

**ANNUAL FINANCIAL REPORT**  
**ROBERTSON COUNTY, TENNESSEE**



**FOR THE YEAR ENDED JUNE 30, 2006**

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

**ANNUAL FINANCIAL REPORT**  
**ROBERTSON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2006**

***DEPARTMENT OF AUDIT***  
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***Comptroller of the Treasury***

***DIVISION OF COUNTY AUDIT***  
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***WENDY HEATH, CFE***  
***State Auditors***

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

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# ROBERTSON COUNTY, TENNESSEE

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***Audit Highlights***  
Annual Financial Report  
Robertson County, Tennessee  
For the Year Ended June 30, 2006

***Scope***

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

***Results***

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

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

***Findings***

The following are summaries of the audit findings:

**OFFICE OF FINANCE DIRECTOR**

- ◆ Several deficiencies were noted in the maintenance of employees' leave records.
- ◆ An Ambulance Service employee made improper purchases.

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**OFFICE OF COUNTY CLERK**

- ◆ The County Clerk's office had a cash shortage totaling \$1,902.

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**OTHER FINDINGS**

- ◆ Deficiencies were noted in an inmate telephone services contract.
- ◆ Duties were not segregated adequately among the employees in the Offices of Clerk and Master and Trustee.

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## INTRODUCTORY SECTION

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Robertson County Officials  
June 30, 2006

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**Officials**

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

**Board of County Commissioners**

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

**Highway Commission**

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

**Board of Education**

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

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## FINANCIAL SECTION

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**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 20, 2006

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

To the County Executive 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 Robertson County, Tennessee, as of and for the year ended June 30, 2006, which collectively comprise Robertson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Robertson County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements of the Robertson County Emergency Communications District, a component unit requiring discrete presentation, had not been made available by other auditors as of the date of this report. Accordingly, the aggregate discretely presented

component units financial statements referred to above do not include amounts for the Robertson County Emergency Communications District which should be included to conform with accounting principles generally accepted in the United States of America. The effects on the financial statements of the aggregate discretely presented component units are not reasonably determinable.

In our opinion, except for the effects of not including the financial statements of the Robertson County Emergency Communications District as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of Robertson County, Tennessee, as of June 30, 2006, and the results of operations of the aggregate discretely presented component units, for the year ended, in conformity with accounting principles generally accepted in the United States of America.

Additionally, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Robertson County, Tennessee, as of June 30, 2006, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

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

The budgetary comparison information on pages 53 through 57 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Robertson County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Robertson County School Department (a discretely presented component unit), and miscellaneous schedules are

presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Robertson County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Very truly yours,

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

John G. Morgan  
Comptroller of the Treasury

JGM/sb

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## **BASIC FINANCIAL STATEMENTS**

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Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Unit School Department</u>
<u>ASSETS</u>		
Cash	\$ 1,950	\$ 0
Equity in Pool Cash and Investments	12,456,999	3,860,247
Accounts Receivable	2,480,721	83,161
Allowance for Uncollectibles	(643,232)	0
Property Taxes Receivable	13,967,661	12,955,513
Allowance for Uncollectible Property Taxes	(1,148,640)	(1,065,406)
Due from Other Governments	694,976	1,756,813
Bond Anticipation Notes Receivable	157,500	0
Accrued Interest Receivable	36,716	0
Deferred Charges - Debt Issuance Costs	737,302	0
Capital Assets:		
Assets Not Depreciated:		
Land	3,331,910	3,317,876
Construction in Progress	2,869,818	23,495,472
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	7,382,109	25,355,950
Other Capital Assets	3,897,850	2,831,271
Infrastructure	2,858,787	0
Total Assets	<u>\$ 49,082,427</u>	<u>\$ 72,590,897</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 30,120	\$ 235
Accrued Payroll	143,622	0
Accrued Interest Payable	653,238	4,662
Due to State of Tennessee	27,689	0
Bond Anticipation Notes Payable	0	157,500
Customer Deposits Payable	126,321	0
Deferred Revenue - Current Property Taxes	12,378,600	11,481,600
Noncurrent Liabilities:		
Due Within One Year	5,160,635	167,379
Due In More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	67,544,580	906,498
Total Liabilities	<u>\$ 86,064,805</u>	<u>\$ 12,717,874</u>
<u>NET ASSETS</u>		
Invested in Capital Assets, Net of Related Debt Restricted for:	\$ 8,352,049	\$ 53,926,692
Capital Projects	0	1,629,485
Debt Service	5,339,391	0
Other Purposes	998,939	532,055
Unrestricted	<u>(51,672,757)</u>	<u>3,784,791</u>
Total Net Assets	<u>\$ (36,982,378)</u>	<u>\$ 59,873,023</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Unit School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 3,600,498	\$ 1,514,346	\$ 16,380	\$ 0	\$ (2,069,772)	\$ 0
Finance	1,625,105	1,563,393	19,549	0	(42,163)	0
Administration of Justice	1,608,787	1,494,868	0	0	(113,919)	0
Public Safety	6,689,252	1,030,622	39,419	0	(5,619,211)	0
Public Health and Welfare	4,530,318	2,693,698	506,149	0	(1,330,471)	0
Agriculture & Natural Resources	114,141	0	0	0	(114,141)	0
Highways/Public Works	2,103,381	11,400	1,984,709	228,178	120,906	0
Interest on Long-term Debt	2,958,696	0	0	0	(2,958,696)	0
Other Debt Service	136,044	0	0	0	(136,044)	0
<b>Total Primary Government</b>	<b>\$ 23,366,222</b>	<b>\$ 8,308,327</b>	<b>\$ 2,566,206</b>	<b>\$ 228,178</b>	<b>\$ (12,263,511)</b>	<b>\$ 0</b>
Component Unit:						
Robertson County School Department	\$ 65,133,005	\$ 166,986	\$ 6,475,256	\$ 238,527	\$ 0	\$ (58,252,236)
<b>Total Component Unit</b>	<b>\$ 65,133,005</b>	<b>\$ 166,986</b>	<b>\$ 6,475,256</b>	<b>\$ 238,527</b>	<b>\$ 0</b>	<b>\$ (58,252,236)</b>

(Continued)

Exhibit B

Robertson County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Unit School Department
General Revenues:						
Taxes:						
Property taxes levied for general purposes					\$ 9,694,525	\$ 12,415,495
Property taxes levied for debt service					3,687,447	0
Local option sales tax					0	6,345,742
Other local taxes					6,747,419	420,289
Grants & Contributions not restricted for specific programs					226,129	37,730,253
Unrestricted Investment Earnings					813,957	0
Miscellaneous					5,662	195,793
Total General Revenues					<u>\$ 21,175,139</u>	<u>\$ 57,107,572</u>
Change in net assets					\$ 8,911,628	\$ (1,144,664)
Net assets, July 1, 2005					<u>(45,894,006)</u>	<u>61,017,687</u>
Net assets, June 30, 2006					<u>\$ (36,982,378)</u>	<u>\$ 59,873,023</u>

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

Exhibit C-1

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

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 400	\$ 0	\$ 0	\$ 1,550	\$ 1,950
Equity in Pooled Cash and Investments	3,946,739	183,568	5,261,229	3,065,463	12,456,999
Accounts Receivable	2,435,055	0	1,344	44,322	2,480,721
Allowance for Uncollectibles	(643,232)	0	0	0	(643,232)
Due from Other Governments	282,267	412,709	0	0	694,976
Due from Other Funds	5,087	0	0	0	5,087
Property Taxes Receivable	9,412,990	0	3,846,167	708,504	13,967,661
Allowance for Uncollectible Property Taxes	(774,084)	0	(316,292)	(58,264)	(1,148,640)
Accrued Interest Receivable	317	0	36,399	0	36,716
Notes Receivable - Long-Term	0	0	157,500	0	157,500
Total Assets	<u>\$ 14,665,539</u>	<u>\$ 596,277</u>	<u>\$ 8,986,347</u>	<u>\$ 3,761,575</u>	<u>\$ 28,009,738</u>
<u>LIABILITIES AND FUND BALANCES</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 30,120	\$ 0	\$ 0	\$ 0	\$ 30,120
Accrued Payroll	118,683	21,023	0	3,916	143,622
Due to Other Funds	0	0	0	5,087	5,087
Due to State of Tennessee	27,689	0	0	0	27,689
Current Liabilities Payable from Restricted Assets:					
Customer Deposits Payable	126,321	0	0	0	126,321
Deferred Revenue - Current Property Taxes	8,342,100	0	3,408,600	627,900	12,378,600
Deferred Revenue - Delinquent Property Taxes	252,360	0	103,114	18,994	374,468
Other Deferred Revenues	1,768,424	186,251	9,589	0	1,964,264
Total Liabilities	<u>\$ 10,665,697</u>	<u>\$ 207,274</u>	<u>\$ 3,521,303</u>	<u>\$ 655,897</u>	<u>\$ 15,050,171</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	\$ 303,517	\$ 132,467	\$ 0	\$ 2,373,657	\$ 2,809,641
Reserved for Alcohol and Drug Treatment	65,469	0	0	0	65,469
Reserved for Automation Purposes - General Sessions Court	46,005	0	0	0	46,005
Reserved for Automation Purposes - Juvenile Court	1,387	0	0	0	1,387
Unreserved, Reported In:					
General Fund	3,583,464	0	0	0	3,583,464
Special Revenue Funds	0	256,536	0	426,181	682,717
Debt Service Funds	0	0	5,465,044	0	5,465,044
Capital Projects Funds	0	0	0	305,840	305,840
Total Fund Balances	<u>\$ 3,999,842</u>	<u>\$ 389,003</u>	<u>\$ 5,465,044</u>	<u>\$ 3,105,678</u>	<u>\$ 12,959,567</u>
Total Liabilities and Fund Balances	<u>\$ 14,665,539</u>	<u>\$ 596,277</u>	<u>\$ 8,986,347</u>	<u>\$ 3,761,575</u>	<u>\$ 28,009,738</u>

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

Exhibit C-2

Robertson 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)		\$ 12,959,567
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		20,340,474
(2) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		2,338,732
(3) Debt issuance costs are expensed when paid in the governmental funds. The unamortized portion of these charges are reflected on the statement of net assets.		737,302
(4) Interest costs of long-term debt are expensed when due in the governmental funds. Interest costs incurred as of the balance sheet date are accrued in the statement of net assets.		(653,238)
(5) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bonds payable	\$ (61,780,000)	
Notes payable	(4,615,225)	
Unamortized debt premiums	(2,105,266)	
Landfill postclosure care costs	(3,732,383)	
Compensated absences	(887,223)	
Less: Deferred charge on refunding (to be amortized as interest expense)	414,882	(72,705,215)
	<u>414,882</u>	<u>(72,705,215)</u>
Net assets of governmental activities (Exhibit A)		<u>\$ (36,982,378)</u>

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

Exhibit D-1

Robertson 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	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 9,910,172	\$ 1,088,363	\$ 8,563,601	\$ 677,390	\$ 20,239,526
Licenses and Permits	375,640	11,400	0	0	387,040
Fines, Forfeitures, and Penalties	399,732	0	0	88,401	488,133
Charges for Current Services	1,626,830	0	0	927,968	2,554,798
Other Local Revenues	179,612	34,607	821,806	84,785	1,120,810
Fees Received from County Officials	3,042,004	0	0	0	3,042,004
State of Tennessee	1,434,823	2,220,791	0	89,220	3,744,834
Federal Government	317,392	0	0	0	317,392
Other Governments and Citizens Groups	4,250	0	0	0	4,250
Total Revenues	\$ 17,290,455	\$ 3,355,161	\$ 9,385,407	\$ 1,867,764	\$ 31,898,787
<u>Expenditures</u>					
Current:					
General Government	\$ 1,853,506	\$ 0	\$ 0	\$ 0	\$ 1,853,506
Finance	1,474,376	0	0	315	1,474,691
Administration of Justice	1,440,463	0	0	8,500	1,448,963
Public Safety	6,283,262	0	0	82,363	6,365,625
Public Health and Welfare	3,104,479	0	0	1,617,788	4,722,267
Agricultural and Natural Resources	114,141	0	0	0	114,141
Other Operations	2,129,603	0	0	76,105	2,205,708
Highways	0	3,141,121	0	0	3,141,121
Debt Service:					
Principal on Debt	0	0	4,575,333	0	4,575,333
Interest on Debt	0	0	2,873,355	0	2,873,355
Other Debt Service	0	0	136,044	0	136,044
Capital Projects	0	0	0	2,966,065	2,966,065
Total Expenditures	\$ 16,399,830	\$ 3,141,121	\$ 7,584,732	\$ 4,751,136	\$ 31,876,819
Excess (Deficiency) of Revenues Over Expenditures	\$ 890,625	\$ 214,040	\$ 1,800,675	\$ (2,883,372)	\$ 21,968
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 502,000	\$ 502,000
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 502,000	\$ 502,000
Net Change in Fund Balances	\$ 890,625	\$ 214,040	\$ 1,800,675	\$ (2,381,372)	\$ 523,968
Fund Balance, July 1, 2005	3,109,217	174,963	3,664,369	5,487,050	12,435,599
Fund Balance, June 30, 2006	\$ 3,999,842	\$ 389,003	\$ 5,465,044	\$ 3,105,678	\$ 12,959,567

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

Robertson County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 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 D-1)		\$ 523,968
(1) Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital outlays in the current period	\$ 4,893,025	
Less: current year depreciation	<u>(893,814)</u>	3,999,211
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
For the year ended June 30, 2005	\$ (1,959,669)	
For the year ended June 30, 2006	<u>2,338,732</u>	379,063
(3) The issuance of long-term debt (e.g., notes, bonds) 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.		
Less: debt issued	\$ (502,000)	
Add: principal payment on notes	860,333	
Add: principal payment on bonds	<u>3,715,000</u>	4,073,333
(4) Governmental funds report the effect of issuance costs, premiums, discounts, and similar items related to long-term debt issuance when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This adjustment reflects debt issuance cost expensed during the year recorded in the statement of activities.		
Amortization of debt issuance premiums	\$ 240,637	
Amortization of debt issuance costs	(69,730)	
Amortization of deferred amount of refunding	<u>(126,410)</u>	44,497
(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	\$ (129,838)	
Change in postclosure care costs	23,509	
Change in compensated absences	<u>(2,115)</u>	<u>(108,444)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 8,911,628</u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,439,422
Due from Other Governments	<u>913,745</u>
Total Assets	<u>\$ 2,353,167</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 913,745
Due to Litigants, Heirs, and Others	<u>1,439,422</u>
Total Liabilities	<u>\$ 2,353,167</u>

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Robertson County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Robertson County:

**A. Reporting Entity**

Robertson County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Robertson County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Robertson County School Department operates the public school system in the county, and the voters of Robertson County elect its board. The School Department is fiscally dependent on the county because it may not issue debt without county approval, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Robertson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Robertson County, and the Robertson County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the Robertson County Emergency Communications District were not available from other auditors in time for inclusion in this report.

The Elm Hurst Nursing Home, Inc., a previously reported component unit, was sold to Christian Care Center of Springfield, LLC, on July 1, 2005. As of the date of this report, final dissolution of the sale is not complete, and there remains an escrow balance of \$75,000 to be distributed to the nursing home board. Residual nursing home balances will be subsequently distributed to the county.

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

Administrative Office:

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

**Related Organization** – The Robertson County Industrial Development Board is a related organization of Robertson County. The county executive nominates and the Robertson County Commission confirms the board members, but the county’s accountability for the organization does not extend beyond making the appointments. Robertson County acts as an agent for the board by collecting the hotel/motel tax and forwarding the tax to the board through the county’s General Fund. During the year ended June 30, 2006, the county did not provide any operating subsidies to the board.

**B. Government-wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues, grants, and similar items to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met

and the revenues are available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

Fiduciary fund financial statements are reported using the economic resources measurement focus (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.

Robertson County reports the following major governmental funds:

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

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

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

Additionally, Robertson County reports the following fund types:

**Capital Projects Fund** – The General Capital Projects Fund accounts for the 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 and local sales taxes received by the state to be forwarded to the various cities in Robertson County. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Robertson County School Department reports the following major governmental funds:

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

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

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

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

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

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

**D. Assets, Liabilities, and Net Assets or Equity**

**1. Deposits and Investments**

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

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

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

## **2. Receivables and Payables**

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

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Accounts receivable in the General Fund are 98 percent ambulance receivables and two percent other receivables. Ambulance receivables allowance for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to seven percent of total taxes levied.

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

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

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

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets reflected in the primary government funds represent customer deposits payable placed with Robertson County for fire hydrants.

**3. Capital Assets**

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

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

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

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

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

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

4. **Compensated Absences**

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

5. **Long-term Obligations**

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

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

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

## **6. Net Assets and Fund Equity**

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

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

As of June 30, 2006, Robertson County had \$52,056,810 outstanding debt for capital purposes for the discretely presented Robertson County School Department. The debt is a liability of Robertson County, but the capital assets acquired are reported in the financial statements of the Robertson County School Department. Therefore, Robertson County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

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

## **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 governmental funds with the government-wide statement of net assets.

