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# **ANNUAL FINANCIAL REPORT MAURY COUNTY, TENNESSEE**



**FOR THE YEAR ENDED JUNE 30, 2008**



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**ANNUAL FINANCIAL REPORT**  
**MAURY COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2008**

***DEPARTMENT OF AUDIT***  
***JUSTIN P. WILSON***  
***Comptroller of the Treasury***

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

***JAMES R. ARNETTE***  
***Director***

***JEFF BAILEY, CPA, CGFM, CFE***  
***Audit Manager***

***RACHELLE CABADING, CFE***  
***Auditor 4***

***RHONDA DAVIS, CFE***  
***STEPHANIE GORDON, CFE***  
***ROBIN BATES, CPA, CFE***  
***PATTY VARGO, CFE***  
***MARK HARVILL***  
***NATHAN ABBOTT, CISA, CFE***  
***State Auditors***

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

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***Audit Highlights***  
Annual Financial Report  
Maury County, Tennessee  
For the Year Ended June 30, 2008

***Scope***

We have audited the basic financial statements of Maury County as of and for the year ended June 30, 2008.

***Results***

Our report on the financial statements of Maury County is unqualified.

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

***Findings***

The following are summaries of the audit findings:

**OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS**

- ◆ Material audit adjustments were required in the General Debt Service Fund for proper financial statement presentation.
- ◆ The county violated the conflict of interest statute and made purchases from a business owned by a county commissioner.
- ◆ Purchases from the General Fund for the School Department are of questionable legality.
- ◆ The office had deficiencies in budget operations.
- ◆ The Health Department building was omitted from the capital assets records at June 30, 2008.
- ◆ The offices at the animal shelter and the memorial building did not issue official prenumbered receipts for some collections.

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**OFFICE OF SHERIFF**

- ◆ The office did not channel federal equitable shared funds through the county's budgetary process.
  - ◆ The office had accounting deficiencies.
-

## **OTHER FINDING**

- ◆ The Office of the Register and the Memorial Building Department did not properly segregate duties.
- 

## **MAURY REGIONAL HOSPITAL**

- ◆ Consolidated financial statements were not prepared for interim or year-end reporting purposes.
- ◆ Deficiencies were noted in management's estimates for allowances on patients' accounts receivable.

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## INTRODUCTORY SECTION

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Maury County Officials  
June 30, 2008

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**Officials**

Jim Bailey, County Mayor  
Van Boshers, Road Superintendent  
Edward Hickman, Director of Schools  
Steve Konz, Trustee  
Jim Dooley, Assessor of Property  
Nancy Thompson, County Clerk  
Kathy Kelly, Circuit and General Sessions Courts Clerk  
Cheryl Church, Clerk and Master  
John Fleming, Register  
Enoch George, Sheriff  
Buddy Harlan, Interim Director of Accounts and Budgets  
Dana Gibson, Director of Human Resources

**Board of County Commissioners**

Tom Primm, Chairman  
Joe Scott  
John Goodloe  
Dr. Lucy Ledbetter  
Felicia McClain  
Eugene Richardson  
June Beckum  
Ty Cobb  
Wayne Hickman  
Andy Jackson  
Gerald Adkinson

Joe Roberson  
Arch Patterson  
Linda Whiteside  
Glenda Bolton  
Judy Vick  
Glen Hasse  
Rick Miller  
R. Lee Dugger  
Tommy Wolaver  
Gwynne Evans  
Bob Farmer

**Board of Education**

Shaw Daniels, Chairman  
Chet Rhodes  
Talvin Barner  
Hoyt Gardner  
Jerry Lassiter  
Greg Ladd

Loretta Goodloe  
Steve Kindler  
Joe Foster  
Daniel McCulley  
Tommy Dudley

**Budget Committee**

Jim Bailey, County Mayor  
Buddy Harlan, Interim Director of Accounts and Budgets  
Andy Jackson  
Tom Primm

Ty Cobb  
Glen Hasse  
Rick Miller  
Bob 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 37243-1402  
PHONE (615) 401-7841**

