this report.

⁴ Data not available for fiscal year.

Table 21

Greene County, Tennessee
Primary Government and Discretely Presented Greene County School Department
Capital Asset Statistics by Function
Last Four Fiscal Years

<u>Function</u>	<u>Fiscal Year Ending</u>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government				
County commission				
Greene County Courthouse	1	1	1	1
Courthouse annex	1	1	1	1
Historical jail (1884)	1	1	1	1
Historic Dickson-Williams Mansion	1	1	1	1
Election office	1	1	1	1
911 building	1	1	1	1
Community center	0	1	1	0
Driver's license station	0	0	0	1
Sports complex	0	0	0	1
County mayor				
County car	1	1	1	1
County buildings				
Pickup trucks	1	2	2	3
Finance				
Property Assessor				
Cars	2	2	2	2
Sport utility vehicles	2	2	2	3
Administration of justice				
Juvenile court				
Car	1	1	1	1
Public safety				
Sheriff's department				
Sheriff's office building	1	1	1	1
Sheriff's department of transportation office building	1	1	1	1
Patrol cars	64	72	75	83
Sport utility vehicles	10	10	10	10
Trucks	3	3	6	6
Vans	3	3	3	3
Mobile command unit	0	1	1	1
4-Wheeler	1	1	1	1

(Continued)

Table 21

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Capital Asset Statistics by Function
Last Four Fiscal Years

<u>Function</u>	<u>Fiscal Year Ending</u>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Jail				
Detention center	1	1	1	1
Workhouse				
Workhouse building	1	1	1	1
Civil defense				
Ambulances	1	1	1	1
Sport utility vehicles	1	1	2	3
Trucks	0	1	2	2
Inspection and regulation				
Truck	1	1	1	1
County coroner				
Car	1	1	1	1
Public health and welfare				
Emergency medical services (EMS)				
EMS department of transportation office building	1	1	1	1
EMS substation	0	0	1	1
Cars	1	1	1	0
Trucks	1	1	1	1
Sport utility vehicles	2	2	2	2
Ambulances	8	8	9	10
Sanitation management				
Solid waste office building	1	1	1	1
Convenience center buildings	15	15	15	16
Cars	1	1	1	1
Sport utility vehicles	1	1	1	1
Pickup trucks	2	2	2	2
One-ton trucks	3	3	3	3
Garbage trucks	9	10	10	11
High lift	1	1	1	1
Dump truck	1	1	1	1
Utility trailers	33	38	38	37
Rabies and animal control				
Animal control building	1	1	1	1
Pickup trucks	2	2	2	2

(Continued)

Table 21

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Capital Asset Statistics by Function
Last Four Fiscal Years

<u>Function</u>	<u>Fiscal Year Ending</u>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Highways				
Highway department				
Highway department office building	1	1	1	1
Highway department annex building	1	1	1	1
Bridges	187	185	191	190
Roads	1,185	1,199	1,204	1,210
Asphalt distributors	1	1	1	1
Backhoes	4	5	4	4
Brush cutters	1	1	1	1
Cars	1	1	1	1
Chip spreaders	1	1	1	1
Chippers	1	1	1	1
Cranes	1	1	1	2
Dozers	2	2	3	2
Dump truck	19	23	19	13
Equipment trucks	5	8	12	7
Flat bed trucks	2	4	4	4
Forklifts	1	1	1	1
Gradalls	1	2	2	2
Graders	6	6	2	6
Hi-lifts	1	1	1	1
Loaders	5	5	6	6
Mowers	1	3	3	2
Pavers/Finishers	1	1	2	2
Pickup truck	18	19	21	22
Scrapers	1	1	1	1
Tractors	10	14	14	16
Trailers	4	4	4	4
Road Brooms	1	1	1	1
Rollers	3	3	3	3
Salt spreaders	1	1	1	1
Sport utility vehicles	5	6	7	6
Trackhoe link belt	0	0	1	1

(Continued)

Table 21

Greene County, Tennessee
General Government and Discretely Presented Greene County School Department
Capital Asset Statistics by Function
Last Four Fiscal Years

<u>Function</u>	<u>Fiscal Year Ending</u>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Component Unit:				
Greene County School Department				
Elementary schools	-	11	11	11
Middle schools	-	2	2	2
High schools	-	4	4	4
Agriculture buildings	-	2	2	3
Concession buildings	-	1	2	2
Field houses	-	6	6	6
Garage buildings	-	1	1	1
Gymnasium buildings	-	2	2	2
Mobile class rooms	-	7	7	7
Music, art, band, buildings	-	4	4	4
Office building	-	2	2	2
Play shelters	-	2	2	2
Storage building	-	1	1	1
72-85 Passenger buses	-	88	88	80
Mini Buses	-	15	15	14
Cars	-	4	4	4
Vans	-	6	7	7
Pickups	-	1	1	1
Dump truck	-	1	1	1

Sources: Primary government's and discretely presented Greene County School Department's capital asset records.