Discretely Presented Robertson County School Department

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide statement of net 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 D-2 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 Robertson County School Department

Exhibit J-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net 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 Constitutional Officers – Fees Fund (special revenue fund) which is 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, Board of Equalization, County Mayor/Executive, County Attorney, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

**B. Expenditures Exceeded Appropriations**

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

<u>Fund/Major Category</u>	<u>Amount</u>
<u>Primary Government</u>	
General Fund:	
Rabies and Animal Control	\$ 2,344
Contributions to Other Agencies	459
General Debt Service Fund:	
Other Debt Service - General Government	83
<u>Discretely Presented Robertson County School Department</u>	
General Purpose School Fund:	
Instruction - Vocational Education Program	78,201
School Federal Projects Fund:	
Support Services - Other Student Support	1,528

**C. Cash Shortage/Improper Purchases**

The Office of County Clerk had a cash shortage of \$1,902 during the year. Details of this cash shortage are discussed in the Schedule of Findings and Questioned Costs section of this report.

An Ambulance Service employee made improper purchases. An investigation by the Tennessee Bureau of Investigation is in progress. Details are discussed in the Schedule of Findings and Questioned Costs section of this report.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Robertson County and the Robertson County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of

net assets as Equity in Pooled Cash and Investments. Cash reflected on the balance sheets or statements of net assets represents nonpooled amounts held separately by individual funds.

### **Deposits**

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

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

### **Investments**

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

The county had no pooled and nonpooled investments as of June 30, 2006.

## **B. Capital Assets**

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

**Governmental Activities:**

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Capital Assets Not Depreciated:				
Land	\$ 3,020,195	\$ 316,715	\$ (5,000)	\$ 3,331,910
Construction in Progress	0	2,869,818	0	2,869,818
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 3,020,195</b>	<b>\$ 3,186,533</b>	<b>\$ (5,000)</b>	<b>\$ 6,201,728</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 11,563,026	\$ 140,413	\$ 0	\$ 11,703,439
Roads and Bridges	4,780,700	1,102,114	0	5,882,814
Other Capital Assets	5,982,834	468,965	0	6,451,799
<b>Total Capital Assets Depreciated</b>	<b>\$ 22,326,560</b>	<b>\$ 1,711,492</b>	<b>\$ 0</b>	<b>\$ 24,038,052</b>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 4,091,512	\$ 229,818	\$ 0	\$ 4,321,330
Roads and Bridges	1,751,210	233,754	0	1,984,964
Other Capital Assets	3,162,770	430,242	0	3,593,012
<b>Total Accumulated Depreciation</b>	<b>\$ 9,005,492</b>	<b>\$ 893,814</b>	<b>\$ 0</b>	<b>\$ 9,899,306</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 13,321,068</b>	<b>\$ 817,678</b>	<b>\$ 0</b>	<b>\$ 14,138,746</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 16,341,263</b>	<b>\$ 4,004,211</b>	<b>\$ (5,000)</b>	<b>\$ 20,340,474</b>

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

**Governmental Activities:**

General Government	\$ 218,825
Finance	4,105
Administration of Justice	2,077
Public Safety	127,534
Public Health and Welfare	159,264
Highway/Public Works	382,009
<b>Total Depreciation Expense - Governmental Activities</b>	<b>\$ 893,814</b>

Discretely Presented Robertson County School Department

**Governmental Activities:**

	Balance 7-1-05	Increases	Decreases	Balance 6-30-06
Capital Assets Not Depreciated:				
Land	\$ 3,317,876	\$ 0	\$ 0	\$ 3,317,876
Construction in Progress	12,568,241	10,927,231	0	23,495,472
Total Capital Assets Not Depreciated	<u>\$ 15,886,117</u>	<u>\$ 10,927,231</u>	<u>\$ 0</u>	<u>\$ 26,813,348</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 53,070,958	\$ 0	\$ 0	\$ 53,070,958
Other Capital Assets	7,601,088	731,310	0	8,332,398
Total Capital Assets Depreciated	<u>\$ 60,672,046</u>	<u>\$ 731,310</u>	<u>\$ 0</u>	<u>\$ 61,403,356</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 26,626,324	\$ 1,088,684	\$ 0	\$ 27,715,008
Other Capital Assets	5,076,185	424,942	0	5,501,127
Total Accumulated Depreciation	<u>\$ 31,702,509</u>	<u>\$ 1,513,626</u>	<u>\$ 0</u>	<u>\$ 33,216,135</u>
Total Capital Assets Depreciated, Net	<u>\$ 28,969,537</u>	<u>\$ (782,316)</u>	<u>\$ 0</u>	<u>\$ 28,187,221</u>
Governmental Activities Capital Assets, Net	<u>\$ 44,855,654</u>	<u>\$ 10,144,915</u>	<u>\$ 0</u>	<u>\$ 55,000,569</u>

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

Governmental Activities:

Support Services	<u>\$ 1,513,626</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,513,626</u></u>

**C. Construction Commitments**

At June 30, 2006, the discretely presented Robertson County School Department had uncompleted construction contracts of approximately \$796,511 for school construction and renovations. Funding has been received for these future expenditures.

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

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

**Due to/from other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 5,087

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

**Interfund Transfers:**

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

**Discretely Presented Robertson County School Department**

<u>Transfers Out</u>	<u>Transfers In</u>
	General Purpose School Fund
Education Capital Projects Fund	\$ 56,002
Nonmajor governmental fund	<u>65,024</u>
Total	<u>\$ 121,026</u>

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

**E. Capital Lease**

Discretely Presented Robertson County School Department

On March 21, 2005, the Robertson County School Department entered into a seven-year lease-purchase agreement for energy efficiency lighting. The terms of the agreement require total lease payments of \$737,080 plus interest of 4.5 percent. Title to the equipment transfers to the School Department at the end of the lease period. The General Purpose School Fund is making these lease payments.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2006, were as follows:

<u>Year Ending June 30</u>	<u>Governmental Funds</u>
2007	\$ 123,922
2008	123,921
2009	123,921
2010	123,921
2011	123,921
2012	123,922
Total Lease Payments	\$ 743,528
Amounts Representing Interest	(98,222)
Present Value of Minimum Lease Payments	<u>\$ 645,306</u>

**F. Long-term Debt**

Primary Government

General Obligation Bonds and Notes

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

General obligation bonds and capital outlay notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds and capital outlay notes outstanding were issued for original terms of up to 20 years for bonds and up to 12 years for notes. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and notes included in long-term debt as of June 30, 2006, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Original Amount of Issue	Balance 6-30-06
General Obligation Bonds	2 to 5.25%	\$ 40,300,000	\$ 37,390,000
General Obligation Bonds - Refunding	2 to 5	34,430,000	24,390,000
Capital Outlay Notes	2 to 5.95	8,678,560	4,615,225

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

Year Ending June 30	Bonds		Notes	
	Principal	Interest	Principal	Interest
2007	\$ 4,105,000	\$ 2,652,867	\$ 797,170	\$ 181,949
2008	4,015,000	2,490,479	716,166	153,253
2009	4,865,000	2,314,995	631,166	127,793
2010	5,135,000	2,110,903	1,407,726	95,368
2011	5,330,000	1,888,281	410,166	46,501
2012-2016	21,410,000	6,237,339	569,165	72,813
2017-2021	11,900,000	2,349,113	83,666	6,526
2022-2025	5,020,000	512,000	0	0
Total	\$ 61,780,000	\$ 20,555,977	\$ 4,615,225	\$ 684,203

There is \$5,465,044 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita amounted to \$1,135, based on the 2000 federal census. Total debt per capita, including bonds and notes, amounted to \$1,239, based on the 2000 federal census.

#### 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	\$ 65,495,000	\$ 4,973,558
Additions	0	502,000
Deductions	(3,715,000)	(860,333)
	<u>61,780,000</u>	<u>4,615,225</u>
Balance, June 30, 2006	\$ 61,780,000	\$ 4,615,225
	<u>4,105,000</u>	<u>797,170</u>

	Compensated Absences	Landfill Postclosure Care Costs
Balance, July 1, 2005	\$ 885,108	\$ 3,755,892
Additions	755,881	0
Deductions	(753,766)	(23,509)
	<u>887,223</u>	<u>3,732,383</u>
Balance, June 30, 2006	\$ 887,223	\$ 3,732,383
	<u>177,445</u>	<u>81,020</u>

**Analysis of Noncurrent Liabilities Presented on Exhibit A:**

Total Noncurrent Liabilities, June 30, 2006	\$ 71,014,831
Less: Due Within One Year	(5,160,635)
Add: Unamortized Premium on Debt	2,105,266
Less: Deferred Amount on Refunding	(414,882)
	<u>67,544,580</u>
Noncurrent Liabilities - Due In More Than One Year - Exhibit A	<u>\$ 67,544,580</u>

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

Discretely Presented Robertson County School Department

Capital Outlay Notes

The county issues capital outlay notes to fund capital facilities and other capital outlay purchases, such as equipment.

Capital outlay notes are direct obligations and pledge the full faith and credit of the government. Capital outlay notes outstanding were issued for original terms of up to seven years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2006, will be retired from the General Purpose School Fund.

Capital outlay notes outstanding as of June 30, 2006, are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-06
Capital Outlay Notes	0%	\$ 500,000	\$ 428,571

The annual requirements to amortize all notes outstanding as of June 30, 2006, including interest payments, are presented in the following table:

Year Ending June 30	Notes	
	Principal	Interest
2007	\$ 71,429	\$ 0
2008	71,429	0
2009	71,429	0
2010	71,428	0
2011	71,428	0
2012	71,428	0
Total	<u>\$ 428,571</u>	<u>\$ 0</u>

Changes in Long-term Liabilities

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

**Governmental Activities:**

	Notes	Capital Leases
Balance, July 1, 2005	\$ 500,000	\$ 737,080
Deduction	(71,429)	(91,774)
Balance, June 30, 2006	\$ 428,571	\$ 645,306
Balance Due Within One Year	\$ 71,429	\$ 95,950

Not included in the above table are \$157,500 in bond anticipation notes that the Education Capital Projects Fund borrowed from the General Debt Service Fund for preliminary design costs which will be repaid from bond proceeds.

**G. Short-term Debt**

The discretely presented Robertson County School Department issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Purpose School Fund. These notes were necessary because funds were not available to meet cash flow needs coming due before current tax collections. Short-term debt activity for the year ended June 30, 2006, was as follows:

	Balance 7-1-05	Issued	Redeemed	Balance 6-30-06
Tax Anticipation Notes	\$ 0	\$ 500,000	\$ (500,000)	\$ 0

**V. OTHER INFORMATION**

**A. Risk Management**

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

Robertson County decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for workers' compensation coverage. Robertson County joined the Local Government Workers' Compensation Fund (LGWCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGWCF for its workers' compensation coverage. The creation of the LGWCF provides for it to be self-sustaining through member premiums.

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

**B. Accounting Changes**

The provisions of Governmental Accounting Standards Board (GASB) Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries became effective for the year ended June 30, 2006. 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 asset or upon disposal of the capital asset. In addition, GASB Statement No. 42 clarifies and establishes accounting requirements for insurance recoveries. GASB Statement No. 42 had no effect on the financial statements for the year ended June 30, 2006, since no capital asset impairment and no material insurance recoveries occurred. However, it is reasonably expected that capital asset impairment and insurance recoveries may occur in subsequent years that will be subject to the provisions of Statement No. 42.

The provisions of GASB Statement No. 44, Economic Condition Reporting: The Statistical Section (an amendment of NCGA Statement 1) became effective for the year ended June 30, 2006. GASB Statement No. 44 applies to the preparation of the statistical section. State and local governments may, but are not required to, prepare a statistical section to accompany basic financial statements. However, a statistical section is required to accompany a comprehensive annual financial report. Since Robertson County is not presenting a comprehensive annual financial report, it has elected not to prepare a statistical section. A limited statistical section was presented in the prior year's report. GASB Statement No. 44 amends guidance related to the preparation of the statistical section. This statement improves the understandability and usefulness of statistical information by addressing the comparability problems that have developed in practice and by adding information from the new financial reporting model for state and local governments required by GASB Statement No. 34. GASB Statement No. 44 establishes the objectives of the statistical section and the five categories it contains: financial trends, revenue capacity, debt capacity, demographic and

economic, and operating. It is reasonably expected that Robertson County will prepare and present a statistical section in subsequent years that follows the requirements of GASB Statement No. 44.

The provisions of GASB Statement No. 46, Net Assets Restricted by Enabling Legislation – an amendment of 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. Robertson County had no net assets restricted by enabling legislation to disclose as of June 30, 2006. But it is reasonably expected that Robertson County will be required to disclose net assets restricted by enabling legislation in subsequent years.

The provisions of GASB Statement No. 47, Accounting for Termination Benefits became effective for the year ended June 30, 2006. 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. Robertson County was not offering any termination benefits to employees as of June 30, 2006. But it is reasonably expected that Robertson County will offer termination benefits in subsequent years subject to the accounting and reporting requirements of GASB Statement No. 47.

**C. Subsequent Events**

On September 5, 2006, Robertson County authorized tax anticipation notes for the General (\$2,000,000) and Solid Waste/Sanitation (\$500,000) Funds.

On September 14, 2006, the county's General Debt Service Fund issued tax anticipation notes totaling \$300,000 to provide temporary operating funds for the Highway/Public Works Fund.

On September 14, 2006, the county's General Debt Service Fund issued tax anticipation notes totaling \$1,000,000 to provide temporary operating funds for the General Purpose School Fund.

**D. Contingent Liabilities**

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

**E. Landfill Closure/Postclosure Care Costs**

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Robertson County stopped accepting waste August 19, 1996, and closed the landfill. The county has contracted its waste management to a private vendor. The Solid Waste/Sanitation Fund reports postclosure care costs as expenditures in each period in which they are incurred. The \$3,732,383 reported as landfill postclosure care liability at June 30, 2006, represents the remaining postclosure costs associated with the closed landfill. These amounts are based on what it would cost to perform all postclosure care in 2006. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

**F. Joint Ventures**

The Springfield-Robertson County Municipal Airport is jointly owned by Robertson County and the City of Springfield and is operated by the Springfield-Robertson County Joint Airport Board. The board comprises five members: two are appointed by Robertson County, two are appointed by the City of Springfield, and the final member is jointly appointed. Robertson County has control over budgeting and financing the joint venture only to the extent of its representation by the appointed board members and is responsible for funding 50 percent of any deficits from operations. Robertson County did not contribute to the operations of the airport during the audit period.

The Gorham MacBane Library is jointly owned by Robertson County and the City of Springfield and is operated by the Library Board. The board comprises seven members: three are appointed by Robertson County, three are appointed by the City of Springfield, and the final member is jointly appointed. Robertson County has control over budgeting and financing the joint venture only to the extent of its representation by the appointed board members and is responsible for funding 50 percent of any deficits from operations. Robertson County contributed \$126,500 to the operations of the Gorham MacBane Library during the audit period.

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

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

Administrative Offices:

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

Gorham MacBane Library  
405 White Street  
Springfield, TN 37172

**G. Retirement Commitments**

**Plan Description**

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

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

**Funding Policy**

Robertson County requires employees to contribute five percent of earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2006, was

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

**Annual Pension Cost**

For the year ended June 30, 2006, Robertson County’s annual pension cost of \$779,129 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. Robertson County’s unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2003, was 12 years.

**Trend Information**

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-06	\$779,129	100%	\$0
6-30-05	725,663	100	0
6-30-04	533,908	100	0

**Required Supplementary Information**

Schedule of Funding Progress for Robertson County

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-05	\$26,245	\$26,245	\$0	100.00%	\$14,772	0.00%
6-30-03	22,967	22,967	0	100.00	12,901	0.00
6-30-01	20,526	20,744	218	98.95	12,505	1.74

## SCHOOL TEACHERS

### **Plan Description**

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

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

### **Funding Policy**

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for Robertson County is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2006, was 5.5 percent of annual covered payroll. The employer contribution requirement for Robertson County is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2006, 2005, and 2004, were \$1,699,706, \$1,641,785, and \$929,618, respectively, equal to the required contributions for each year.

**H. Other Post-employment Benefits**

In addition to the retirement commitments described above, the discretely presented Robertson County School Department provides post-retirement health-care benefits, in accordance with contract provisions, to all teachers who retire from the School Department with at least 10 years of service and have been covered under the county group medical plan for a continuous ten-year period immediately prior to retirement. Currently, 50 school retirees meet those eligibility requirements. The School Department pays 20 to 45 percent of medical premiums for retirees, based on the years of service. Expenditures for post-retirement health-care benefits are recognized as retirees report claims.