**INDEPENDENT AUDITOR'S REPORT**

May 28, 2009

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2008, which collectively comprise Maury County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Maury County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Maury Regional Hospital (major proprietary fund), which represent 97 percent and 98 percent, respectively, of the assets and revenues of the business-type activities. In addition, we did not audit the financial statements of the Maury County Board of Public Utilities Water System, which represent 17.5 percent and three percent, respectively, of the assets and revenues of the aggregate discretely presented component units and the Maury County Emergency Communications District, which represent one percent of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Maury Regional Hospital, Maury County Board of Public Utilities Water System, and the Maury County Emergency Communications District, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material

misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 28, 2009, on our consideration of Maury County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

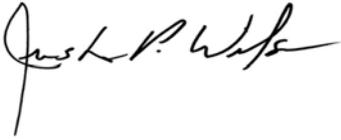
As described in Note V.B., Maury County has adopted the provisions of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions; Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues; and Statement No. 50, Pension Disclosures.

The management's discussion and analysis on pages 21 through 31 and the budgetary comparison, pension, and postemployment benefits information on pages 113 through 119 are not required parts of the basic financial statements but they do provide supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Maury 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 Maury 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 Maury County

School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, 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 by us 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, appearing to read "Justin P. Wilson". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Justin P. Wilson  
Comptroller of the Treasury

JPW/yu

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## Management's Discussion and Analysis

As management for Maury County, Tennessee, we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended June 30, 2008. This discussion and analysis focuses on the primary government only and does not include discussion of discretely presented component units. The activity of Maury Regional Medical Center, an enterprise fund of the primary government, is reflected in business-type activities throughout the following discussion and analysis. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- Net assets of the county exceeded liabilities at the close of the most recent fiscal year by \$154,733.
- The government's total net assets decreased by \$26,147.
- As of the close of the current fiscal year, the county's governmental funds reported combined ending fund balances of \$35,128, an increase of \$5,160 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$5,252, or 25 percent of total General Fund expenditures.
- The county's total debt increased by \$23,357 (21 percent) during the current fiscal year. The key factor in this increase was the issuance of \$29,000 of new debt, for a new middle school.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the county's basic financial statements. The county's basic financial statements are composed of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

The statement of net assets presents information on all of the county's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the county is improving or deteriorating.

The statement of activities presents information illustrating the changes in the government's net assets during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some

items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highways/public works; education; and debt service on long-term debt. The business-type activities of the county include a regional hospital and a solid waste disposal facility. The government-wide financial statements can be found on Exhibits A and B of this report.

The government-wide financial statements include not only the county (known as the primary government), but also a legally separate school department, a legally separate water system, and a legally separate emergency communications district for which the county is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The county, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the county can be divided into three categories: governmental, proprietary, and fiduciary.

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

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

The county maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheets and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General, General Debt Service, and Education Capital Projects funds all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single

aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combining statements elsewhere in this report.

The county adopts an annual budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 and C-3 of this report.

**Proprietary funds.** The county maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The county uses enterprise funds to account for its solid waste department and its regional hospital. Internal service funds are an accounting device used to accumulate and allocate costs internally among the county's various functions. The county uses an internal service fund to account for its central maintenance garage. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste department and the regional hospital. The internal service funds are presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on Exhibits D-1, D-2, and D-3 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibit E of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the county's major special revenue fund's budgetary statement (General Fund). Required supplementary information can be found after the basic financial statements section of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund financial statements and schedules are Exhibits G-1 through K-10 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the county, assets exceeded liabilities by \$154,733 at the close of the most recent fiscal year. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, whenever the Maury County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the county. As of June 30, 2008, the county had outstanding debt totaling \$71,091 for capital purposes for the Maury County Board of Education, but the capital assets are reported in the financial statements of the Maury County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net assets.

By far the largest portion of the county's net assets (90 percent) reflect its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The county uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the county's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