Note(s): Information on capital assets was not available for the primary government before the 2002-2003 fiscal year. Information on capital assets was not available for the discretely presented Greene County School Department before the 2003-2004 fiscal year.

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

October 25, 2006

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of and for the year ended June 30, 2006, which collectively comprise Greene County's basic financial statements and have issued our report thereon dated October 25, 2006. 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 Greene 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 Greene 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 06.01, 06.03, 06.04, 06.07, 06.08, 06.09, and 06.10(A).

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 item 06.01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greene County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and are described in the accompanying Schedule of Findings and Questioned Costs as items 06.02, 06.05, 06.06, 06.10(B), and 06.11.

We have also noted certain matters that we reported to the management of Greene 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

October 25, 2006

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

To the County Mayor and Board of County Commissioners:

Compliance

We have audited the compliance of Greene 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, 2006. Greene 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 Greene County's management. Our responsibility is to express an opinion on Greene 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 Greene 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 Greene County's compliance with those requirements.

In our opinion, Greene 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, 2006.

Internal Control Over Compliance

The management of Greene 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 Greene 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 operations 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 Greene County, Tennessee, as of and for the year ended June 30, 2006, and have issued our report thereon dated October 25, 2006. Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Grants is presented for purposes of additional analysis, as required by OMB Circular A-133, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Very truly yours,



John G. Morgan
Comptroller of the Treasury

JGM/yu

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

For the Greeneville-Greene County Emergency Communications District

To the Board of Directors of Greeneville-Greene
County Emergency Communications District
Greeneville, Tennessee

I have audited the financial statements of Greeneville-Greene County Emergency Communications District, as of and for the year ended June 30, 2006, and have issued my report thereon. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Greeneville-Greene County Emergency Communications District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, I noted other matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Greeneville-Greene County Emergency Communication District'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 as the item numbered 06-01.

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. My 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, I believe none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greeneville-Greene County Emergency Communications District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information and use of management, others within the organization, and the State of Tennessee Comptroller's Office and is not intended to be, and should not be, used by anyone other than these specified parties.

**Greeneville-Greene County Emergency
Communications District
Schedule of Findings
June 30, 2006**

Financial Statement Findings

Current Year Finding:

Finding: 06-01

Uncollateralized Deposits:

Condition:

The municipality's records indicate that deposits at Greeneville Federal Bank were not fully collateralized.

Criteria:

Municipal officials should ensure that deposits are properly insured or collateralized at all times.

Effect:

The municipality could possibly lose any uncollateralized deposits.

Recommendation:

The municipality should ask the financial institution to pledge additional securities to cover the uncollateralized deposits or move a portion of the deposits to another financial institution.

Management's Comments: The Greeneville Federal Bank account does not usually exceed the amount collateralized. Several deposits were made prior to year-end and those deposits were not transferred to the operating account until after year end. Management will take the necessary steps to make sure all funds are insured or collateralized.

Greene County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2006

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 547,117
National School Lunch Program	10.555	N/A	1,349,625
Passed-through State Department of Agriculture:			
Food Donation (Noncash Assistance)	10.550	N/A	311,575
Total U.S. Department of Agriculture			\$ 2,208,317
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	GG-05-11603-00	\$ 377,370
Passed-through Tennessee Housing Development Agency:			
HOME Investment Partnerships Program	14.239	DA-04-00070-00	227,712
Total U.S. Department of Housing and Urban Development			\$ 605,082
U.S. Bureau of Land Management, Department of the Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	\$ 33,625
Total U.S. Bureau of Land Management, Department of Interior			\$ 33,625
U.S. Department of Justice:			
Passed-through State Office of Criminal Justice Programs:			
Drug Court Discretionary Grant Program	16.585	Z-99-088426-00	\$ 88,799
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	17,709
Total U.S. Department of Justice			\$ 106,508
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	STP-EN-3000(42)	\$ 45,282
Total U.S. Department of Transportation			\$ 45,282
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,459,948
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,804,108
Special Education - Preschool Grants	84.173	N/A	32,588
Vocational Education - Basic Grants to States	84.048	N/A	187,863
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(2)	32,853
Safe and Drug-Free Schools and Communities - State Grants	84.186	(2)	41,429
Innovative Education Program Strategies	84.298	N/A	142,925
Education Technology State Grants	84.318	(2)	300,149
Improving Teacher Quality State Grants	84.367	N/A	249,540
Total U.S. Department of Education			\$ 4,251,403