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

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

**J. Purchasing Law**

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for Robertson County. The Robertson County Financial Management Committee, with the assistance of the finance director, established a purchasing system for the county that allows for the issuance of purchase orders by department heads for purchases up to \$1,000. Purchases exceeding \$1,000 must be approved by a purchase order issued by the purchasing agent. Also, all purchases exceeding \$5,000 for the Office of County Executive and the discretely presented School Department, and \$10,000 for the Office of Highway Superintendent, which are not exempt, are required to be competitively bid.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Robertson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 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	\$ 9,910,172	\$ 0	\$ 0	\$ 9,910,172	\$ 9,877,360	\$ 9,877,360	\$ 32,812
Licenses and Permits	375,640	0	0	375,640	274,247	274,247	101,393
Fines, Forfeitures, and Penalties	399,732	0	0	399,732	367,308	367,308	32,424
Charges for Current Services	1,626,830	0	0	1,626,830	1,791,823	1,791,823	(164,993)
Other Local Revenues	179,612	0	0	179,612	57,197	97,501	82,111
Fees Received from County Officials	3,042,004	0	0	3,042,004	2,882,629	2,882,629	159,375
State of Tennessee	1,434,823	0	0	1,434,823	1,498,436	1,502,236	(67,413)
Federal Government	317,392	0	0	317,392	71,000	310,933	6,459
Other Governments and Citizens Groups	4,250	0	0	4,250	0	0	4,250
<b>Total Revenues</b>	<b>\$ 17,290,455</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 17,290,455</b>	<b>\$ 16,820,000</b>	<b>\$ 17,104,037</b>	<b>\$ 186,418</b>
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 112,686	\$ 0	\$ 0	\$ 112,686	\$ 124,867	\$ 124,867	\$ 12,181
County Mayor/Executive	200,775	(24,048)	0	176,727	178,808	182,166	5,439
Election Commission	178,375	0	229,552	407,927	194,861	422,284	14,357
Register of Deeds	235,935	0	312	236,247	237,673	240,365	4,118
Planning	306,371	0	0	306,371	324,195	326,644	20,273
County Buildings	725,458	(51,757)	14,074	687,775	736,023	787,305	99,530
Preservation of Records	93,906	0	0	93,906	91,805	95,605	1,699
<u>Finance</u>							
Accounting and Budgeting	378,735	0	0	378,735	374,979	385,867	7,132
Property Assessor's Office	425,748	0	0	425,748	430,885	433,577	7,829
County Trustee's Office	227,374	0	0	227,374	233,149	235,841	8,467
County Clerk's Office	442,519	(478)	0	442,041	451,405	454,097	12,056
<u>Administration of Justice</u>							
Circuit Court	635,151	0	0	635,151	658,646	661,338	26,187

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	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>Administration of Justice (Cont.)</u>							
General Sessions Court	\$ 283,649	\$ 0	\$ 7,135	\$ 290,784	\$ 294,340	\$ 299,337	\$ 8,553
Chancery Court	190,843	0	2,983	193,826	214,341	217,033	23,207
Juvenile Court	330,820	0	7,136	337,956	352,794	352,794	14,838
<u>Public Safety</u>							
Sheriff's Department	5,682,444	(12,370)	42,325	5,712,399	5,608,300	5,959,310	246,911
Fire Prevention and Control	471,422	0	0	471,422	471,422	471,422	0
Civil Defense	129,396	0	0	129,396	134,994	134,994	5,598
<u>Public Health and Welfare</u>							
Local Health Center	501,621	0	0	501,621	648,329	648,329	146,708
Rabies and Animal Control	51,880	0	0	51,880	47,961	49,536	(2,344)
Ambulance/Emergency Medical Services	2,512,045	0	0	2,512,045	2,691,194	2,693,702	181,657
Sanitation Management	38,933	0	0	38,933	45,320	45,320	6,387
<u>Agriculture &amp; Natural Resources</u>							
Agriculture Extension Service	114,141	0	0	114,141	118,706	118,706	4,565
<u>Other Operations</u>							
Other Charges	1,710,029	(31,695)	0	1,678,334	1,917,553	1,848,223	169,889
Contributions to Other Agencies	419,574	0	0	419,574	237,450	419,115	(459)
Total Expenditures	\$ 16,399,830	\$ (120,348)	\$ 303,517	\$ 16,582,999	\$ 16,820,000	\$ 17,607,777	\$ 1,024,778
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 890,625	\$ 120,348	\$ (303,517)	\$ 707,456	\$ 0	\$ (503,740)	\$ 1,211,196
Net Change in Fund Balance							
Fund Balance, July 1, 2005	\$ 3,109,217	\$ (120,348)	\$ 0	\$ 2,988,869	\$ 2,988,869	\$ 2,988,869	\$ 0
Fund Balance, June 30, 2006							
	\$ 3,999,842	\$ 0	\$ (303,517)	\$ 3,696,325	\$ 2,988,869	\$ 2,485,129	\$ 1,211,196

Exhibit F-2

Robertson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 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	\$ 1,088,363	\$ 0	\$ 1,088,363	\$ 1,066,690	\$ 1,066,690	\$ 21,673
Licenses and Permits	11,400	0	11,400	10,800	10,800	600
Other Local Revenues	34,607	0	34,607	11,018	23,595	11,012
State of Tennessee	2,220,791	0	2,220,791	2,342,492	2,342,492	(121,701)
Total Revenues	<u>\$ 3,355,161</u>	<u>\$ 0</u>	<u>\$ 3,355,161</u>	<u>\$ 3,431,000</u>	<u>\$ 3,443,577</u>	<u>\$ (88,416)</u>
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 251,410	\$ 0	\$ 251,410	\$ 254,590	\$ 257,667	\$ 6,257
Highway and Bridge Maintenance	1,902,732	0	1,902,732	1,966,800	1,966,800	64,068
Operation and Maintenance of Equipment	398,953	1,840	400,793	398,735	408,235	7,442
Other Charges	264,472	0	264,472	280,875	280,875	16,403
Capital Outlay	323,554	130,627	454,181	530,000	530,000	75,819
Total Expenditures	<u>\$ 3,141,121</u>	<u>\$ 132,467</u>	<u>\$ 3,273,588</u>	<u>\$ 3,431,000</u>	<u>\$ 3,443,577</u>	<u>\$ 169,989</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 214,040</u>	<u>\$ (132,467)</u>	<u>\$ 81,573</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 81,573</u>
Net Change in Fund Balance	\$ 214,040	\$ (132,467)	\$ 81,573	\$ 0	\$ 0	\$ 81,573
Fund Balance, July 1, 2005	174,963	0	174,963	174,963	174,963	0
Fund Balance, June 30, 2006	<u>\$ 389,003</u>	<u>\$ (132,467)</u>	<u>\$ 256,536</u>	<u>\$ 174,963</u>	<u>\$ 174,963</u>	<u>\$ 81,573</u>

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

**A. BUDGETARY INFORMATION**

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

The budgetary level of control is at the major category level established by the State Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, County Mayor/Executive, County Attorney, etc.). Management may make revisions within major categories, but only the Robertson 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 statement.

**B. EXPENDITURES EXCEEDED APPROPRIATIONS**

Expenditures exceeded appropriations approved by the County Commission in two major categories (the legal level of control) of the General Fund:

Fund/Category	Amount
General Fund:	
Rabies and Animal Control	\$ 2,344
Contributions to Other Agencies	459

**C. IMPROPER PURCHASES**

An Ambulance Service employee made improper purchases. An investigation by the Tennessee Bureau of Investigation is in progress. Details are discussed in the Schedule of Findings and Questioned Costs section of this report.

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

## Capital Projects Fund

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

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

Exhibit G-1

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

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	<u>Solid</u>	<u>Drug</u>	<u>Constitu-</u>	<u>Total</u>	<u>Projects</u>	
	<u>Waste /</u>	<u>Control</u>	<u>utional</u>		<u>General</u>	<u>Nonmajor</u>
	<u>Sanitation</u>		<u>Officers -</u>		<u>Capital</u>	<u>Governmental</u>
			<u>Fees</u>		<u>Projects</u>	<u>Funds</u>
<u>ASSETS</u>						
Cash	\$ 300	\$ 0	\$ 1,250	\$ 1,550	\$ 0	\$ 1,550
Equity in Pooled Cash and Investments	320,517	71,959	0	392,476	2,672,987	3,065,463
Accounts Receivable	40,485	0	3,837	44,322	0	44,322
Property Taxes Receivable	708,504	0	0	708,504	0	708,504
Allowance for Uncollectible Property Taxes	(58,264)	0	0	(58,264)	0	(58,264)
Total Assets	\$ 1,011,542	\$ 71,959	\$ 5,087	\$ 1,088,588	\$ 2,672,987	\$ 3,761,575
<u>LIABILITIES AND FUND BALANCES</u>						
<u>Liabilities</u>						
Accrued Payroll	\$ 3,916	\$ 0	\$ 0	\$ 3,916	\$ 0	\$ 3,916
Due to Other Funds	0	0	5,087	5,087	0	5,087
Deferred Revenue - Current Property Taxes	627,900	0	0	627,900	0	627,900
Deferred Revenue - Delinquent Property Taxes	18,994	0	0	18,994	0	18,994
Total Liabilities	\$ 650,810	\$ 0	\$ 5,087	\$ 655,897	\$ 0	\$ 655,897
<u>Fund Balances</u>						
Reserved for Encumbrances	\$ 0	\$ 6,510	\$ 0	\$ 6,510	\$ 2,367,147	\$ 2,373,657
Unreserved	360,732	65,449	0	426,181	305,840	732,021
Total Fund Balances	\$ 360,732	\$ 71,959	\$ 0	\$ 432,691	\$ 2,672,987	\$ 3,105,678
Total Liabilities and Fund Balances	\$ 1,011,542	\$ 71,959	\$ 5,087	\$ 1,088,588	\$ 2,672,987	\$ 3,761,575

Exhibit G-2

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	Solid Waste/ Sanitation	Drug Control	Constitu- tional Officers - Fees	Total	General Capital Projects	
<u>Revenues</u>						
Local Taxes	\$ 677,390	\$ 0	\$ 0	\$ 677,390	\$ 0	\$ 677,390
Fines, Forfeitures, and Penalties	0	88,401	0	88,401	0	88,401
Charges for Current Services	919,153	0	8,815	927,968	0	927,968
Other Local Revenues	84,785	0	0	84,785	0	84,785
State of Tennessee	30,200	19,020	0	49,220	40,000	89,220
<b>Total Revenues</b>	<b>\$ 1,711,528</b>	<b>\$ 107,421</b>	<b>\$ 8,815</b>	<b>\$ 1,827,764</b>	<b>\$ 40,000</b>	<b>\$ 1,867,764</b>
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 315	\$ 315	\$ 0	\$ 315
Administration of Justice	0	0	8,500	8,500	0	8,500
Public Safety	0	82,363	0	82,363	0	82,363
Public Health and Welfare	1,617,788	0	0	1,617,788	0	1,617,788
Other Operations	76,105	0	0	76,105	0	76,105
Capital Projects	0	0	0	0	2,966,065	2,966,065
<b>Total Expenditures</b>	<b>\$ 1,693,893</b>	<b>\$ 82,363</b>	<b>\$ 8,815</b>	<b>\$ 1,785,071</b>	<b>\$ 2,966,065</b>	<b>\$ 4,751,136</b>
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 17,635	\$ 25,058	\$ 0	\$ 42,693	\$ (2,926,065)	\$ (2,883,372)
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 502,000	\$ 502,000
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 502,000</b>	<b>\$ 502,000</b>
Net Change in Fund Balances						
Fund Balance, July 1, 2005	\$ 343,097	\$ 46,901	\$ 0	\$ 389,998	\$ 5,097,052	\$ 5,487,050
<b>Fund Balance, June 30, 2006</b>	<b>\$ 360,732</b>	<b>\$ 71,959</b>	<b>\$ 0</b>	<b>\$ 432,691</b>	<b>\$ 2,672,987</b>	<b>\$ 3,105,678</b>

Exhibit G-3

Robertson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2006

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2005	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 677,390	\$ 0	\$ 677,390	\$ 678,674	\$ 678,674	\$ (1,284)
Charges for Current Services	919,153	0	919,153	783,769	851,769	67,384
Other Local Revenues	84,785	0	84,785	85,557	87,777	(2,992)
State of Tennessee	30,200	0	30,200	130,000	130,000	(99,800)
Total Revenues	<u>\$ 1,711,528</u>	<u>\$ 0</u>	<u>\$ 1,711,528</u>	<u>\$ 1,678,000</u>	<u>\$ 1,748,220</u>	<u>\$ (36,692)</u>
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Convenience Centers	\$ 192,240	\$ (5,870)	\$ 186,370	\$ 370,128	\$ 305,128	\$ 118,758
Transfer Stations	1,360,700	(4,907)	1,355,793	1,231,737	1,364,957	9,164
Recycling Center	41,338	0	41,338	42,629	44,629	3,291
Postclosure Care Costs	23,510	0	23,510	87,815	87,815	64,305
<u>Other Operations</u>						
Other Charges	76,105	0	76,105	84,691	84,691	8,586
Total Expenditures	<u>\$ 1,693,893</u>	<u>\$ (10,777)</u>	<u>\$ 1,683,116</u>	<u>\$ 1,817,000</u>	<u>\$ 1,887,220</u>	<u>\$ 204,104</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 17,635</u>	<u>\$ 10,777</u>	<u>\$ 28,412</u>	<u>\$ (139,000)</u>	<u>\$ (139,000)</u>	<u>\$ 167,412</u>
Net Change in Fund Balance	\$ 17,635	\$ 10,777	\$ 28,412	\$ (139,000)	\$ (139,000)	\$ 167,412
Fund Balance, July 1, 2005	343,097	(10,777)	332,320	332,320	332,320	0
Fund Balance, June 30, 2006	<u>\$ 360,732</u>	<u>\$ 0</u>	<u>\$ 360,732</u>	<u>\$ 193,320</u>	<u>\$ 193,320</u>	<u>\$ 167,412</u>

Exhibit G-4

Robertson County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Drug Control Fund  
For the Year Ended June 30, 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>						
Fines, Forfeitures, and Penalties	\$ 88,401	\$ 0	\$ 88,401	\$ 88,000	\$ 88,000	\$ 401
State of Tennessee	19,020	0	19,020	0	0	19,020
Total Revenues	<u>\$ 107,421</u>	<u>\$ 0</u>	<u>\$ 107,421</u>	<u>\$ 88,000</u>	<u>\$ 88,000</u>	<u>\$ 19,421</u>
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 82,363	\$ 6,510	\$ 88,873	\$ 100,000	\$ 100,000	\$ 11,127
Total Expenditures	<u>\$ 82,363</u>	<u>\$ 6,510</u>	<u>\$ 88,873</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 11,127</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 25,058</u>	<u>\$ (6,510)</u>	<u>\$ 18,548</u>	<u>\$ (12,000)</u>	<u>\$ (12,000)</u>	<u>\$ 30,548</u>
Net Change in Fund Balance	\$ 25,058	\$ (6,510)	\$ 18,548	\$ (12,000)	\$ (12,000)	\$ 30,548
Fund Balance, July 1, 2005	<u>46,901</u>	<u>0</u>	<u>46,901</u>	<u>46,901</u>	<u>46,901</u>	<u>0</u>
Fund Balance, June 30, 2006	<u>\$ 71,959</u>	<u>\$ (6,510)</u>	<u>\$ 65,449</u>	<u>\$ 34,901</u>	<u>\$ 34,901</u>	<u>\$ 30,548</u>

## **Major Governmental Fund**

### **General Debt Service Fund**

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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.