#### MAURY COUNTY'S Net Assets

|                          | Governmental |           | Business-type |            | Total      |            |
|--------------------------|--------------|-----------|---------------|------------|------------|------------|
|                          | Activities   |           | Activities    |            |            |            |
|                          | 2007-08      | 2006-07   | 2007-08       | 2006-07    | 2007-08    | 2006-07    |
| Current and Other Assets | \$ 54,943    | \$ 46,255 | \$ 78,914     | \$ 82,942  | \$ 133,857 | \$ 129,197 |
| Capital Assets           | 61,118       | 52,515    | 141,440       | 144,120    | 202,558    | 196,635    |
| Total Assets             | \$ 116,061   | \$ 98,770 | \$ 220,354    | \$ 227,062 | \$ 336,415 | \$ 325,832 |
| Long-term Liabilities    | \$ 96,526    | \$ 63,823 | \$ 43,678     | \$ 19,096  | \$ 140,204 | \$ 82,919  |
| Other Liabilities        | 18,618       | 15,364    | 22,860        | 49,778     | 41,478     | 65,142     |
| Total Liabilities        | \$ 115,144   | \$ 79,187 | \$ 66,538     | \$ 68,874  | \$ 181,682 | \$ 148,061 |

**MAURY COUNTY'S Net Assets (Cont.)**

|                             | Governmental<br>Activities |               | Business-type<br>Activities |                | Total          |                |
|-----------------------------|----------------------------|---------------|-----------------------------|----------------|----------------|----------------|
|                             | 2007-08                    | 2006-07       | 2007-08                     | 2006-07        | 2007-08        | 2006-07        |
| Net Assets:                 |                            |               |                             |                |                |                |
| Invested in Capital Assets, |                            |               |                             |                |                |                |
| Net of Related Debt         | \$ 40,766                  | \$ 36,692     | \$ 98,377                   | \$ 94,971      | \$ 139,143     | \$ 131,663     |
| Restricted                  | 29,419                     | 23,761        | 0                           | 0              | 29,419         | 23,761         |
| Unrestricted                | (69,268)                   | (40,871)      | 55,439                      | 63,217         | (13,829)       | 22,346         |
| <br>Total Net Assets        | <br>\$ 917                 | <br>\$ 19,582 | <br>\$ 153,816              | <br>\$ 158,188 | <br>\$ 154,733 | <br>\$ 177,770 |

An additional portion of the county's net assets (19 percent) represents resources that are subject to external restrictions on how they may be used.

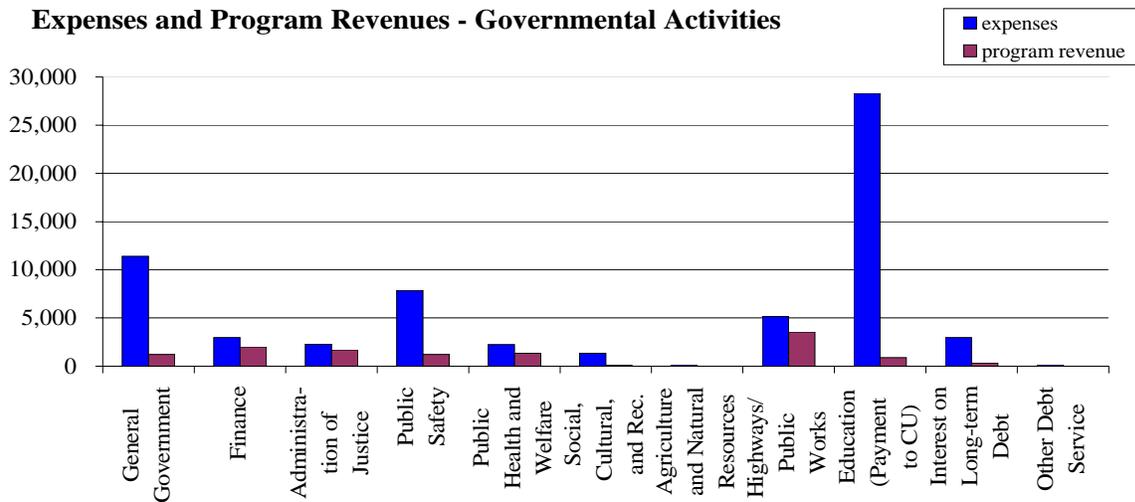
**MAURY COUNTY'S Changes in Net Assets**