(Continued)

Greene 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 Entity Identifying Number	Expenditures
U. S. Department of Homeland Security:			
Passed-through State Department of Military:			
State Domestic Preparedness Equipment Support Program	97.004	Z-04-022444-00	\$ 283,026
Hurricane Katrina Evacuation	97.036	Z-06-030959-00	50,482
Emergency Management Performance Grants	97.042	Z-06-032873-00	49,678
Homeland Security Grants	97.067	Z-05-025459-00	146,639
Total U. S. Department of Homeland Security			<u>\$ 529,825</u>
Total Expenditures of Federal Awards			<u>\$ 7,780,042</u>

<u>State Grants:</u>	<u>Contract Number</u>		
Juvenile Services Program - State Commission on Children and Youth	N/A	(2)	\$ 10,974
State Reappraisal Grant - Comptroller of the Treasury	N/A	(2)	24,998
Used Oil Program Grant - State Department of Environment and Conservation	N/A	(2)	12,500
Health Department Program - State Department of Health	N/A	(2)	261,194
Litter Grant Program - State Dept. of Transportation	N/A	(2)	59,287
Farmer's Market Grant - State Department of Agriculture	N/A	(2)	2,540
County Service Officer Grant - State Department of Veterans Affairs	N/A	(2)	1,154
Family Resource Center Grant - State Department of Education	N/A	(2)	33,235
Safe Schools Act Grant - State Department of Education	N/A	(2)	40,832
Early Childhood Education Pilot Project - State Department of Education	N/A	(2)	<u>476,483</u>
Total State Grants			<u>\$ 923,197</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.

Greene County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2006

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. Presented below are findings from the Comprehensive Annual Financial Report for Greene County, Tennessee, for the year ended June 30, 2005, which have not been corrected.

OFFICE OF TRUSTEE

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
05.02	251	Duties were not segregated adequately in the Office of Trustee

OFFICE OF COUNTY CLERK

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
05.03	251	Bank statements were not reconciled with the general ledger
05.04	252	Revenue collections were not promptly remitted
05.05	252	Unclaimed funds were not remitted to the state treasurer's office

GREENE COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2006

PART I, SUMMARY OF AUDITOR'S RESULTS

1. An unqualified opinion was issued on the financial statements of Greene County.
2. The audit of the financial statements of Greene County disclosed reportable conditions in internal control. One of these conditions was considered to be a material weakness.
3. The audit disclosed two instances of noncompliance that are material to the financial statements of Greene County.
4. The audit disclosed no reportable conditions in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: the School Breakfast Program and the National School Lunch Program (CFDA Nos. 10.553 and 10.555), the Community Development Block Grants/State's Program (CFDA No. 14.228), and the Special Education Cluster: Special Education - Grants to States and Special Education Preschool Grants (CFDA Nos. 84.027 and 84.173) 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. Greene 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 director of schools is quoted 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 COUNTY CLERK

FINDING 06.01 **ACCOUNTING RECORDS WERE NOT PROPERLY MAINTAINED**
(Internal Control – Material Weakness Under Government Auditing Standards)

The following deficiencies were noted in the maintenance of the county clerk's accounting records:

- A. Transactions for the period July 2005, through June 2006, were not posted to the general ledger in a timely manner, and bank reconciliations were not performed on a current basis. We requested the completion of these records numerous times beginning in March 2006, until they were finally completed and provided to us on September 14, 2006. It should also be noted that transactions subsequent to June 30, 2006, have not been posted as of the date of this report.
- B. Bank reconciliations were not properly prepared. Bank statements were reconciled with the checkbook, instead of the general ledger. As a result, the client had not identified variances between the bank statements and the general ledger balances. This unidentified variances totaled \$1,237 at June 30, 2006.
- C. The daily cash book was not posted currently. On March 9, 2006, we noted that the daily cash book had not been posted since February 28, 2006.
- D. Numerous adjustments and postings to the general ledger were not made through the correct journals and were not properly documented. Adjusting entries that should be made through the general journal were instead made through the cash receipts and the cash disbursements journals. Documentation was not presented to support these adjusting entries. Also, some checks were posted through the cash receipts journal, and some receipts were posted through the cash disbursements journal.
- E. Trust accounts were not reconciled with the general ledger control account. Interest earned and withdrawals on trust accounts were not posted to the general ledger currently.
- F. The total of insufficient funds checks outstanding was not reconciled with the general ledger. The county clerk did not maintain a control listing of

insufficient funds checks received and not collected. The receipt of and payment of insufficient funds checks were not always posted to the general ledger.