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Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,563,601	\$ 7,346,033	\$ 7,346,033	\$ 1,217,568
Other Local Revenues	821,806	226,617	238,617	583,189
Total Revenues	<u>\$ 9,385,407</u>	<u>\$ 7,572,650</u>	<u>\$ 7,584,650</u>	<u>\$ 1,800,757</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,051,150	\$ 1,523,848	\$ 1,051,150	\$ 0
Highways and Streets	551,383	668,181	551,383	0
Education	2,972,800	5,452,010	2,972,800	0
<u>Interest on Debt</u>				
General Government	472,698	0	527,968	55,270
Highways and Streets	116,798	0	116,798	0
Education	2,283,859	0	2,283,860	1
<u>Other Debt Service</u>				
General Government	136,044	123,961	135,961	(83)
Total Expenditures	<u>\$ 7,584,732</u>	<u>\$ 7,768,000</u>	<u>\$ 7,639,920</u>	<u>\$ 55,188</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,800,675</u>	<u>\$ (195,350)</u>	<u>\$ (55,270)</u>	<u>\$ 1,855,945</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 195,350	\$ 195,350	\$ (195,350)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 195,350</u>	<u>\$ 195,350</u>	<u>\$ (195,350)</u>
Net Change in Fund Balance	\$ 1,800,675	\$ 0	\$ 140,080	\$ 1,660,595
Fund Balance, July 1, 2005	<u>3,664,369</u>	<u>3,664,370</u>	<u>3,664,370</u>	<u>(1)</u>
Fund Balance, June 30, 2006	<u><u>\$ 5,465,044</u></u>	<u><u>\$ 3,664,370</u></u>	<u><u>\$ 3,804,450</u></u>	<u><u>\$ 1,660,594</u></u>

# Fiduciary Funds

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

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

Constitutional Officers - Agency Fund – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk, circuit and general sessions courts clerk, clerk and master, register, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Exhibit I-1

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

	<u>Agency Funds</u>		
	Cities -	Constitu-	
	Sales	tional	
	Tax	Officers -	
		Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 1,439,422	\$ 1,439,422
Due from Other Governments	913,745	0	913,745
Total Assets	<u>\$ 913,745</u>	<u>\$ 1,439,422</u>	<u>\$ 2,353,167</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 913,745	\$ 0	\$ 913,745
Due to Litigants, Heirs, and Others	0	1,439,422	1,439,422
Total Liabilities	<u>\$ 913,745</u>	<u>\$ 1,439,422</u>	<u>\$ 2,353,167</u>

Exhibit I-2

Robertson 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	\$ 5,463,367	\$ 5,463,367	\$ 0
Due From Other Governments	889,160	913,745	889,160	913,745
Total Assets	<u>\$ 889,160</u>	<u>\$ 6,377,112</u>	<u>\$ 6,352,527</u>	<u>\$ 913,745</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 889,160	\$ 6,377,112	\$ 6,352,527	\$ 913,745
Total Liabilities	<u>\$ 889,160</u>	<u>\$ 6,377,112</u>	<u>\$ 6,352,527</u>	<u>\$ 913,745</u>
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,737,800	\$ 15,592,140	\$ 15,890,518	\$ 1,439,422
Total Assets	<u>\$ 1,737,800</u>	<u>\$ 15,592,140</u>	<u>\$ 15,890,518</u>	<u>\$ 1,439,422</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,737,800	\$ 15,592,140	\$ 15,890,518	\$ 1,439,422
Total Liabilities	<u>\$ 1,737,800</u>	<u>\$ 15,592,140</u>	<u>\$ 15,890,518</u>	<u>\$ 1,439,422</u>
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 5,463,367	\$ 5,463,367	\$ 0
Cash	1,737,800	15,592,140	15,890,518	1,439,422
Due From Other Governments	889,160	913,745	889,160	913,745
Total Assets	<u>\$ 2,626,960</u>	<u>\$ 21,969,252</u>	<u>\$ 22,243,045</u>	<u>\$ 2,353,167</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 889,160	\$ 6,377,112	\$ 6,352,527	\$ 913,745
Due to Litigants, Heirs, and Others	1,737,800	15,592,140	15,890,518	1,439,422
Total Liabilities	<u>\$ 2,626,960</u>	<u>\$ 21,969,252</u>	<u>\$ 22,243,045</u>	<u>\$ 2,353,167</u>

# Robertson County School Department

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

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

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

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

Exhibit J-1

Robertson County, Tennessee  
Statement of Activities  
Discretely Presented Robertson County School Department  
For the Year Ended June 30, 2006

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Assets
					Total Governmental Activities
Component Unit:					
Governmental Activities:					
Instruction	\$ 42,140,266	\$ 1,530	\$ 3,787,360	\$ 0	\$ (38,351,376)
Support Services	20,782,412	165,456	0	238,527	(20,378,429)
Operation of Noninstructional Services	2,178,876	0	2,687,896	0	509,020
Interest on Long-term Debt	31,451	0	0	0	(31,451)
<b>Total Governmental Activities</b>	<b>\$ 65,133,005</b>	<b>\$ 166,986</b>	<b>\$ 6,475,256</b>	<b>\$ 238,527</b>	<b>\$ (58,252,236)</b>
General Revenues:					
Taxes:					
Property taxes levied for general purposes					\$ 12,415,495
Local option sales tax					6,345,742
Other local taxes					420,289
Grants & contributions not restricted for specific programs					37,730,253
Miscellaneous					195,793
<b>Total General Revenues</b>					<b>\$ 57,107,572</b>
Change in net assets					\$ (1,144,664)
Net assets, July 1, 2005					61,017,687
<b>Net assets, June 30, 2006</b>					<b>\$ 59,873,023</b>

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>School</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Federal</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Projects</u>	<u>Funds</u>
			<u>Fund</u>	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 1,672,803	\$ 1,786,985	\$ 400,459	\$ 3,860,247
Accounts Receivable	82,692	0	469	83,161
Due from Other Governments	1,625,686	0	131,127	1,756,813
Property Taxes Receivable	12,955,513	0	0	12,955,513
Allowance for Uncollectible Property Taxes	(1,065,406)	0	0	(1,065,406)
Total Assets	<u>\$ 15,271,288</u>	<u>\$ 1,786,985</u>	<u>\$ 532,055</u>	<u>\$ 17,590,328</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 235	\$ 0	\$ 0	\$ 235
Bond Anticipation Notes Payable	0	157,500	0	157,500
Deferred Revenue - Current Property Taxes	11,481,600	0	0	11,481,600
Deferred Revenue - Delinquent Property Taxes	342,803	0	0	342,803
Other Deferred Revenues	630,391	0	0	630,391
Total Liabilities	<u>\$ 12,455,029</u>	<u>\$ 157,500</u>	<u>\$ 0</u>	<u>\$ 12,612,529</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 0	\$ 796,511	\$ 0	\$ 796,511
Reserved for Career Ladder Program	12,589	0	0	12,589
Reserved for Title I Grants to Local Education Agencies	0	0	25,053	25,053
Reserved for Innovative Education Program Strategies	0	0	13,578	13,578
Reserved for Special Education - Grants to States	0	0	389,279	389,279
Other Federal Reserves	0	0	104,145	104,145
Unreserved, Reported In:				
General Fund	2,803,670	0	0	2,803,670
Capital Projects Funds	0	832,974	0	832,974
Total Fund Balances	<u>\$ 2,816,259</u>	<u>\$ 1,629,485</u>	<u>\$ 532,055</u>	<u>\$ 4,977,799</u>
Total Liabilities and Fund Balances	<u>\$ 15,271,288</u>	<u>\$ 1,786,985</u>	<u>\$ 532,055</u>	<u>\$ 17,590,328</u>

Robertson County, Tennessee  
Discretely Presented Robertson County School Department  
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 J-2)		\$ 4,977,799
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		55,000,569
(2) Certain earned amounts are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		973,194
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Notes payable	\$ (428,571)	
Capital lease payable	(645,306)	
Accrued interest payable	(4,662)	
		<u>(1,078,539)</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 59,873,023</u>

Exhibit J-4

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

	Major Funds		Nonmajor	Total
	General Purpose School	Education Capital Projects	School Federal Projects Fund	
<u>Revenues</u>				
Local Taxes	\$ 19,645,948	\$ 0	\$ 0	\$ 19,645,948
Licenses and Permits	2,703	0	0	2,703
Charges for Current Services	166,986	0	0	166,986
Other Local Revenues	263,450	173,015	0	436,465
State of Tennessee	36,903,728	0	0	36,903,728
Federal Government	2,015,917	0	4,422,633	6,438,550
<b>Total Revenues</b>	<b>\$ 58,998,732</b>	<b>\$ 173,015</b>	<b>\$ 4,422,633</b>	<b>\$ 63,594,380</b>
<u>Expenditures</u>				
Current:				
Instruction	\$ 38,480,680	\$ 0	\$ 3,659,586	\$ 42,140,266
Support Services	18,034,615	0	722,733	18,757,348
Operation of Non-Instructional Services	1,862,838	0	0	1,862,838
Capital Outlay	917,610	0	0	917,610
Debt Service:				
Principal on Debt	163,203	0	0	163,203
Interest on Debt	32,147	0	0	32,147
Capital Projects	0	11,252,369	0	11,252,369
<b>Total Expenditures</b>	<b>\$ 59,491,093</b>	<b>\$ 11,252,369</b>	<b>\$ 4,382,319</b>	<b>\$ 75,125,781</b>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (492,361)	\$ (11,079,354)	\$ 40,314	\$ (11,531,401)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 121,026	\$ 0	\$ 0	\$ 121,026
Transfers Out	0	(56,002)	(65,024)	(121,026)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 121,026</b>	<b>\$ (56,002)</b>	<b>\$ (65,024)</b>	<b>\$ 0</b>
Net Change in Fund Balances				
Fund Balance, July 1, 2005	\$ 3,187,594	\$ 12,764,841	\$ 556,765	\$ 16,509,200
<b>Fund Balance, June 30, 2006</b>	<b>\$ 2,816,259</b>	<b>\$ 1,629,485</b>	<b>\$ 532,055</b>	<b>\$ 4,977,799</b>

Exhibit J-5

Robertson County, Tennessee  
Discretely Presented Robertson County School Department  
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 J-4)		\$ (11,531,401)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital outlays in the current period	\$ 11,658,541	
Less: current year depreciation	<u>(1,513,626)</u>	10,144,915
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
For the year ended June 30, 2005	\$ (895,271)	
For the year ended June 30, 2006	<u>973,194</u>	77,923
(3) The issuance of long-term debt (e.g., notes, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Add: principal payment on notes	\$ 71,429	
Add: principal payment on capital lease	<u>91,774</u>	163,203
(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.		<u>696</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ (1,144,664)</u>

Exhibit J-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 19,645,948	\$ 19,441,600	\$ 19,441,600	\$ 204,348
Licenses and Permits	2,703	5,000	5,000	(2,297)
Charges for Current Services	166,986	163,000	163,000	3,986
Other Local Revenues	263,450	130,000	210,000	53,450
State of Tennessee	36,903,728	36,328,000	36,328,000	575,728
Federal Government	2,015,917	1,990,900	2,061,690	(45,773)
Total Revenues	<u>\$ 58,998,732</u>	<u>\$ 58,058,500</u>	<u>\$ 58,209,290</u>	<u>\$ 789,442</u>
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 30,956,489	\$ 31,539,000	\$ 31,078,190	\$ 121,701
Alternative Instruction Program	364,445	306,100	366,100	1,655
Special Education Program	4,869,863	4,902,900	4,927,900	58,037
Vocational Education Program	2,221,801	2,243,600	2,143,600	(78,201)
Adult Education Program	68,082	98,400	96,900	28,818
<u>Support Services</u>				
Attendance	117,529	117,100	119,100	1,571
Health Services	323,686	337,700	332,700	9,014
Other Student Support	1,468,359	1,498,300	1,498,300	29,941
Regular Instruction Program	1,616,621	1,645,200	1,651,200	34,579
Alternative Instruction Program	72,861	73,500	74,000	1,139
Special Education Program	697,232	741,100	741,100	43,868
Vocational Education Program	110,513	124,600	124,600	14,087
Adult Programs	98,410	100,800	102,300	3,890
Board of Education	956,838	903,200	963,200	6,362
Director of Schools	201,832	202,600	204,600	2,768
Office of the Principal	3,522,779	3,393,900	3,533,900	11,121
Fiscal Services	198,973	199,600	201,700	2,727
Operation of Plant	3,995,694	3,594,200	4,055,200	59,506
Maintenance of Plant	1,296,910	1,203,300	1,361,300	64,390
Transportation	2,810,363	2,647,300	2,847,300	36,937
Central and Other	546,015	577,300	577,300	31,285
<u>Operation of Non-Instructional Services</u>				
Food Service	1,818,066	1,826,300	1,876,300	58,234
Community Services	44,772	50,000	50,000	5,228
<u>Capital Outlay</u>				
Regular Capital Outlay	917,610	979,500	979,500	61,890
<u>Principal on Debt</u>				
Education	163,203	0	163,203	0
<u>Interest on Debt</u>				
Education	32,147	0	32,147	0
Total Expenditures	<u>\$ 59,491,093</u>	<u>\$ 59,305,500</u>	<u>\$ 60,101,640</u>	<u>\$ 610,547</u>

(Continued)

Exhibit J-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ (492,361)	\$ (1,247,000)	\$ (1,892,350)	\$ 1,399,989
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 121,026	\$ 40,000	\$ 40,000	\$ 81,026
Transfers Out	0	(195,350)	0	0
Total Other Financing Sources (Uses)	\$ 121,026	\$ (155,350)	\$ 40,000	\$ 81,026
Net Change in Fund Balance	\$ (371,335)	\$ (1,402,350)	\$ (1,852,350)	\$ 1,481,015
Fund Balance, July 1, 2005	3,187,594	3,187,593	3,187,593	1
Fund Balance, June 30, 2006	\$ 2,816,259	\$ 1,785,243	\$ 1,335,243	\$ 1,481,016

Exhibit J-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 4,422,633	\$ 4,400,957	\$ 4,400,957	\$ 21,676
Total Revenues	\$ 4,422,633	\$ 4,400,957	\$ 4,400,957	\$ 21,676
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,231,888	\$ 1,443,482	\$ 1,474,679	\$ 242,791
Special Education Program	2,259,861	2,976,006	2,976,006	716,145
Vocational Education Program	167,837	172,717	172,717	4,880
<u>Support Services</u>				
Other Student Support	29,528	28,000	28,000	(1,528)
Regular Instruction Program	293,671	726,232	705,100	411,429
Special Education Program	394,228	665,103	665,103	270,875
Vocational Education Program	5,306	6,000	6,000	694
Total Expenditures	\$ 4,382,319	\$ 6,017,540	\$ 6,027,605	\$ 1,645,286
Excess (Deficiency) of Revenues Over Expenditures	\$ 40,314	\$ (1,616,583)	\$ (1,626,648)	\$ 1,666,962
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (65,024)	\$ (67,585)	\$ (72,547)	\$ 7,523
Total Other Financing Sources (Uses)	\$ (65,024)	\$ (67,585)	\$ (72,547)	\$ 7,523
Net Change in Fund Balance	\$ (24,710)	\$ (1,684,168)	\$ (1,699,195)	\$ 1,674,485
Fund Balance, July 1, 2005	556,765	1,684,168	1,699,195	(1,142,430)
Fund Balance, June 30, 2006	\$ 532,055	\$ 0	\$ 0	\$ 532,055

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Robertson County, Tennessee  
Schedule of Changes in Long-term Notes, Capital Leases, and Bonds  
Primary Government and Discretely Presented Robertson County School Department  
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
<b>PRIMARY GOVERNMENT</b>								
<b>NOTES PAYABLE</b>								
<u>Payable through General Debt Service Fund</u>								
Highway Paving	\$ 1,330,000	4 to 4.9 %	10-20-1997	11-20-09	\$ 555,000	\$ 0	\$ 111,000	\$ 444,000
Highway Paving	1,420,000	4.055	12-11-1998	12-11-10	709,998	0	118,333	591,665
Highway Paving	900,000	5.32	4-3-00	4-3-12	525,000	0	75,000	450,000
Airport Improvements	355,000	5.95	8-6-01	8-6-06	142,000	0	71,000	71,000
Refunding Notes	2,990,000	2 to 3.7	4-1-03	3-1-13	2,020,000	0	405,000	1,615,000
Roof Repair	400,000	2.466	4-10-03	4-10-08	240,000	0	80,000	160,000
Land For New School	781,560	4	5-4-05	5-4-10	781,560	0	0	781,560
Health Department Roof	502,000	5.2	6-9-06	6-9-18	0	502,000	0	502,000
Total Notes Payable					\$ 4,973,558	\$ 502,000	\$ 860,333	\$ 4,615,225
<b>BONDS PAYABLE</b>								
<u>Payable through General Debt Service Fund</u>								
Refunding	7,025,000	3.14 to 4.125	12-1-1998	6-1-10	\$ 1,970,000	\$ 0	\$ 650,000	\$ 1,320,000
School Bonds	4,995,000	3.4 to 4.45	5-1-1999	5-1-14	3,370,000	0	310,000	3,060,000
School Bonds	2,860,000	5.25	3-1-00	3-1-15	2,150,000	0	165,000	1,985,000
Refunding	12,990,000	2 to 5	4-1-03	12-1-12	11,595,000	0	1,540,000	10,055,000
Refunding	14,415,000	4 to 4.5	2-1-04	6-1-15	14,015,000	0	1,000,000	13,015,000
School Bonds	15,395,000	2 to 4.375	4-1-04	4-1-19	15,345,000	0	50,000	15,295,000
General Obligation Bond	17,050,000	3 to 5	6-1-05	4-1-25	17,050,000	0	0	17,050,000
Total Bonds Payable					\$ 65,495,000	\$ 0	\$ 3,715,000	\$ 61,780,000
<b>DISCRETELY PRESENTED ROBERTSON COUNTY SCHOOL DEPARTMENT</b>								
<b>NOTES PAYABLE</b>								
<u>Payable through General Purpose School Fund</u>								
Energy Efficiency Improvements	500,000	0	6-9-05	5-16-12	\$ 500,000	\$ 0	\$ 71,429	\$ 428,571
Total Notes Payable					\$ 500,000	\$ 0	\$ 71,429	\$ 428,571
<b>CAPITAL LEASES PAYABLE</b>								
<u>Payable through General Purpose School Fund</u>								
Energy Efficiency Lighting	737,080	4.5	3-21-05	4-1-12	\$ 737,080	\$ 0	\$ 91,774	\$ 645,306
Total Capital Leases Payable					\$ 737,080	\$ 0	\$ 91,774	\$ 645,306