|                                    | Governmental<br>Activities |           | Business-type<br>Activities |            | Total      |            |
|------------------------------------|----------------------------|-----------|-----------------------------|------------|------------|------------|
|                                    | 2007-08                    | 2006-07   | 2007-08                     | 2006-07    | 2007-08    | 2006-07    |
| Revenues:                          |                            |           |                             |            |            |            |
| Program Revenues:                  |                            |           |                             |            |            |            |
| Charges for Services               | \$ 6,724                   | \$ 6,852  | \$ 251,222                  | \$ 242,914 | \$ 257,946 | \$ 249,766 |
| Operating Grants and Contributions | 3,581                      | 3,345     | 0                           | 0          | 3,581      | 3,345      |
| Capital Grants and Contributions   | 2,053                      | 1,478     | 0                           | 0          | 2,053      | 1,478      |
| General Revenues:                  |                            |           |                             |            |            |            |
| Property Taxes                     | 17,427                     | 14,938    | 1,636                       | 1,497      | 19,063     | 16,435     |
| Other Taxes                        | 5,552                      | 6,000     | 0                           | 0          | 5,552      | 6,000      |
| Grants and Contributions not       |                            |           |                             |            |            |            |
| Restricted to Specific Programs    | 4,211                      | 4,079     | 1,145                       | 588        | 5,356      | 4,667      |
| Other                              | 2,296                      | 2,858     | 1,497                       | 1,199      | 3,793      | 4,057      |
| Total Revenues                     | \$ 41,844                  | \$ 39,550 | \$ 255,500                  | \$ 246,198 | \$ 297,344 | \$ 285,748 |
| Expenses:                          |                            |           |                             |            |            |            |
| General Government                 | \$ 11,412                  | \$ 5,126  | \$ 0                        | \$ 0       | \$ 11,412  | \$ 5,126   |
| Finance                            | 2,987                      | 2,709     | 0                           | 0          | 2,987      | 2,709      |
| Administration of Justice          | 2,276                      | 2,170     | 0                           | 0          | 2,276      | 2,170      |
| Public Safety                      | 7,849                      | 9,489     | 0                           | 0          | 7,849      | 9,489      |
| Public Health and Welfare          | 2,252                      | 4,344     | 0                           | 0          | 2,252      | 4,344      |
| Social, Cultural, and Recreational |                            |           |                             |            |            |            |
| Services                           | 1,321                      | 1,330     | 0                           | 0          | 1,321      | 1,330      |
| Agriculture and Natural Resources  | 166                        | 155       | 0                           | 0          | 166        | 155        |

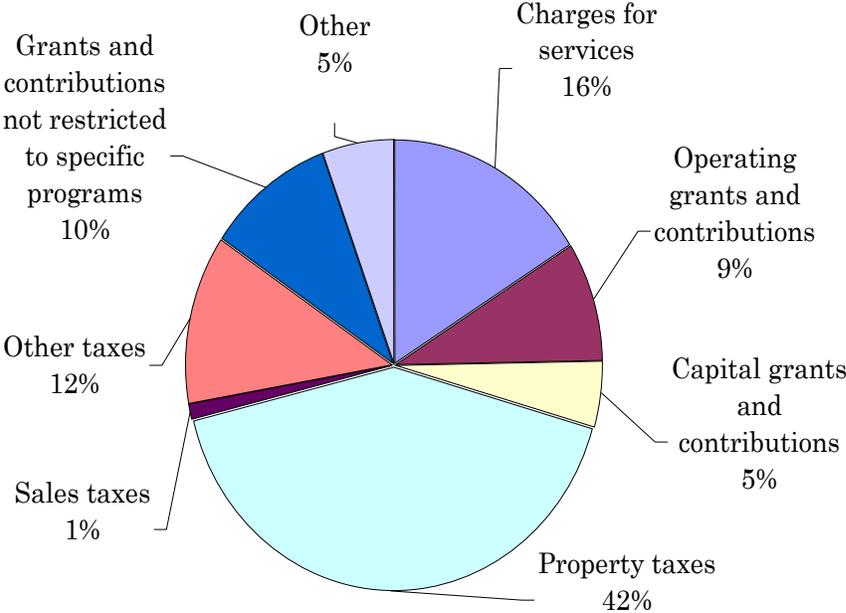
## MAURY COUNTY'S Changes in Net Assets (Cont.)