RECOMMENDATION

Accounting records, including the general ledger and daily cash book, should be posted correctly and timely. Bank reconciliations should be properly prepared, and all differences identified should be recorded and posted to the general ledger. All adjustments and postings to the general ledger should be made through the proper journals and should be adequately documented. Trust accounts should be reconciled with the general ledger control account, and interest earned and withdrawals should be posted to the general ledger currently. A control listing of insufficient funds checks outstanding should be prepared and reconciled with the general ledger.

FINDING 06.02 REVENUE COLLECTIONS WERE NOT PROMPTLY REMITTED
(Material Noncompliance Under Government Auditing Standards)

The county clerk failed to remit state and county revenues collected in compliance with state statute. Section 67-4-213(d), Tennessee Code Annotated, provides that state and county revenues collected shall be paid to the receiving agency within 15 days after the last day of each calendar month. Revenues were reported and paid from 36 to 118 days after the months end.

RECOMMENDATION

The county clerk should promptly remit state and county revenues collected as required by state statute.

FINDING 06.03 DEFICIENCIES WERE NOTED IN INTERNAL CONTROLS OVER THE INVENTORY OF MOTOR VEHICLE DECALS, LICENSE PLATES, AND COUNTY WHEEL TAX DECALS
(Internal Control – Reportable Condition Under Government Auditing Standards)

The county clerk's computerized accounting system includes an inventory application software program for motor vehicle decals, license plates, and county wheel tax decals. However, the county clerk did not generate the perpetual inventory reports and reconcile those reports with the physical inventory.

RECOMMENDATION

The county clerk should generate and reconcile inventory reports with the physical inventory of motor vehicle decals, license plates, and county wheel tax decals. Any differences between the inventory reports and the physical inventories should be investigated.

FINDING 06.04 **DEFICIENCIES WERE NOTED IN CASH COLLECTION, DEPOSIT, AND DISBURSEMENT PROCEDURES** (Internal Control – Reportable Condition Under Government Auditing Standards)

The following deficiencies were noted in the office's cash collection, deposit, and disbursement procedures.

- A. Office personnel performed daily receipt and deposit procedures. Receipt reports for the various types of collections were generated. These reports included a detailed listing of receipts by type of payment (cash or check). However, totals of checks and cash per the reports were not reconciled with totals of cash and checks actually deposited.
- B. Management stated that overpayments received by mail for motor vehicle renewals were refunded to customers in the form of cash. Section 5-8-207, Tennessee Code Annotated, requires all disbursements to be made by official pre-numbered checks.
- C. Employees were not assigned individual ports on the computerized accounting system. Consequently, receipt reports were not generated for each employee, and check-out procedures were performed for the office as a whole, rather than for each employee.

RECOMMENDATION

Totals for cash and checks on daily receipt reports should be reconciled with totals for cash and checks deposited to the bank. Overpayments received by mail should be refunded by official checks. Each employee should be assigned an individual port on the computerized accounting system. Check-out procedures should be performed for each employee.

FINDING 06.05 REPORTS WERE NOT FILED WITH THE STATE DEPARTMENT OF SAFETY IN ACCORDANCE WITH STATE STATUTES
(Material Noncompliance Under Government Auditing Standards)

The county clerk did not submit reports and remit collections for motor vehicle transactions in compliance with state statutes. Section 55-6-105(a)(5), Tennessee Code Annotated (TCA), states that the county clerk must forward all applications with the appropriate fee to the state within five working days, with an additional five days allowed for any clerk who issues titles under contract with the state. In addition, Section 55-6-105(a)(7), TCA, requires the county clerk to remit and report, not later than the tenth day of each month, all moneys collected for renewals by the county clerk. The county clerk was notified by the Department of Safety via certified mail dated March 31, 2006, that the office was delinquent in filing 20 remittance reports with the Department of Safety for the months of October 2005, January 2006, and February 2006.

RECOMMENDATION

State motor vehicle transaction reports should be prepared currently, and applicable funds should be remitted promptly.

FINDING 06.06 UNCLAIMED FUNDS WERE NOT REMITTED TO THE STATE TREASURER'S OFFICE
(Noncompliance Under Government Auditing Standards)

The county clerk did not remit unclaimed funds to the state Treasurer's Office. Section 66-29-110, Tennessee Code Annotated (TCA), provides that any funds held by the office for one year and unclaimed by the owner are considered abandoned. Section 66-29-113, TCA, further requires these funds to be reported and paid to the state Treasurer's Office. At June 30, 2006, the county clerk held unclaimed funds of \$22,956.