Exhibit K-2

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

Year Ending June 30	Bond Requirements	Interest Requirements	Total Requirements
2007	\$ 4,105,000	\$ 2,652,867	\$ 6,757,867
2008	4,015,000	2,490,479	6,505,479
2009	4,865,000	2,314,995	7,179,995
2010	5,135,000	2,110,903	7,245,903
2011	5,330,000	1,888,281	7,218,281
2012	4,940,000	1,656,270	6,596,270
2013	4,595,000	1,439,980	6,034,980
2014	4,480,000	1,242,117	5,722,117
2015	4,350,000	1,042,579	5,392,579
2016	3,045,000	856,393	3,901,393
2017	3,150,000	737,187	3,887,187
2018	3,210,000	596,888	3,806,888
2019	3,300,000	452,888	3,752,888
2020	1,100,000	307,200	1,407,200
2021	1,140,000	254,950	1,394,950
2022	1,180,000	200,800	1,380,800
2023	1,230,000	153,600	1,383,600
2024	1,280,000	104,400	1,384,400
2025	1,330,000	53,200	1,383,200
Total	\$ 61,780,000	\$ 20,555,977	\$ 82,335,977

Exhibit K-3

Robertson County, Tennessee  
Schedule of Transfers - Discretely Presented Robertson County School Department  
For the Year Ended June 30, 2006

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
School Federal Projects	General Purpose School	Indirect costs	\$ 65,024
Education Capital Projects	General Purpose School	Close project	<u>56,002</u>
Total Transfers			<u>\$ 121,026</u>

Exhibit K-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <u>TCA</u>	\$ 80,656	\$ 50,000	Western Surety Company
Road Supervisor	Section 8-24-102, <u>TCA</u>	73,892	100,000	"
Director of Schools	State Board of Education and Local Board of Education	85,000 (1)	50,000	"
Trustee	Section 8-24-102, <u>TCA</u>	64,658	1,467,900	"
Assessor of Property	Section 8-24-102, <u>TCA</u>	64,658	10,000	"
Finance Director	County Commission	73,447	50,000	"
County Clerk	Section 8-24-102, <u>TCA</u>	64,658	50,000	"
Circuit Court Clerk	Section 8-24-102, <u>TCA</u>	64,658	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u> , and Chancery Court Judge	73,158 (2)	50,000	"
Register	Section 8-24-102, <u>TCA</u>	64,658	25,000	"
Sheriff	Section 8-24-102, <u>TCA</u>	74,411 (3)	25,000	"
County Employees: Public Employees Blanket Bond Including Public School System			100,000	"

- (1) Includes 20 days of paid vacation. Other benefits not included are one sick day per month, the use of an automobile, and a board paid life insurance policy. The board also reserves the right to award the director performance bonuses as deemed proper.
- (2) Includes special commissioner fees of \$8,500.
- (3) Includes a law enforcement training supplement of \$519.

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Capital Projects Fund	Total
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Local Taxes</u>								
<u>County Property Taxes</u>								
Current Property Tax	\$ 8,469,777	\$ 637,923	\$ 0	\$ 0	\$ 0	\$ 3,462,996	\$ 0	\$ 12,570,696
Trustee's Collections - Prior Year	251,306	19,107	0	0	0	103,355	0	373,768
Circuit/Clerk & Master Collections - Prior Years	154,470	11,746	0	0	0	63,764	0	229,980
Interest and Penalty	114,349	8,614	0	0	0	46,751	0	169,714
Payments in-Lieu-of Taxes - Local Utilities	105,269	0	0	0	0	0	0	105,269
<u>County Local Option Taxes</u>								
Hotel/Motel Tax	182,898	0	0	0	0	0	0	182,898
Wheel Tax	0	0	0	0	857,820	2,243,045	0	3,100,865
Litigation Tax - General	257,709	0	0	0	0	0	0	257,709
Litigation Tax - Jail, Workhouse, or Courthouse	88,540	0	0	0	0	0	0	88,540
Mineral Severance Tax	0	0	0	0	230,543	0	0	230,543
Adequate Facilities/Development Tax	0	0	0	0	0	2,643,690	0	2,643,690
<u>Statutory Local Taxes</u>								
Bank Excise Tax	145,440	0	0	0	0	0	0	145,440
Wholesale Beer Tax	140,414	0	0	0	0	0	0	140,414
Total Local Taxes	\$ 9,910,172	\$ 677,390	\$ 0	\$ 0	\$ 1,088,363	\$ 8,563,601	\$ 0	\$ 20,239,526
<u>Licenses and Permits</u>								
<u>Licenses</u>								
Cable TV Franchise	\$ 30,823	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,823
<u>Permits</u>								
Building Permits	344,817	0	0	0	0	0	0	344,817
Other Permits	0	0	0	0	11,400	0	0	11,400
Total Licenses and Permits	\$ 375,640	\$ 0	\$ 0	\$ 0	\$ 11,400	\$ 0	\$ 0	\$ 387,040
<u>Fines, Forfeitures, and Penalties</u>								
<u>Circuit Court</u>								
Fines	\$ 72,099	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 72,099
DUI Treatment Fines	3,218	0	0	0	0	0	0	3,218
Data Entry Fee - Circuit Court	1,359	0	0	0	0	0	0	1,359
<u>General Sessions Court</u>								
Fines	261,766	0	84,149	0	0	0	0	345,915

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Capital Projects Fund	Total
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>								
<u>General Sessions Court (Cont.)</u>								
Drug Control Fines	\$ 0	\$ 0	\$ 4,252	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,252
DUI Treatment Fines	15,233	0	0	0	0	0	0	15,233
Data Entry Fee - General Sessions Court	19,748	0	0	0	0	0	0	19,748
<u>Juvenile Court</u>								
Fines	13,559	0	0	0	0	0	0	13,559
Officers Costs	6,815	0	0	0	0	0	0	6,815
Data Entry Fee - Juvenile Court	1,528	0	0	0	0	0	0	1,528
<u>Chancery Court</u>								
Officers Costs	3,425	0	0	0	0	0	0	3,425
Data Entry Fee - Chancery Court	982	0	0	0	0	0	0	982
Total Fines, Forfeitures, and Penalties	\$ 399,732	\$ 0	\$ 88,401	\$ 0	\$ 0	\$ 0	\$ 0	\$ 488,133
<u>Charges for Current Services</u>								
<u>General Service Charges</u>								
Solid Waste Disposal Fees	\$ 0	\$ 919,153	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 919,153
Patient Charges	1,324,187	0	0	0	0	0	0	1,324,187
Work Release Charges for Board	1,866	0	0	0	0	0	0	1,866
Other General Service Charges	168,222	0	0	0	0	0	0	168,222
Water Sales	60,914	0	0	0	0	0	0	60,914
<u>Fees</u>								
Copy Fees	4,429	0	0	0	0	0	0	4,429
Telephone Commissions	12,306	0	0	0	0	0	0	12,306
Vending Machine Collections	1,552	0	0	0	0	0	0	1,552
Constitutional Officers' Fees and Commissions	0	0	0	8,815	0	0	0	8,815
Data Processing Fee - Register	34,809	0	0	0	0	0	0	34,809
Data Processing Fee - Sheriff	14,675	0	0	0	0	0	0	14,675
Sexual Offender Registration Fees - Sheriff	3,870	0	0	0	0	0	0	3,870
Total Charges for Current Services	\$ 1,626,830	\$ 919,153	\$ 0	\$ 8,815	\$ 0	\$ 0	\$ 0	\$ 2,554,798
<u>Other Local Revenues</u>								
<u>Recurring Items</u>								
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 821,806	\$ 0	\$ 821,806

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Capital Projects Fund	Total
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Other Local Revenues (Cont.)</u>								
<u>Recurring Items (Cont.)</u>								
Commissary Sales	\$ 22,594	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,594
Sale of Recycled Materials	0	77,323	0	0	0	0	0	77,323
Miscellaneous Refunds	5,662	0	0	0	0	0	0	5,662
<u>Nonrecurring Items</u>								
Insurance Recovery	0	0	0	0	9,517	0	0	9,517
Contributions & Gifts	11,236	0	0	0	0	0	0	11,236
<u>Other Local Revenues</u>								
Other Local Revenues	140,120	7,462	0	0	25,090	0	0	172,672
Total Other Local Revenues	\$ 179,612	\$ 84,785	\$ 0	\$ 0	\$ 34,607	\$ 821,806	\$ 0	\$ 1,120,810
<u>Fees Received from County Officials</u>								
<u>Fees-In-Lieu of Salary</u>								
County Clerk	\$ 693,233	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 693,233
Circuit Court Clerk	182,270	0	0	0	0	0	0	182,270
General Sessions Court Clerk	510,947	0	0	0	0	0	0	510,947
Clerk and Master	143,627	0	0	0	0	0	0	143,627
Juvenile Court Clerk	95,977	0	0	0	0	0	0	95,977
Register	519,654	0	0	0	0	0	0	519,654
Sheriff	26,136	0	0	0	0	0	0	26,136
Trustee	870,160	0	0	0	0	0	0	870,160
Total Fees Received from County Officials	\$ 3,042,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,042,004
<u>State of Tennessee</u>								
<u>General Government Grants</u>								
Juvenile Services Program	\$ 13,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,000
State Reappraisal Grant	19,549	0	0	0	0	0	0	19,549
Solid Waste Grants	0	30,200	0	0	0	0	0	30,200
<u>Public Safety Grants</u>								
Law Enforcement Training Programs	18,673	0	0	0	0	0	0	18,673
<u>Health and Welfare Grants</u>								
Health Department Programs	430,951	0	0	0	0	0	0	430,951

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund	Capital Projects Fund	Total
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>State of Tennessee (Cont.)</u>								
<u>Public Works Grants</u>								
Bridge Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 56,231	\$ 0	\$ 0	\$ 56,231
State Aid Program	0	0	0	0	171,947	0	0	171,947
Litter Program	44,998	0	0	0	0	0	0	44,998
<u>Other State Revenues</u>								
Beer Tax	17,212	0	0	0	0	0	0	17,212
Alcoholic Beverage Tax	61,513	0	0	0	0	0	0	61,513
Contracted Prisoner Boarding	808,747	0	0	0	0	0	0	808,747
Gasoline and Motor Fuel Tax	0	0	0	0	1,948,825	0	0	1,948,825
Petroleum Special Tax	0	0	0	0	43,788	0	0	43,788
Registrar's Salary Supplement	16,380	0	0	0	0	0	0	16,380
Other State Grants	3,800	0	0	0	0	0	0	3,800
Other State Revenues	0	0	19,020	0	0	0	40,000	59,020
Total State of Tennessee	\$ 1,434,823	\$ 30,200	\$ 19,020	\$ 0	\$ 2,220,791	\$ 0	\$ 40,000	\$ 3,744,834
<u>Federal Government</u>								
<u>Federal Through State</u>								
Law Enforcement Grants	\$ 20,746	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,746
Other Federal through State	296,646	0	0	0	0	0	0	296,646
Total Federal Government	\$ 317,392	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 317,392
<u>Other Governments and Citizens Groups</u>								
<u>Other Governments</u>								
Contributions	\$ 4,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,250
Total Other Governments and Citizens Groups	\$ 4,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,250
Total	\$ 17,290,455	\$ 1,711,528	\$ 107,421	\$ 8,815	\$ 3,355,161	\$ 9,385,407	\$ 40,000	\$ 31,898,787

Exhibit K-6

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

	General Purpose School	School Federal Projects	Education Capital Projects	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 11,664,838	\$ 0	\$ 0	\$ 11,664,838
Trustee's Collections - Prior Year	347,722	0	0	347,722
Circuit/Clerk & Master Collections - Prior Years	214,785	0	0	214,785
Interest and Penalty	157,449	0	0	157,449
Payments in-Lieu-of Taxes - T.V.A.	506,561	0	0	506,561
<u>County Local Option Taxes</u>				
Local Option Sales Tax	6,334,304	0	0	6,334,304
Business Tax	407,382	0	0	407,382
<u>Statutory Local Taxes</u>				
Interstate Telecommunications Tax	12,907	0	0	12,907
<b>Total Local Taxes</b>	<b>\$ 19,645,948</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 19,645,948</b>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 2,703	\$ 0	\$ 0	\$ 2,703
<b>Total Licenses and Permits</b>	<b>\$ 2,703</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,703</b>
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Summer School	\$ 1,530	\$ 0	\$ 0	\$ 1,530
School Based Health Services - FFS	2,782	0	0	2,782
Receipts from Individual Schools	135,441	0	0	135,441
<u>Other Charges for Services</u>				
Other Charges for Services	27,233	0	0	27,233
<b>Total Charges for Current Services</b>	<b>\$ 166,986</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 166,986</b>
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Miscellaneous Refunds	\$ 82,915	\$ 0	\$ 89,574	\$ 172,489
<u>Nonrecurring Items</u>				
Insurance Recovery	42,090	0	0	42,090
Damages Recovered from Individuals	661	0	0	661
Contributions & Gifts	2,145	0	0	2,145
Performance Bond Forfeitures	112,996	0	83,441	196,437
<u>Other Local Revenues</u>				
Other Local Revenues	22,643	0	0	22,643
<b>Total Other Local Revenues</b>	<b>\$ 263,450</b>	<b>\$ 0</b>	<b>\$ 173,015</b>	<b>\$ 436,465</b>
<u>State of Tennessee</u>				
<u>State Education Funds</u>				
Basic Education Program	\$ 35,844,188	\$ 0	\$ 0	\$ 35,844,188
Early Childhood Education	167,629	0	0	167,629
School Food Service	55,320	0	0	55,320
Other State Education Funds	130,188	0	0	130,188
Career Ladder Program	521,865	0	0	521,865
Career Ladder - Extended Contract	142,964	0	0	142,964
<u>Other State Revenues</u>				
Income Tax	41,574	0	0	41,574
<b>Total State of Tennessee</b>	<b>\$ 36,903,728</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 36,903,728</b>

(Continued)

Exhibit K-6

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

	General Purpose School	School Federal Projects	Education Capital Projects	Total
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 1,385,210	\$ 0	\$ 0	\$ 1,385,210
Breakfast	318,355	0	0	318,355
Adult Education State Grant Program	96,109	0	0	96,109
Vocational Education - Basic Grants to States	0	203,717	0	203,717
Title I Grants to Local Education Agencies	0	1,097,032	0	1,097,032
Innovative Education Program Strategies	0	32,637	0	32,637
Special Education - Grants to States	4,395	2,623,536	0	2,627,931
Special Education Preschool Grants	0	64,586	0	64,586
Eisenhower Professional Development State Grants	89,307	302,061	0	391,368
Other Federal through State	79,963	99,064	0	179,027
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	42,578	0	0	42,578
Total Federal Government	\$ 2,015,917	\$ 4,422,633	\$ 0	\$ 6,438,550
Total	\$ 58,998,732	\$ 4,422,633	\$ 173,015	\$ 63,594,380

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

General Fund

General Government

County Commission

Part-time Personnel	\$	3,738	
Board and Committee Members Fees		55,125	
Social Security		3,650	
Employer Medicare		854	
Dues and Memberships		13,077	
Legal Services		31,702	
Legal Notices, Recording, and Court Costs		176	
Other Contracted Services		3,850	
Workers' Compensation Insurance		240	
Other Charges		274	
Total County Commission			\$ 112,686

County Mayor/Executive

County Official/Administrative Officer	\$	80,656	
Clerical Personnel		53,965	
Part-time Personnel		11,945	
Overtime Pay		243	
Social Security		8,858	
State Retirement		6,462	
Employer Medicare		2,072	
Communication		5,352	
Dues and Memberships		1,600	
Maintenance & Repair Services - Vehicles		453	
Postal Charges		412	
Printing, Stationery, and Forms		308	
Rentals		1,126	
Travel		536	
Gasoline		468	
Office Supplies		828	
Premiums on Corporate Surety Bonds		175	
Workers' Compensation Insurance		596	
In Service/Staff Development		672	
Other Charges		2,680	
Motor Vehicles		21,368	
Total County Mayor/Executive			200,775