|                            | Governmental     |                  | Business-type     |                   | Total             |                   |
|----------------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
|                            | Activities       |                  | Activities        |                   |                   |                   |
|                            | 2007-08          | 2006-07          | 2007-08           | 2006-07           | 2007-08           | 2006-07           |
| <b>Expenses (Cont.):</b>   |                  |                  |                   |                   |                   |                   |
| Highway/Public Works       | \$ 5,148         | \$ 4,521         | \$ 0              | \$ 0              | \$ 5,148          | \$ 4,521          |
| Education(Payment to CU)   | 28,292           | 8,019            | 0                 | 0                 | 28,292            | 8,019             |
| Interest on Long-term Debt | 2,969            | 2,575            | 0                 | 0                 | 2,969             | 2,575             |
| Other Debt Service         | 149              | 8                | 0                 | 0                 | 149               | 8                 |
| Maury Regional Hospital    | 0                | 0                | 255,612           | 235,685           | 255,612           | 235,685           |
| Solid Waste Disposal       | 0                | 0                | 3,060             | 3,132             | 3,060             | 3,132             |
| <b>Total Expenses</b>      | <b>\$ 64,821</b> | <b>\$ 40,446</b> | <b>\$ 258,672</b> | <b>\$ 238,817</b> | <b>\$ 323,493</b> | <b>\$ 279,263</b> |
| <br>                       |                  |                  |                   |                   |                   |                   |
| Increase in Net Assets     | \$ (22,975)      | \$ (896)         | \$ (3,172)        | 7,381             | \$ (26,149)       | \$ 6,485          |
| Prior-period Adjustment    | 4,310            | 0                | (1,200)           | (9,250)           | 3,110             | (9,250)           |
| Net Assets, July 1, 2007   | 19,582           | 20,478           | 158,188           | 160,057           | 177,770           | 180,535           |
| <br>                       |                  |                  |                   |                   |                   |                   |
| Net Assets, June 30, 2008  | \$ 917           | \$ 19,582        | \$ 153,816        | \$ 158,188        | \$ 154,731        | \$ 177,770        |

**Governmental activities.** Governmental activities decreased the county's net assets by \$18,665. Key elements of the decrease were as follows:



**Revenues by Source - Governmental Activities**

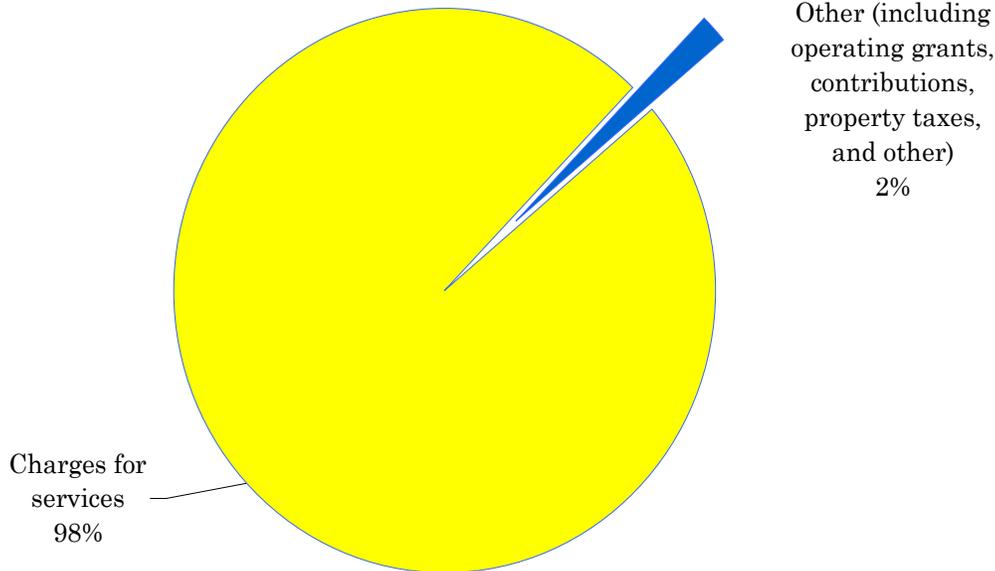


**Business-type activities.** Business-type activities decreased the county’s net assets by \$4,372.

**Expenses and Program Revenues – Business-type Activities**



## Revenue by Source – Business-type Activities



### Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the county's governmental funds reported combined ending fund balances of \$35,128, an increase of \$5,160 in comparison with the prior year. Most of this amount (\$26,177) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not readily available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period (\$3,521), and (2) for a variety of other restricted purposes (\$5,430).