RECOMMENDATION

The county clerk should report and pay to the state Treasurer's Office any unclaimed funds held for more than one year as required by state statute.

FINDING 06.07 AUDIT LOGS WERE NOT GENERATED AND REVIEWED
(Internal Control – Reportable Condition Under Government Auditing Standards)

The county clerk's accounting system provides that audit logs may be generated; however these logs were not generated and reviewed. The audit logs provide information regarding any changes and deletions made to transactions for renewals and applications for titles.

RECOMMENDATION

Audit logs should be generated and reviewed by management currently.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 06.08 **THE SCHOOL FEDERAL PROJECTS FUND HAD A CASH OVERDRAFT**
(Internal Control – Reportable Condition Under Government Auditing Standards)

The School Federal Projects Fund had a cash overdraft of \$172,226 at June 30, 2006. This cash overdraft resulted from the issuance of warrants exceeding cash on deposit with the county trustee. This cash overdraft was liquidated subsequent to June 30, 2006.

RECOMMENDATION

The School Department should not issue warrants that exceed cash on deposit with the county trustee.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS (DIRECT QUOTE)

The cash overdraft resulted from a change the state made in requirements for requesting funds. Funds must now be spent before reimbursements can be requested. The request for funds was entered into FACTs during the month of June 2006, but the funds were not received until July 2006.

OFFICE OF TRUSTEE

FINDING 06.09 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICE OF TRUSTEE**
(Internal Control – Reportable Condition Under Government Auditing Standards)

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

OFFICE OF SHERIFF

FINDING 06.10 **DEFICIENCIES WERE NOTED IN PAYROLL RECORDS OF THE SHERIFF'S DEPARTMENT**

(A. Internal Control – Reportable Condition Under Government Auditing Standards; B. Noncompliance Under Government Auditing Standards)

The following deficiencies were noted in the Sheriff's Department payroll records:

- A. For the period June 15, 2005, through February 24, 2006, certain employees of the Sheriff's Department were paid a total of \$8,233 for hours listed as overtime on their time sheets; however, their time sheets did not document the actual days worked and the employees' time-in and time-out. The sheriff advised us that the employees reported a number of hours as overtime on the last day of the month as compensation for calls received during the month when not on duty. The sheriff allowed these employees to report overtime of approximately \$100 per pay period to replace a \$100 on call premium paid to the employees prior to June 15, 2005. When the county Finance Department became aware that the timesheets did not reflect the employees' actual hours worked, the director of accounts and budget notified the Sheriff's Department that the county would no longer pay for the undocumented overtime.

- B. The sheriff did not obtain a letter of agreement or file suit in Circuit Court to authorize the number and salaries of his deputies. Section 8-20-101, Tennessee Code Annotated, permits the sheriff to enter into a letter of agreement with the county mayor concerning the number and the salaries of deputies or to file suit in Circuit Court. The sheriff prepared a letter of agreement and submitted the letter to the county mayor; however, the county mayor and sheriff did not reach an agreement on the details to be included. As of the date of this report, neither a letter of agreement nor a suit has been filed in Circuit Court for the fiscal years ended June 30, 2006, and June 30, 2007.

RECOMMENDATION

Time sheets should document the days worked, actual hours worked, and the employees' time-in and time-out. The sheriff should obtain a letter of agreement with the county mayor or file suit in Circuit Court for the number and salaries of his deputies.

FINDING 06.11 **RECEIPTS WERE NOT WRITTEN FOR ALL COLLECTIONS** (Noncompliance Under Government Auditing Standards)

Collections pertaining to the sex offender registry program were not receipted and deposited into the sheriff's bank account. Instead, the fees collected were taken directly to the county trustee. Since these collections were not receipted and deposited into the

sheriff's bank account, these transactions were not reflected in the department's official cash journal. Section 9-2-103, et seq., Tennessee Code Annotated (TCA), requires that official prenumbered receipts be issued at the time funds are received. Section 5-8-207, TCA, requires collections to be deposited to the official bank account within three days of collection and disbursed by official prenumbered check.

RECOMMENDATION

All collections should be receipted and deposited into the sheriff's bank account and disbursed by prenumbered check. All transactions of the Sheriff's Department should be recorded in the official cash journal.

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

There were no findings and questioned costs for federal awards.

GREENE COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2006

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

Director of Schools – Summary Schedule of Prior Year Audit Findings

FINDINGS 05.01 and 05.06

We corrected these findings by having only one person request federal funds that had already been spent or encumbered.