Election Commission

County Official/Administrative Officer	\$	58,198	
Clerical Personnel		44,210	
Part-time Personnel		17,702	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Overtime Pay	\$	93	
Board and Committee Members Fees		1,200	
Social Security		7,617	
State Retirement		4,927	
Employer Medicare		1,781	
Communication		1,464	
Data Processing Services		12,307	
Dues and Memberships		200	
Legal Notices, Recording, and Court Costs		532	
Maintenance & Repair Services - Equipment		7,037	
Postal Charges		2,297	
Printing, Stationery, and Forms		1,599	
Rentals		768	
Other Contracted Services		6,270	
Office Supplies		3,254	
Workers' Compensation Insurance		529	
In Service/Staff Development		1,227	
Other Capital Outlay		5,163	
Total Election Commission			\$ 178,375

Register of Deeds

County Official/Administrative Officer	\$	64,658	
Clerical Personnel		111,386	
Part-time Personnel		8,057	
Social Security		11,097	
State Retirement		8,440	
Employer Medicare		2,595	
Communication		894	
Data Processing Services		8,810	
Dues and Memberships		594	
Postal Charges		3,445	
Printing, Stationery, and Forms		4,077	
Rentals		3,009	
Office Supplies		4,694	
Premiums on Corporate Surety Bonds		88	
Workers' Compensation Insurance		740	
Other Charges		2,891	
Other Capital Outlay		460	
Total Register of Deeds			235,935

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Planning

County Official/Administrative Officer	\$	58,826	
Clerical Personnel		134,647	
Part-time Personnel		22,523	
Board and Committee Members Fees		6,950	
Social Security		13,880	
State Retirement		9,377	
Employer Medicare		3,246	
Communication		3,164	
Consultants		16,667	
Data Processing Services		1,026	
Dues and Memberships		180	
Legal Notices, Recording, and Court Costs		2,932	
Maintenance & Repair Services - Equipment		2,672	
Maintenance & Repair Services - Vehicles		351	
Postal Charges		559	
Printing, Stationery, and Forms		368	
Rentals		3,570	
Travel		91	
Gasoline		2,035	
Office Supplies		3,234	
Workers' Compensation Insurance		916	
Other Charges		24	
Other Capital Outlay		19,133	
Total Planning			\$ 306,371

County Buildings

County Official/Administrative Officer	\$	53,646
Custodial Personnel		50,907
Maintenance Personnel		145,021
Overtime Pay		1,850
Social Security		14,984
State Retirement		11,967
Employer Medicare		3,504
Communication		4,466
Maintenance Agreements		20,204
Maintenance & Repair Services - Buildings		41,154
Maintenance & Repair Services - Equipment		6,755
Maintenance & Repair Services - Vehicles		843
Pest Control		995
Disposal Fees		1,320

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Custodial Supplies	\$	12,330	
Electricity		147,588	
Gasoline		1,156	
Natural Gas		93,587	
Uniforms		3,466	
Water and Sewer		17,518	
Workers' Compensation Insurance		14,573	
Other Charges		2,635	
Other Capital Outlay		74,989	
Total County Buildings			\$ 725,458

Preservation of Records

Clerical Personnel	\$	69,032	
Social Security		4,059	
State Retirement		3,380	
Employer Medicare		949	
Communication		1,582	
Postal Charges		78	
Rentals		943	
Other Contracted Services		1,350	
Workers' Compensation Insurance		285	
Other Charges		8,007	
Other Capital Outlay		4,241	
Total Preservation of Records			93,906

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	73,447	
Clerical Personnel		218,943	
Part-time Personnel		3,561	
Overtime Pay		1,966	
Social Security		18,141	
State Retirement		13,915	
Employer Medicare		4,243	
Communication		2,950	
Data Processing Services		7,235	
Dues and Memberships		588	
Legal Notices, Recording, and Court Costs		616	
Maintenance & Repair Services - Equipment		2,942	
Postal Charges		5,400	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Printing, Stationery, and Forms	\$	4,673	
Rentals		5,268	
Travel		57	
Office Supplies		6,558	
Premiums on Corporate Surety Bonds		217	
Workers' Compensation Insurance		1,203	
Other Capital Outlay		6,812	
Total Accounting and Budgeting			\$ 378,735

Property Assessor's Office

County Official/Administrative Officer	\$	64,658	
Clerical Personnel		219,622	
Board and Committee Members Fees		300	
Social Security		17,547	
State Retirement		10,752	
Employer Medicare		4,104	
Communication		3,127	
Contracts with Government Agencies		14,537	
Dues and Memberships		1,280	
Legal Notices, Recording, and Court Costs		192	
Maintenance & Repair Services - Vehicles		1,896	
Postal Charges		6,500	
Rentals		3,909	
Other Contracted Services		33,850	
Gasoline		2,828	
Office Supplies		2,164	
Premiums on Corporate Surety Bonds		100	
Workers' Compensation Insurance		17,820	
In Service/Staff Development		724	
Other Capital Outlay		19,838	
Total Property Assessor's Office			425,748

County Trustee's Office

County Official/Administrative Officer	\$	64,658	
Clerical Personnel		89,323	
Part-time Personnel		13,477	
Overtime Pay		575	
Social Security		10,167	
State Retirement		7,462	
Employer Medicare		2,378	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Communication	\$	1,822	
Contracts with Government Agencies		8,432	
Data Processing Services		3,539	
Dues and Memberships		150	
Maintenance & Repair Services - Equipment		370	
Postal Charges		10,000	
Printing, Stationery, and Forms		1,823	
Rentals		1,897	
Office Supplies		2,377	
Premiums on Corporate Surety Bonds		7,590	
Workers' Compensation Insurance		693	
In Service/Staff Development		641	
Total County Trustee's Office			\$ 227,374

County Clerk's Office

County Official/Administrative Officer	\$	64,658	
Clerical Personnel		272,300	
Part-time Personnel		10,938	
Social Security		20,777	
State Retirement		16,327	
Employer Medicare		4,859	
Communication		2,733	
Data Processing Services		17,511	
Dues and Memberships		1,016	
Legal Notices, Recording, and Court Costs		269	
Maintenance & Repair Services - Equipment		738	
Postal Charges		18,000	
Printing, Stationery, and Forms		758	
Rentals		2,702	
Office Supplies		4,302	
Premiums on Corporate Surety Bonds		175	
Workers' Compensation Insurance		1,439	
In Service/Staff Development		82	
Other Charges		25	
Other Capital Outlay		2,910	
Total County Clerk's Office			442,519

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	64,658	
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(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Clerical Personnel	\$	397,643	
Part-time Personnel		11,936	
Overtime Pay		4,144	
Social Security		28,123	
State Retirement		22,635	
Employer Medicare		6,577	
Communication		2,661	
Data Processing Services		10,435	
Dues and Memberships		552	
Legal Notices, Recording, and Court Costs		480	
Maintenance & Repair Services - Equipment		638	
Postal Charges		10,000	
Printing, Stationery, and Forms		12,820	
Rentals		12,060	
Other Contracted Services		39,294	
Office Supplies		6,858	
Periodicals		246	
Premiums on Corporate Surety Bonds		175	
Workers' Compensation Insurance		2,011	
In Service/Staff Development		1,205	
Total Circuit Court			\$ 635,151

General Sessions Court

Judge(s)	\$	120,042
Clerical Personnel		58,755
Overtime Pay		54
Special Commissioner Fees/Special Master Fees		35,087
Social Security		11,749
State Retirement		8,544
Employer Medicare		2,991
Communication		6,543
Data Processing Services		2,305
Dues and Memberships		1,602
Maintenance & Repair Services - Equipment		687
Postal Charges		196
Printing, Stationery, and Forms		2,658
Rentals		637
Travel		4,674
Other Contracted Services		17,283
Office Supplies		2,260

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Periodicals	\$	2,097	
Liability Insurance		1,353	
Workers' Compensation Insurance		893	
In Service/Staff Development		1,946	
Other Charges		1,293	
Total General Sessions Court			\$ 283,649

Chancery Court

County Official/Administrative Officer	\$	64,658	
Clerical Personnel		87,746	
Part-time Personnel		379	
Social Security		9,094	
State Retirement		7,329	
Employer Medicare		2,127	
Communication		964	
Data Processing Services		4,742	
Dues and Memberships		632	
Legal Notices, Recording, and Court Costs		877	
Postal Charges		3,046	
Printing, Stationery, and Forms		3,461	
Rentals		1,975	
Office Supplies		2,048	
Periodicals		685	
Premiums on Corporate Surety Bonds		250	
Workers' Compensation Insurance		680	
Other Capital Outlay		150	
Total Chancery Court			190,843

Juvenile Court

Youth Service Officer(s)	\$	180,367	
Clerical Personnel		21,856	
Part-time Personnel		22,276	
Overtime Pay		3,275	
Social Security		13,575	
State Retirement		10,019	
Employer Medicare		3,175	
Communication		5,006	
Dues and Memberships		355	
Evaluation and Testing		3,126	
Maintenance & Repair Services - Equipment		1,458	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Postal Charges	\$	144	
Printing, Stationery, and Forms		1,564	
Rentals		3,905	
Travel		1,141	
Office Supplies		2,413	
Periodicals		533	
Workers' Compensation Insurance		945	
In Service/Staff Development		6,737	
Other Charges		42,891	
Other Capital Outlay		6,059	
Total Juvenile Court			\$ 330,820

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	73,892
Deputy(ies)		1,584,661
Salary Supplements		18,673
Dispatchers/Radio Operators		298,834
Guards		914,332
Clerical Personnel		112,065
Part-time Personnel		15,606
Overtime Pay		272,042
Social Security		200,450
State Retirement		151,076
Employer Medicare		46,879
Communication		50,016
Contracts with Government Agencies		153,225
Data Processing Services		16,087
Dues and Memberships		2,182
Licenses		328
Maintenance & Repair Services - Buildings		50,715
Maintenance & Repair Services - Equipment		57,277
Maintenance & Repair Services - Vehicles		72,924
Medical and Dental Services		336,978
Pest Control		1,680
Postal Charges		3,700
Printing, Stationery, and Forms		2,998
Rentals		13,208
Transportation - Other than Students		4,524
Disposal Fees		5,931

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Contracted Services	\$	326,371	
Custodial Supplies		27,212	
Drugs and Medical Supplies		125,367	
Electricity		25,985	
Gasoline		104,223	
Law Enforcement Supplies		11,463	
Library Books/Media		9,909	
Natural Gas		28,939	
Office Supplies		13,692	
Periodicals		1,964	
Prisoners Clothing		4,473	
Tires and Tubes		9,804	
Uniforms		28,240	
Water and Sewer		29,900	
Workers' Compensation Insurance		129,294	
In Service/Staff Development		23,884	
Other Charges		27,705	
Motor Vehicles		211,078	
Other Capital Outlay		82,658	
Total Sheriff's Department			\$ 5,682,444

Fire Prevention and Control

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

Civil Defense

Supervisor/Director	\$	49,480	
Social Security		2,873	
State Retirement		2,439	
Employer Medicare		672	
Communication		3,469	
Maintenance & Repair Services - Equipment		21	
Maintenance & Repair Services - Vehicles		1,688	
Gasoline		1,737	
Office Supplies		264	
Workers' Compensation Insurance		5,255	
In Service/Staff Development		1,506	
Other Charges		4,687	
Other Capital Outlay		55,305	
Total Civil Defense			129,396

(Continued)

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Medical Personnel	\$	324,149	
Social Security		19,411	
State Retirement		15,437	
Employer Medicare		4,540	
Communication		5,613	
Dues and Memberships		100	
Maintenance & Repair Services - Buildings		5,494	
Maintenance & Repair Services - Equipment		340	
Pest Control		372	
Postal Charges		245	
Rentals		6,938	
Travel		2,291	
Disposal Fees		3,017	
Other Contracted Services		43,621	
Custodial Supplies		326	
Drugs and Medical Supplies		1,846	
Electricity		14,856	
Natural Gas		4,406	
Office Supplies		2,914	
Water and Sewer		1,115	
Workers' Compensation Insurance		19,189	
Other Charges		25,401	
Total Local Health Center			\$ 501,621

Rabies and Animal Control

Laborers	\$	24,812	
Overtime Pay		5,765	
Social Security		1,671	
State Retirement		1,488	
Employer Medicare		391	
Communication		1,429	
Maintenance & Repair Services - Equipment		509	
Maintenance & Repair Services - Vehicles		413	
Gasoline		1,395	
Workers' Compensation Insurance		1,737	
In Service/Staff Development		1,125	
Other Charges		7,979	
Other Capital Outlay		3,166	
Total Rabies and Animal Control			51,880

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	60,264	
Medical Personnel		638,034	
Clerical Personnel		98,467	
Part-time Personnel		195,633	
Overtime Pay		518,723	
Social Security		89,989	
State Retirement		61,600	
Employer Medicare		21,046	
Communication		14,973	
Data Processing Services		3,900	
Debt Collection Services		530	
Dues and Memberships		373	
Operating Lease Payments		6,260	
Licenses		1,484	
Maintenance & Repair Services - Buildings		8,741	
Maintenance & Repair Services - Equipment		15,214	
Maintenance & Repair Services - Vehicles		54,713	
Medical and Dental Services		837	
Pest Control		600	
Postal Charges		3,103	
Printing, Stationery, and Forms		4,899	
Rentals		9,687	
Disposal Fees		1,888	
Other Contracted Services		5,298	
Custodial Supplies		7,418	
Drugs and Medical Supplies		97,059	
Electricity		10,067	
Gasoline		50,076	
Natural Gas		3,827	
Office Supplies		6,162	
Tires and Tubes		5,130	
Uniforms		27,628	
Water and Sewer		1,445	
Workers' Compensation Insurance		158,703	
In Service/Staff Development		10,717	
Other Charges		10,113	
Building Construction		140,413	
Motor Vehicles		110,810	
Other Capital Outlay		56,221	
Total Ambulance/Emergency Medical Services	\$		2,512,045

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management

Laborers	\$	17,610	
Overtime Pay		317	
Social Security		1,154	
Employer Medicare		270	
Maintenance & Repair Services - Vehicles		3,290	
Other Contracted Services		9,353	
Gasoline		3,765	
Workers' Compensation Insurance		1,229	
Other Charges		1,945	
Total Sanitation Management			\$ 38,933

Agriculture & Natural Resources

Agriculture Extension Service

Communication	\$	2,636	
Contracts with Government Agencies		97,722	
Maintenance & Repair Services - Equipment		928	
Rentals		9,000	
Disposal Fees		264	
Electricity		2,225	
Natural Gas		852	
Water and Sewer		514	
Total Agriculture Extension Service			114,141

Other Operations

Other Charges

Employee and Dependent Insurance	\$	744,195	
Unemployment Compensation		15,395	
Audit Services		12,407	
Consultants		23,850	
Engineering Services		31,695	
Evaluation and Testing		8,739	
Rentals		4,800	
Remittance of Revenue Collected		182,898	
Other Contracted Services		47,825	
Liability Insurance		343,873	
Trustee's Commission		212,553	
Liability Claims		13,998	
Other Charges		9,201	
Other Capital Outlay		58,600	
Total Other Charges			1,710,029

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Contributions to Other Agencies

Contributions	\$ 419,574	
Total Contributions to Other Agencies		\$ 419,574

Total General Fund \$ 16,399,830

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Laborers	\$ 44,465	
Part-time Personnel	80,545	
Overtime Pay	3,590	
Social Security	8,000	
State Retirement	2,264	
Employer Medicare	1,871	
Communication	3,119	
Maintenance & Repair Services - Buildings	5,208	
Maintenance & Repair Services - Equipment	6,161	
Maintenance & Repair Services - Vehicles	8,782	
Rentals	4,596	
Diesel Fuel	8,620	
Electricity	2,398	
Gasoline	1,693	
Tires and Tubes	1,301	
Water and Sewer	828	
Workers' Compensation Insurance	8,422	
Other Charges	377	
Total Convenience Centers		\$ 192,240

Transfer Stations

County Official/Administrative Officer	\$ 53,318
Laborers	79,435
Clerical Personnel	72,010
Overtime Pay	7,898
Social Security	12,471
State Retirement	10,316
Employer Medicare	2,917
Advertising	384
Communication	5,544
Maintenance & Repair Services - Buildings	4,228
Maintenance & Repair Services - Equipment	8,179

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Transfer Stations (Cont.)

Maintenance & Repair Services - Vehicles	\$	843	
Postal Charges		181	
Printing, Stationery, and Forms		1,484	
Rentals		17,350	
Disposal Fees		1,015,862	
Custodial Supplies		172	
Diesel Fuel		17,640	
Electricity		8,195	
Gasoline		575	
Lubricants		1,657	
Natural Gas		2,398	
Office Supplies		1,026	
Small Tools		433	
Tires and Tubes		696	
Uniforms		4,344	
Water and Sewer		902	
Workers' Compensation Insurance		12,397	
In Service/Staff Development		945	
Other Charges		5,439	
Other Capital Outlay		11,461	
Total Transfer Stations			\$ 1,360,700

Recycling Center

Laborers	\$	22,917	
Overtime Pay		914	
Social Security		1,406	
State Retirement		1,147	
Employer Medicare		329	
Maintenance & Repair Services - Equipment		1,227	
Maintenance & Repair Services - Vehicles		3,611	
Other Contracted Services		3,850	
Diesel Fuel		3,685	
Tires and Tubes		503	
Uniforms		333	
Workers' Compensation Insurance		1,416	
Total Recycling Center			41,338

Postclosure Care Costs

Laborers	\$	6,605	
Overtime Pay		3	

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Postclosure Care Costs (Cont.)