The General Fund is the chief operating fund of the county. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$5,252, while total fund balance was \$5,839. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 25 percent of total General Fund expenditures, while total fund balance represents 28 percent of that same amount.

The fund balance of the county's General Fund decreased by \$703 during the current fiscal year.

The General Debt Service Fund has a total fund balance of \$13,242, all of which is reserved for the payment of debt service.

**Proprietary funds.** The county's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Solid Waste Disposal Fund at the end of the year totaled \$2,516. The increase in net assets for 2007-08 was \$758. Other factors concerning the finances of this fund have already been addressed in the discussion of the county's business-type activities.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget are as follows. The net effect of the amendments (a \$1,323 increase in appropriations) was primarily a result of the receipt of federal and state grant awards offsetting the increased expenditures by \$617.

|  |    |              |
|--|----|--------------|
| General Administration                         | \$ | 308          |
| Finance  |    | 25           |
| Administration of Justice                      |    | 58           |
| Public Safety                                  |    | 312          |
| Public Health and Welfare                      |    | 522          |
| Social, Cultural, and<br>Recreational Services |    | 30           |
| Agriculture and Natural Resources              |    | 3            |
| Capital Projects                               |    | 53           |
| Other Operations                               |    | 12           |
|  |    | <hr/>        |
| Total  | \$ | <u>1,323</u> |

For the fiscal year, revenues exceeded budgetary estimates, and expenditures were less than budgetary estimates. As a result, the anticipated and budgeted draw upon existing fund balance was minimal.

**Capital Assets and Debt Administration**

**Capital assets.** The county's investment in capital assets for its governmental and business-type activities as of June 30, 2008, totaled \$202,558 (net of accumulated depreciation). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

**County's Capital Assets**  
As of June 30, 2008  
(net of depreciation)

|                            | Governmental<br>Activities |                  | Business-type<br>Activities |                   | Total             |                   |
|----------------------------|----------------------------|------------------|-----------------------------|-------------------|-------------------|-------------------|
|                            | 2007-08                    | 2006-07          | 2007-08                     | 2006-07           | 2007-08           | 2006-07           |
| Land                       | \$ 7,664                   | \$ 7,681         | \$ 5,861                    | \$ 6,421          | \$ 13,525         | \$ 14,102         |
| Buildings and Improvements | 22,821                     | 18,599           | 96,316                      | 99,199            | 119,137           | 117,798           |
| Other Capital Assets       | 4,608                      | 3,906            | 33,551                      | 28,094            | 38,159            | 32,000            |
| Infrastructure             | 22,582                     | 20,923           | 0                           | 0                 | 22,582            | 20,923            |
| Construction in Progress   | 3,442                      | 1,406            | 5,713                       | 10,405            | 9,155             | 11,811            |
| <b>Total</b>               | <b>\$ 61,117</b>           | <b>\$ 52,515</b> | <b>\$ 141,441</b>           | <b>\$ 144,119</b> | <b>\$ 202,558</b> | <b>\$ 196,634</b> |

**Long-term debt.** At the end of the current fiscal year, the county had total bonded debt outstanding of \$108,801, notes payable of \$22,285 and other debt payable of \$3,132. All debt is backed by the full faith and credit of the county. Of the amount outstanding for governmental activities, \$71,091 reflects the balance of borrowings for education capital projects for the Maury County Board of Education. Of the amount outstanding for business-type activities, \$43,064 reflects the balance of borrowings for capital projects of the regional hospital.

**County's Outstanding Debt**  
As of June 30, 2008

|                          | Governmental<br>Activities |                  | Business-type<br>Activities |                  | Total             |                   |
|--------------------------|----------------------------|------------------|-----------------------------|------------------|-------------------|-------------------|
|                          | 2007-08                    | 2006-07          | 2007-08                     | 2006-07          | 2007-08           | 2006-07           |
| General Obligation Bonds | \$ 69,385                  | \$ 44,990        | \$ 39,416                   | \$ 44,528        | \$ 108,801        | \$ 89,518         |
| Notes Payable            | 21,313                     | 16,248           | 972                         | 1,547            | 22,285            | 17,795            |
| Other Debt Payable       | 456                        | 474              | 2,676                       | 3,074            | 3,132             | 3,548             |
| <b>Total</b>             | <b>\$ 91,154</b>           | <b>\$ 61,712</b> | <b>\$ 43,064</b>            | <b>\$ 49,149</b> | <b>\$ 134,218</b> | <b>\$ 110,861</b> |

For the fiscal year ended, the county's total debt increased by \$23,357 (21 percent). Debt service payments of \$11,578 and a transfer of debt (\$500) to the Maury County Board of Education were made while the county issued new debt for equipment and public works projects as follows:

- The county issued debt totaling \$35,435 for various construction and renovation projects of the county, the school department, and the hospital.

The county maintains an A1 bond rating from Moody's for general obligation debt. Additional information on the county's long-term debt can be found on Exhibits L-1 and L-2 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the county is currently 11 percent, which is an increase from a rate of 8.6 percent a year ago. This compares unfavorably to the state's unemployment rate of 9.7 percent.
- The county experienced limited commercial and industrial growth during the year.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the county's budget for the 2009 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund decreased to \$5,839. It has yet to be determined if the 2009 budget will require the county to raise taxes or charges for this fund during the 2009 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Accounts and Budgets at One Public Square, Columbia, Tennessee 38401 or [www.budgetoffice@maurycounty-tn.gov](mailto:www.budgetoffice@maurycounty-tn.gov).

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## **BASIC FINANCIAL STATEMENTS**

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Exhibit A

Maury County, Tennessee  
Statement of Net Assets  
June 30, 2008

|  | Primary Government      |                          | Component Units |                                |  |                                   |
|--|-------------------------|--------------------------|-----------------|--------------------------------|--|-----------------------------------|
|  | Governmental Activities | Business-type Activities | Total           | Maury County School Department | Board of Public Utilities Water System | Emergency Communications District |
| <b>ASSETS</b>                              |                         |                          |                 |                                |  |                                   |
| Cash                                       | \$ 185,593              | \$ 15,031,733            | \$ 15,217,326   | \$ 6,909                       | \$ 4,669,227                           | \$ 405,918                        |
| Equity in Pooled Cash and Investments      | 33,878,401              | 2,978,313                | 36,856,714      | 29,826,222                     | 0                                      | 0                                 |
| Accounts Receivable                        | 802,738                 | 83,603,659               | 84,406,397      | 68,978                         | 258,556                                | 36,246                            |
| Allowance for Uncollectibles               | 0                       | (34,700,000)             | (34,700,000)    | 0                              | 0                                      | 0                                 |
| Property Taxes Receivable                  | 18,460,836              | 1,743,083                | 20,203,919      | 18,650,791                     | 0                                      | 0                                 |
| Accrued Interest Receivable                | 0                       | 0                        | 0               | 0                              | 33,201                                 | 0                                 |
| Allowance for Uncollectible Property Taxes | (521,111)               | (49,204)                 | (570,315)       | (536,876)                      | 0                                      | 0                                 |
| Due from Other Governments                 | 839,222                 | 48,264                   | 887,486         | 3,433,286                      | 0                                      | 0                                 |
| Due from Component Unit                    | 47,203                  | 0                        | 47,203          | 0                              | 0                                      | 0                                 |
| Prepaid Items                              | 282,636                 | 2,288,300                | 2,570,936       | 0                              | 117                                    | 0                                 |
| Notes Receivable - Long-term               | 1,768                   | 0                        | 1,768           | 0                              | 0                                      | 0                                 |
| Deferred Charges - Debt Issuance Costs     | 967,152                 | 0                        | 967,152         | 0                              | 0                                      | 0                                 |
| Inventories                                | 0                       | 4,580,724                | 4,580,724       | 0                              | 78,118                                 | 0                                 |
| Other                                      | 0                       | 3,388,673                | 3,388,673       | 0                              | 0                                      | 0                                 |
| Restricted Assets:                         |                         |                          |                 |                                |  |                                   |
| Customer Deposits                          | 0                       | 0                        | 0               | 0                              | 171,300                                | 0                                 |
| Capital Assets:                            |                         |                          |                 |                                |  |                                   |
| Assets Not Depreciated:                    |                         |                          |                 |                                |  |                                   |
| Land                                       | 7,663,650               | 5,861,240                | 13,524,890      | 2,910,813                      | 287,025                                | 74,380                            |
| Construction in Progress                   | 3,442,156               | 5,712,655                | 9,154,811       | 4,675,146                      | 0                                      | 0                                 |
| Assets Net of Accumulated Depreciation:    |                         |                          |                 |                                |  |                                   |
| Buildings and Improvements                 | 22,821,594              | 96,315,641               | 119,137,235     | 79,883,333                     | 164,665                                | 469,152                           |
| Other Capital Assets                       | 4,607,909               | 33,551,064               | 38,158,973      | 4,149,892                      | 24,909,205                             | 369,724                           |
| Infrastructure                             | 22,581,612              | 0                        | 22,581,612      | 0                              | 0                                      | 0                                 |
| Total Assets                               | \$ 116,061,359          | \$ 220,354,145           | \$ 336,415,504  | \$ 143,068,494                 | \$ 30,571,414                          | \$ 1,355,420                      |