Social Security	\$	456	
State Retirement		372	
Employer Medicare		106	
Engineering Services		600	
Evaluation and Testing		8,905	
Maintenance & Repair Services - Equipment		449	
Diesel Fuel		1,158	
Small Tools		309	
Tires and Tubes		18	
Uniforms		275	
Workers' Compensation Insurance		1,485	
Other Charges		49	
Site Development		2,249	
Other Capital Outlay		471	
Total Postclosure Care Costs			\$ 23,510

Other Operations

Other Charges

Employee and Dependent Insurance	\$	36,427	
Liability Insurance		16,887	
Trustee's Commission		22,791	
Total Other Charges			76,105

Total Solid Waste/Sanitation Fund \$ 1,693,893

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	328	
Confidential Drug Enforcement Payments		5,000	
Maintenance & Repair Services - Vehicles		1,905	
Trustee's Commission		1,074	
In Service/Staff Development		2,539	
Other Charges		2,652	
Motor Vehicles		60,241	
Other Capital Outlay		8,624	
Total Drug Enforcement			\$ 82,363

Total Drug Control Fund 82,363

(Continued)

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

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 315	
Total County Trustee's Office		\$ 315

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$ 8,500	
Total Chancery Court		<u>8,500</u>

Total Constitutional Officers - Fees Fund		\$ 8,815
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Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 73,892	
Clerical Personnel	91,742	
Board and Committee Members Fees	12,600	
Social Security	10,403	
State Retirement	7,994	
Employer Medicare	2,433	
Communication	5,814	
Dues and Memberships	2,844	
Legal Services	1,005	
Pest Control	415	
Postal Charges	454	
Printing, Stationery, and Forms	326	
Rentals	1,296	
Disposal Fees	1,010	
Electricity	8,784	
Natural Gas	5,165	
Office Supplies	2,581	
Water and Sewer	987	
Premiums on Corporate Surety Bonds	350	
Workers' Compensation Insurance	17,875	
Other Charges	<u>3,440</u>	
Total Administration		\$ 251,410

Highway and Bridge Maintenance

Laborers	\$ 877,712
Overtime Pay	5,202
Social Security	51,467

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

State Retirement	\$	41,296	
Employer Medicare		12,037	
Asphalt		653,945	
Crushed Stone		111,069	
Pipe		48,489	
Road Signs		5,764	
Workers' Compensation Insurance		92,102	
Other Charges		3,649	
Total Highway and Bridge Maintenance			\$ 1,902,732

Operation and Maintenance of Equipment

Mechanic(s)	\$	127,148	
Overtime Pay		418	
Social Security		7,645	
State Retirement		6,243	
Employer Medicare		1,788	
Evaluation and Testing		3,090	
Diesel Fuel		73,337	
Equipment and Machinery Parts		79,973	
Garage Supplies		27,497	
Gasoline		30,772	
Lubricants		9,907	
Tires and Tubes		15,487	
Workers' Compensation Insurance		12,889	
Other Charges		2,759	
Total Operation and Maintenance of Equipment			398,953

Other Charges

Employee and Dependent Insurance	\$	168,554	
Liability Insurance		62,941	
Trustee's Commission		31,062	
Liability Claims		1,915	
Total Other Charges			264,472

Capital Outlay

Bridge Construction	\$	76,273	
State Aid Projects		234,936	
Other Capital Outlay		12,345	
Total Capital Outlay			323,554

Total Highway/Public Works Fund \$ 3,141,121

(Continued)

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

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 495,150	
Principal on Notes	556,000	
Total General Government		\$ 1,051,150

Highways and Streets

Principal on Bonds	\$ 247,050	
Principal on Notes	304,333	
Total Highways and Streets		551,383

Education

Principal on Bonds	\$ 2,972,800	
Total Education		2,972,800

Interest on Debt

General Government

Interest on Bonds	\$ 403,061	
Interest on Notes	69,637	
Total General Government		472,698

Highways and Streets

Interest on Bonds	\$ 33,715	
Interest on Notes	83,083	
Total Highways and Streets		116,798

Education

Interest on Bonds	\$ 2,252,597	
Interest on Notes	31,262	
Total Education		2,283,859

Other Debt Service

General Government

Trustee's Commission	\$ 130,736	
Other Debt Service	5,308	
Total General Government		136,044

Total General Debt Service Fund		\$ 7,584,732
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(Continued)

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

<u>General Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Other General Government Projects</u>		
Architects	\$ 88,559	
Other Charges	578	
Building Improvements	2,375,401	
Other Capital Outlay	501,527	
Total Other General Government Projects		\$ <u>2,966,065</u>
Total General Capital Projects Fund		\$ <u>2,966,065</u>
Total Governmental Funds - Primary Government		\$ <u><u>31,876,819</u></u>

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 19,894,173	
Career Ladder Program	316,500	
Career Ladder Extended Contracts	125,115	
Homebound Teachers	30,114	
Clerical Personnel	28,380	
Educational Assistants	722,873	
Certified Substitute Teachers	106,395	
Non-certified Substitute Teachers	390,651	
Social Security	1,321,671	
State Retirement	1,150,117	
Life Insurance	39,274	
Medical Insurance	4,898,409	
Dental Insurance	177,398	
Unemployment Compensation	16,661	
Employer Medicare	309,100	
Contracts with Other School Systems	54,294	
Operating Lease Payments	93,843	
Maintenance & Repair Services - Equipment	14,584	
Other Contracted Services	6,327	
Instructional Supplies and Materials	264,178	
Textbooks	719,744	
Other Supplies and Materials	4,744	
Other Charges	150,349	
Data Processing Equipment	116,277	
Regular Instruction Equipment	5,318	
Total Regular Instruction Program		\$ 30,956,489

Alternative Instruction Program

Teachers	\$ 239,716	
Career Ladder Program	5,000	
Educational Assistants	13,584	
Other Salaries & Wages	32,040	
Social Security	17,594	
State Retirement	15,622	
Life Insurance	469	
Medical Insurance	33,371	
Dental Insurance	2,934	
Employer Medicare	4,115	
Total Alternative Instruction Program		364,445

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 3,134,273	
Career Ladder Program	59,370	
Homebound Teachers	16,374	
Educational Assistants	11,400	
Other Salaries & Wages	51,461	
Certified Substitute Teachers	8,361	
Non-certified Substitute Teachers	82,464	
Social Security	205,768	
State Retirement	178,061	
Life Insurance	6,111	
Medical Insurance	860,286	
Dental Insurance	29,395	
Employer Medicare	48,123	
Contracts with Other School Systems	9,457	
Contracts with Private Agencies	50,756	
Other Contracted Services	1,450	
Instructional Supplies and Materials	16,753	
Textbooks	100,000	
Total Special Education Program		\$ 4,869,863

Vocational Education Program

Teachers	\$ 1,505,005	
Career Ladder Program	17,996	
Certified Substitute Teachers	3,147	
Non-certified Substitute Teachers	17,408	
Social Security	94,133	
State Retirement	82,487	
Life Insurance	2,754	
Medical Insurance	325,330	
Dental Insurance	12,908	
Employer Medicare	22,015	
Maintenance & Repair Services - Equipment	844	
Other Contracted Services	17,759	
Instructional Supplies and Materials	45,643	
Textbooks	15,000	
Other Supplies and Materials	3,841	
Other Charges	3,677	
Vocational Instruction Equipment	51,854	
Total Vocational Education Program		2,221,801

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Adult Education Program

Clerical Personnel	\$	10,654	
Part-time Personnel		34,526	
Social Security		2,238	
State Retirement		1,599	
Medical Insurance		738	
Employer Medicare		523	
Instructional Supplies and Materials		17,070	
Other Charges		445	
Other Equipment		289	
Total Adult Education Program			\$ 68,082

Support Services

Attendance

Supervisor/Director	\$	65,340	
Career Ladder Program		1,000	
Other Salaries & Wages		31,836	
Social Security		5,994	
State Retirement		5,158	
Life Insurance		137	
Medical Insurance		4,859	
Dental Insurance		335	
Employer Medicare		1,402	
Travel		641	
Other Charges		827	
Total Attendance			117,529

Health Services

Medical Personnel	\$	236,111	
Other Salaries & Wages		17,808	
Social Security		14,421	
State Retirement		12,240	
Life Insurance		74	
Medical Insurance		30,633	
Dental Insurance		664	
Employer Medicare		3,373	
Travel		3,696	
Drugs and Medical Supplies		3,599	
Other Supplies and Materials		997	
Health Equipment		70	
Total Health Services			323,686

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$	14,000	
Guidance Personnel		837,886	
School Resource Officer		101,982	
Social Security		58,437	
State Retirement		45,941	
Life Insurance		1,508	
Medical Insurance		163,530	
Dental Insurance		6,352	
Employer Medicare		13,667	
Contracts with Government Agencies		198,222	
Evaluation and Testing		26,834	
Total Other Student Support			\$ 1,468,359

Regular Instruction Program

Supervisor/Director	\$	210,156	
Career Ladder Program		13,000	
Librarians		661,027	
Materials Supervisor		66,624	
Clerical Personnel		132,024	
Social Security		65,580	
State Retirement		58,148	
Life Insurance		1,567	
Medical Insurance		207,930	
Dental Insurance		7,673	
Employer Medicare		15,337	
Travel		12,447	
Library Books/Media		83,493	
Other Supplies and Materials		34,316	
Other Equipment		47,299	
Total Regular Instruction Program			1,616,621

Alternative Instruction Program

Supervisor/Director	\$	52,380	
Career Ladder Program		1,000	
Social Security		3,249	
State Retirement		2,936	
Life Insurance		74	
Medical Insurance		12,127	
Dental Insurance		335	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program (Cont.)

Employer Medicare	\$	760	
Total Alternative Instruction Program			\$ 72,861

Special Education Program

Supervisor/Director	\$	130,836	
Career Ladder Program		5,000	
Psychological Personnel		81,024	
Secretary(ies)		30,768	
Other Salaries & Wages		308,095	
Social Security		31,676	
State Retirement		22,190	
Life Insurance		403	
Medical Insurance		55,525	
Dental Insurance		2,041	
Employer Medicare		7,408	
Travel		17,681	
In Service/Staff Development		4,585	
Total Special Education Program			697,232

Vocational Education Program

Supervisor/Director	\$	63,480	
Career Ladder Program		2,000	
Secretary(ies)		13,584	
Other Salaries & Wages		3,817	
Social Security		5,139	
State Retirement		4,245	
Life Insurance		68	
Medical Insurance		11,128	
Dental Insurance		307	
Employer Medicare		1,202	
Travel		5,543	
Total Vocational Education Program			110,513

Adult Programs

Supervisor/Director	\$	50,052	
Career Ladder Program		1,000	
Clerical Personnel		25,408	
Social Security		5,096	
State Retirement		4,215	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Adult Programs (Cont.)

Life Insurance	\$	74	
Medical Insurance		7,087	
Dental Insurance		335	
Employer Medicare		1,192	
Travel		388	
In Service/Staff Development		3,563	
Total Adult Programs			\$ 98,410

Board of Education

Board and Committee Members Fees	\$	12,600	
Social Security		781	
Employer Medicare		183	
Audit Services		15,900	
Dues and Memberships		7,484	
Legal Services		42,363	
Travel		170	
Liability Insurance		93,753	
Trustee's Commission		417,956	
Workers' Compensation Insurance		317,670	
Other Charges		47,978	
Total Board of Education			956,838

Director of Schools

County Official/Administrative Officer	\$	85,000	
Secretary(ies)		30,892	
Other Salaries & Wages		26,766	
Social Security		8,569	
State Retirement		7,408	
Life Insurance		188	
Medical Insurance		15,042	
Dental Insurance		335	
Employer Medicare		2,004	
Communication		13,685	
Dues and Memberships		2,333	
Postal Charges		4,621	
Travel		426	
Office Supplies		4,563	
Total Director of Schools			201,832

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal

Principals	\$	1,072,375	
Career Ladder Program		43,500	
Accountants/Bookkeepers		317,284	
Assistant Principals		828,652	
Secretary(ies)		328,874	
Social Security		154,918	
State Retirement		136,375	
Life Insurance		2,568	
Medical Insurance		432,681	
Dental Insurance		15,925	
Employer Medicare		36,231	
Communication		79,691	
Travel		15,881	
Other Contracted Services		14,615	
Office Supplies		10,090	
Other Supplies and Materials		29,779	
Administration Equipment		3,340	
Total Office of the Principal			\$ 3,522,779

Fiscal Services

Supervisor/Director	\$	67,524	
Accountants/Bookkeepers		31,836	
Purchasing Personnel		57,880	
Social Security		9,293	
State Retirement		7,966	
Life Insurance		74	
Medical Insurance		18,890	
Dental Insurance		335	
Employer Medicare		2,173	
Travel		1,791	
Office Supplies		1,211	
Total Fiscal Services			198,973

Operation of Plant

Custodial Personnel	\$	33,136	
Social Security		1,913	
State Retirement		1,571	
Medical Insurance		2,915	
Employer Medicare		447	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Janitorial Services	\$ 1,374,337	
Operating Lease Payments	93,600	
Pest Control	7,500	
Disposal Fees	69,132	
Other Contracted Services	4,012	
Custodial Supplies	59,923	
Electricity	1,438,020	
Fuel Oil	41,694	
Natural Gas	400,856	
Water and Sewer	206,040	
Other Supplies and Materials	26,106	
Boiler Insurance	12,201	
Building and Contents Insurance	222,291	
Total Operation of Plant		\$ 3,995,694

Maintenance of Plant

Supervisor/Director	\$ 59,208	
Secretary(ies)	24,930	
Maintenance Personnel	326,989	
Overtime Pay	1,205	
Social Security	23,861	
State Retirement	18,683	
Life Insurance	74	
Medical Insurance	43,838	
Dental Insurance	335	
Employer Medicare	5,580	
Maintenance & Repair Services - Buildings	534,252	
Maintenance & Repair Services - Equipment	80,004	
Other Contracted Services	134,267	
General Construction Materials	37,634	
Other Supplies and Materials	3,906	
Maintenance Equipment	2,144	
Total Maintenance of Plant		1,296,910

Transportation

Supervisor/Director	\$ 68,016	
Mechanic(s)	171,921	
Bus Drivers	1,489,743	
Clerical Personnel	31,383	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Other Salaries & Wages	\$	26,783	
Social Security		109,034	
State Retirement		72,146	
Life Insurance		74	
Medical Insurance		65,266	
Dental Insurance		554	
Employer Medicare		25,500	
Maintenance & Repair Services - Vehicles		250,939	
Travel		734	
Gasoline		351,898	
Lubricants		946	
Tires and Tubes		43,228	
Other Supplies and Materials		3,274	
Vehicle and Equipment Insurance		68,630	
Other Charges		30,294	
Total Transportation			\$ 2,810,363

Central and Other

Data Processing Personnel	\$	66,297	
Other Salaries & Wages		240,162	
Social Security		18,529	
State Retirement		16,096	
Life Insurance		370	
Medical Insurance		56,056	
Dental Insurance		1,703	
Employer Medicare		4,334	
Maintenance & Repair Services - Equipment		3,324	
Travel		12,054	
Other Contracted Services		33,968	
Other Supplies and Materials		8,406	
Data Processing Equipment		84,716	
Total Central and Other			546,015

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	50,916	
Clerical Personnel		30,768	
In-Service Training		340	
Social Security		4,863	

(Continued)

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

State Retirement	\$	4,259	
Life Insurance		148	
Medical Insurance		13,955	
Dental Insurance		444	
Unemployment Compensation		4,898	
Employer Medicare		1,137	
Payments to Schools - Breakfast		318,355	
Payments to Schools - Lunch		1,385,210	
Travel		769	
Other Supplies and Materials		1,044	
In Service/Staff Development		235	
Food Service Equipment		725	
Total Food Service			\$ 1,818,066

Community Services

Other Salaries & Wages	\$	36,756	
Social Security		2,119	
State Retirement		1,742	
Medical Insurance		2,023	
Employer Medicare		496	
Travel		972	
Other Supplies and Materials		664	
Total Community Services			44,772

Capital Outlay

Regular Capital Outlay

Architects	\$	40,000	
Engineering Services		300	
Building Improvements		30,000	
Motor Vehicles		731,310	
Site Development		16,000	
Other Capital Outlay		100,000	
Total Regular Capital Outlay			917,610

Principal on Debt

Education

Principal on Notes	\$	71,429	
Principal on Capital Leases		91,774	
Total Education			163,203

(Continued)

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

General Purpose School Fund (Cont.)

Interest on Debt

Education

Interest on Capital Leases	\$ 32,147	
Total Education	<u>32,147</u>	<u>\$ 32,147</u>

Total General Purpose School Fund \$ 59,491,093

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 707,748	
Educational Assistants	114,673	
Other Salaries & Wages	2,457	
Social Security	45,686	
State Retirement	40,302	
Life Insurance	1,027	
Medical Insurance	162,681	
Dental Insurance	4,617	
Employer Medicare	10,685	
Contributions	4,250	
Instructional Supplies and Materials	123,490	
Other Supplies and Materials	3,928	
Other Charges	410	
Regular Instruction Equipment	<u>9,934</u>	
Total Regular Instruction Program		\$ 1,231,888

Special Education Program

Teachers	\$ 114,056	
Educational Assistants	1,010,489	
Other Salaries & Wages	142,534	
Social Security	70,580	
State Retirement	56,599	
Life Insurance	194	
Medical Insurance	31,840	
Dental Insurance	948	
Unemployment Compensation	250	
Employer Medicare	16,257	
Contracts with Private Agencies	314,297	
Maintenance & Repair Services - Equipment	688	
Other Contracted Services	936	
Instructional Supplies and Materials	295,079	

(Continued)

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$ 14,149	
Special Education Equipment	190,965	
Total Special Education Program		\$ 2,259,861

Vocational Education Program

Educational Assistants	\$ 10,848	
Social Security	327	
State Retirement	514	
Medical Insurance	5,571	
Employer Medicare	76	
Other Supplies and Materials	1,499	
Other Charges	2,294	
Vocational Instruction Equipment	146,708	
Total Vocational Education Program		167,837

Support Services

Other Student Support

Travel	\$ 25,324	
Other Charges	4,204	
Total Other Student Support		29,528

Regular Instruction Program

Supervisor/Director	\$ 64,732	
Secretary(ies)	25,546	
Clerical Personnel	16,668	
Social Security	6,296	
State Retirement	5,561	
Life Insurance	74	
Medical Insurance	17,816	
Dental Insurance	335	
Employer Medicare	1,472	
Travel	1,648	
In Service/Staff Development	139,757	
Other Charges	1,201	
Regular Instruction Equipment	2,003	
Other Equipment	10,562	
Total Regular Instruction Program		293,671

(Continued)

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Psychological Personnel	\$ 173,802	
Secretary(ies)	27,759	
Social Security	11,928	
State Retirement	10,875	
Life Insurance	285	
Medical Insurance	41,215	
Dental Insurance	1,199	
Employer Medicare	2,790	
Travel	10,050	
Other Contracted Services	1,817	
Other Supplies and Materials	5,565	
In Service/Staff Development	105,126	
Special Education Equipment	1,817	
Total Special Education Program		\$ 394,228

Vocational Education Program

Travel	\$ 2,329	
In Service/Staff Development	2,977	
Total Vocational Education Program		<u>5,306</u>

Total School Federal Projects Fund \$ 4,382,319

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 469,274	
Food Preparation Supplies	29,192	
Instructional Supplies and Materials	18,002	
Library Books/Media	91,643	
Other Supplies and Materials	973	
Building Construction	10,278,135	
Building Improvements	48,000	
Food Service Equipment	11,997	
Furniture and Fixtures	137,352	
Other Capital Outlay	167,801	
Total Education Capital Projects		<u>\$ 11,252,369</u>

Total Education Capital Projects Fund 11,252,369

Total Governmental Funds - Robertson County School Department \$ 75,125,781

Exhibit K-9

Robertson County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2006

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 5,463,367
Total Cash Receipts	<u>\$ 5,463,367</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 5,408,733
Trustee's Commission	<u>54,634</u>
Total Cash Disbursements	<u>\$ 5,463,367</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2005	<u>0</u>
 Cash Balance, June 30, 2006	 <u><u>\$ 0</u></u>

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**SINGLE AUDIT SECTION**

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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 20, 2006

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

To the County Executive 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 Robertson County, Tennessee, as of and for the year ended June 30, 2006, which collectively comprise Robertson County's basic financial statements and have issued our report thereon dated October 20, 2006. Our report on the aggregate discretely presented component units' financial statements was qualified due to not including the financial statements of the Robertson County Emergency Communications District, a discretely presented component unit, which was not available from other auditors as of the date of this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Robertson County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 06.01, 06.02, 06.03, and 06.05.

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

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Robertson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Findings and Questioned Costs as item 06.04.

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

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

Very truly yours,



John G. Morgan  
Comptroller of the Treasury

JGM/sb



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

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

October 20, 2006

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

To the County Executive and Board of County Commissioners:

Compliance

We have audited the compliance of Robertson County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2006. Robertson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Robertson County's management. Our responsibility is to express an opinion on Robertson County's compliance based on our audit.

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

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

In our opinion, Robertson County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

#### Internal Control Over Compliance

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

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

#### Schedule of Federal Awards

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

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

Very truly yours,

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

John G. Morgan  
Comptroller of the Treasury

JGM/sb

Robertson 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 Agency's Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture: Food Distribution (noncash assistance)	10.550	(2)	\$ 316,038
Passed-through State Department of Education: Child Nutrition Cluster:			
School Breakfast Program	10.553	(2)	318,355
National School Lunch Program	10.555	(2)	1,385,210
Total U.S. Department of Agriculture			<u>\$ 2,019,603</u>
U.S. Department of Justice:			
Direct Programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	\$ 14,933
Total U.S. Department of Justice			<u>\$ 14,933</u>
U.S. Department of Labor:			
Passed-through State Department of Education: Incentive Grants - WIA Section 503	17.267	Z-04-025657-01	\$ 5,034
Total U.S. Department of Labor			<u>\$ 5,034</u>
U.S. General Services Administration:			
Passed-through Secretary of State: Election Reform Payments	39.011	Z-06-032989-00	\$ 225,000
Total U.S. General Services Administration			<u>\$ 225,000</u>
U.S. Department of Education:			
Passed-through the University of Tennessee: Adult Education - English Language Civics Grant	84.002	(2)	\$ 12,380 (3)
Passed-through State Department of Education:			
Adult Education - State Grant Program	84.002	Z-05-022260-00	32,550 (3)
Adult Education - State Grant Program	84.002	Z-06-027813-00	63,560 (3)
Title I Grants to Local Educational Agencies	84.010	N/A	1,098,349
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	2,600,414
Special Education - Preschool Grants	84.173	N/A	58,067
Vocational Education - Basic Grants to States	84.048	N/A	198,467
Safe and Drug-Free Schools and Communities - State Grants	84.186	(2)	47,032
State Grants for Innovative Programs	84.298	N/A	17,822
English Language Acquisition Grants	84.365	N/A	50,140
Improving Teacher Quality State Grants	84.367	N/A	470,754
Emergency Impact Aid for Displaced Students	84.938	N/A	26,017
Passed-through State Department of Human Services: Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	6,782
Total U.S. Department of Education			<u>\$ 4,682,334</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military: Emergency Management Performance Grants	97.042	(4)	\$ 18,646
Homeland Security Grant Program	97.067	Z-04-022488-00	53,000
Total U.S. Department of Homeland Security			<u>\$ 71,646</u>
Total Expenditures of Federal Awards			<u>\$ 7,018,550</u>

(Continued)

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

Federal/Pass through Agency/State Grantor Program Title	Federal CFDA Number	Pass- through Agency's Number	Expenditures
		Contract Number	
<u>State Grants</u>			
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	\$ 19,549
Archives Grant - Secretary of State	N/A	(2)	3,800
Juvenile Justice - State Commission on Children and Youth	N/A	Z-06-002640-00	13,000
Adult Education - State Department of Education	N/A	Z-05-022260-00	1,855
Adult Education - State Department of Education	N/A	Z-06-027813-00	2,055
Early Childhood Education - State Department of Education	N/A	(2)	167,629
Family Resource Center - State Department of Education	N/A	Z-06-012074-00	38,294
Safe Schools Act - State Department of Education	N/A	(2)	116,203
Optional Tire Program - State Department of Environment and Conservation	N/A	(2)	30,200
Health Programs - State Department of Public Health	N/A	Z-05-020539-00	92,394
Health Programs - State Department of Public Health	N/A	Z-06-026017-00	338,557
Law Enforcement Training Programs - State Department of Safety	N/A	(2)	18,673
Litter Grant - State Department of Transportation	N/A	Z-05-021543-00	10,476
Litter Grant - State Department of Transportation	N/A	Z-06-028004-00	34,523
Total State Grants			\$ 887,208

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.  
(2) Information not available.  
(3) Total Adult Education-State Grant Program (CFDA No. 84.002) from the U.S. Department of Education \$108,490.  
(4) Z-05-025396-00: \$387; Z-06-032860-00: \$18,259

Robertson 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 Annual Financial Report for Robertson County, Tennessee, for the year ended June 30, 2005, which have not been corrected.

**OFFICE OF FINANCE DIRECTOR**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
05.02	146	Several deficiencies were noted in the maintenance of employees' leave records

**OTHER FINDING**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
05.05	148	Duties were not segregated adequately in the Office of Clerk and Master

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**ROBERTSON COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2006**

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

1. Our report on the aggregate discretely presented component units is qualified. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.
2. The audit of the financial statements disclosed reportable conditions in internal control.
3. The audit disclosed one instance of noncompliance that is material to the financial statements of Robertson County.
4. The audit disclosed no reportable conditions in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit did not reveal any findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Food Distribution (CFDA No. 10.550), the Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555), the Improving Teacher Quality State Grants (CFDA No. 84.367), and the Title I Grants to Local Educational Agencies (CFDA No. 84.010), were determined to be major programs.
8. A threshold of \$300,000 was used to distinguish between Type A and Type B federal programs.
9. Robertson County did not qualify as a low-risk auditee.

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

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The written responses of the trustee and sheriff are 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 FINANCE DIRECTOR**

**FINDING 06.01 SEVERAL DEFICIENCIES WERE NOTED IN THE MAINTENANCE OF EMPLOYEES' LEAVE RECORDS**  
(Internal Control – Reportable Condition Under Government Auditing Standards)

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

- A. The Finance Office is responsible for the presentation of financial data for external financial reporting; however, individual departments maintained their own leave records and did not report this data to the Finance Office.
- B. Employees' leave balances reported on June 30, 2005, did not always agree with leave balances reported on July 1, 2005.
- C. Leave balances of several employees were in excess of the maximum balances allowed by the employee handbook.
- D. Leave earned was not always in compliance with county leave policies, and leave taken did not always agree with employee timesheets.

### **RECOMMENDATION**

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

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**FINDING 06.02 AN AMBULANCE SERVICE EMPLOYEE MADE IMPROPER PURCHASES**  
(Internal Control – Reportable Condition Under Government Auditing Standards)

During November 2005, Ambulance Service personnel informed auditors that an employee had purchased personal items with county funds. County officials requested the district attorney general seek an investigation by the Tennessee Bureau of Investigation, and as of the date of this report, the investigation is in progress. The county terminated the employment of this employee on November 29, 2005.

## RECOMMENDATION

County officials should seek reimbursement of any improper purchases. Internal controls over the purchasing process should be strengthened to prevent purchases of personal items by employees.

---

## OFFICE OF COUNTY CLERK

FINDING 06.03      **THE COUNTY CLERK'S OFFICE HAD A CASH SHORTAGE TOTALING \$1,902**  
(Internal Control – Reportable Condition Under Government Auditing Standards)

On September 27, 2005, the county clerk received information that an employee in the office had her personal vehicle repossessed by a title loan company. This prompted the clerk to examine the employee's registration renewals, resulting in the clerk's determination that the employee had fraudulently renewed the registration on her personal vehicle for the past two years. The clerk then contacted the office's software vendor to get a listing of all voided transactions processed by the employee. Examination of these records revealed that several transactions were entered into the computer system, the paperwork printed, and the transactions then voided. The clerk identified fraudulent transactions totaling \$1,902. The employee advised the clerk that she had taken the funds and altered the records. The clerk then requested an investigation be performed by the Robertson County Sheriff's Department. On October 5, 2005, the county clerk informed auditors from the Comptroller's Office about the cash shortage in the office.

On November 4, 2005, the employee pled guilty to one count of theft of property over \$1,000. The employee was sentenced two years on state probation and ordered to pay Robertson County restitution totaling \$2,284.50 (theft of \$1,902 plus software vendor charges totaling \$382.50). Restitution was paid on November 14, 2005.

## RECOMMENDATION

The clerk should routinely review the audit logs generated by the computer system to determine the propriety of voided transactions.

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## OTHER FINDINGS AND RECOMMENDATIONS

### FINDING 06.04      **DEFICIENCIES WERE NOTED IN AN INMATE TELEPHONE SERVICES CONTRACT** (Material Noncompliance Under Government Auditing Standards)

In June 2002, the County Commission approved a six-year contract with Inmate Telephone, Inc. (ITI), for inmate telephone services effective September 8, 2002. This contract provided for the county to receive remuneration of five percent of the gross telephone revenue billed plus management software and equipment valued at \$269,110. The county's monthly remuneration will be reduced \$3,737.64 for 72 months to reimburse ITI the costs of the software and equipment. In July 2005, the contract was extended through September 8, 2011, and provided for the county to increase its remuneration to ten percent of the gross telephone revenue through September 8, 2008, and to increase it to 30 percent effective September 9, 2008. In addition, the contract included upgrades to the jail management software and equipment valued at \$29,940. The county's monthly remuneration will be reduced \$831.67 for 36 months to reimburse ITI the costs of the upgrades. After the respective term limits, title to the jail management software and its upgrades transfers to the Sheriff's Department.

The following deficiencies were noted:

- A. Inmate Telephone, Inc., used proceeds from the county's telephone commissions to purchase management software and equipment by withholding revenues due the county in-lieu-of remitting all revenues to the county and the County Commission appropriating the funds for expenditures. Section 5-9-401, Tennessee Code Annotated (TCA), requires all county funds from whatever source to be appropriated by the county legislative body. Therefore, these funds withheld by the company were not appropriated by the County Commission and were not expended in compliance with state statute.
- B. The financing arrangements (monthly reductions of commissions earned) are in effect unauthorized capital outlay notes. These capital outlay notes had not been approved by the state director of Local Finance as required by Section 9-21-601, TCA. Also, county officials did not file a Report of Debt Obligations with the state director of Local Finance for the capital outlay notes. Section 9-21-151, TCA, requires that within 45 days following the issuance of a debt, the county must provide to the state director of Local Finance certain information, such as a brief description of the purposes for which the debt was issued and an itemized description of the costs of issuance of the debt.
- C. The management software, equipment, and upgrades exceeded \$5,000 and were not competitively bid. Disbursements in excess of \$5,000 should be publicly advertised and competitively bid as required by Section 5-21-120, TCA.

### RECOMMENDATION

All revenues earned by the Sheriff's Department should be remitted to the department, and all purchases should be made by the county's purchasing agent through the General Fund

subject to the budgetary process. Financing arrangements should be approved by the state director of Local Finance, and county officials should file a Report on Debt Obligations with the state director of Local Finance for all debt issues as required by state statutes. Competitive bids should be solicited for all purchases estimated to exceed \$5,000. Furthermore, all revenues generated from the operation of the jail telephone system should be remitted to the county on a monthly basis.

MANAGEMENT'S RESPONSE – SHERIFF (DIRECT QUOTE)

Our county attorney worked tirelessly with Inmate Telephone, Inc., in the wording of this contract and approved the entire process. The finished contract was approved by the Law Enforcement Committee and then approved by the Robertson County Commission on June 17, 2002. The Sheriff's Office followed every procedure we were aware of at the time the contract was signed.

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FINDING 06.05      **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF TRUSTEE AND CLERK AND MASTER**  
(Internal Control – Reportable Condition Under Government Auditing Standards)

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

RECOMMENDATION

To strengthen internal controls, officials of these offices should segregate duties adequately among employees.

MANAGEMENT'S RESPONSE – TRUSTEE (DIRECT QUOTE)

I sign all checks and I check all bank statements. The only reason I would not be the signer is if I was on vacation. My bookkeeper would sign in my absence because she is the only one that would be able to verify if the check was written correctly. I would not ask anyone to sign a check if they didn't know it was correct. If an error occurred, it would appear on the bank statement and I would know it.

REBUTTAL

Just as the clerk verifies that checks are written correctly then signs the checks that the bookkeeper has written, another employee can likewise verify the accuracy of the checks written and sign the checks in the clerk's absence. Employees that write checks should not have the authority to sign the checks.

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

There were no findings and questioned costs for federal awards.

**ROBERTSON COUNTY, TENNESSEE**  
**AUDITEE REPORTING RESPONSIBILITIES**  
**For the Year Ended June 30, 2006**

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