(Continued)

Exhibit A

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

|   | Primary Government      |                          | Component Units |                                |  |                                   |
|---|-------------------------|--------------------------|-----------------|--------------------------------|--|-----------------------------------|
|   | Governmental Activities | Business-type Activities | Total           | Maury County School Department | Board of Public Utilities Water System | Emergency Communications District |
| Accounts Payable  | \$ 22,638               | \$ 12,763,214            | \$ 12,785,852   | \$ 25,843                      | \$ 0                                   | \$ 8,274                          |
| Accrued Payroll   | 0                       | 4,109,181                | 4,109,181       | 722                            | 20,245                                 | 33,082                            |
| Payroll Deductions Payable  | 19,288                  | 623                      | 19,911          | 0                              | 0                                      | 3,364                             |
| Contracts Payable   | 357,252                 | 0                        | 357,252         | 962,718                        | 544,136                                | 0                                 |
| Retainage Payable   | 18,803                  | 0                        | 18,803          | 57,294                         | 82,884                                 | 0                                 |
| Compensated Absences Payable  | 0                       | 4,090,652                | 4,090,652       | 0                              | 25,499                                 | 0                                 |
| Accrued Interest Payable  | 866,395                 | 207,415                  | 1,073,810       | 50,269                         | 0                                      | 0                                 |
| Due to Litigants, Heirs, and Others   | 2,076                   | 0                        | 2,076           | 0                              | 17,361                                 | 0                                 |
| Customer Deposits Payable   | 32,949                  | 0                        | 32,949          | 0                              | 171,300                                | 0                                 |
| Due to Primary Government   | 0                       | 0                        | 0               | 47,203                         | 0                                      | 0                                 |
| Due to State of Tennessee   | 0                       | 0                        | 0               | 7,023                          | 0                                      | 0                                 |
| Deferred Revenue - Current Property Taxes   | 17,298,674              | 1,688,817                | 18,987,491      | 17,440,004                     | 0                                      | 0                                 |
| Noncurrent Liabilities:   |                         |                          |                 |                                |  |                                   |
| Due Within One Year   | 8,233,408               | 6,904,159                | 15,137,567      | 1,284,532                      | 168,324                                | 31,358                            |
| Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt) | 88,292,957              | 36,773,833               | 125,066,790     | 5,433,686                      | 7,446,373                              | 87,965                            |
| Total Liabilities   | \$ 115,144,440          | \$ 66,537,894            | \$ 181,682,334  | \$ 25,309,294                  | \$ 8,476,122                           | \$ 164,043                        |

(Continued)

Exhibit A

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

|  | Primary Government      |                          | Component Units |                                |  |                                   |
|--|-------------------------|--------------------------|-----------------|--------------------------------|--|-----------------------------------|
|  | Governmental Activities | Business-type Activities | Total           | Maury County School Department | Board of Public Utilities Water System | Emergency Communications District |
|  | \$ 40,765,984           | \$ 96,355,557            | \$ 137,121,541  | \$ 91,619,184                  | \$ 17,746,198                          | \$ 793,933                        |
|  | 0                       | 2,021,100                | 2,021,100       | 0                              | 0                                      | 0                                 |
| Invested in Capital Assets,                  | 12,735,091              | 0                        | 12,735,091      | 25,272,980                     | 0                                      | 0                                 |
| Net of Related Debt                          | 12,688,586              | 0                        | 12,688,586      | 0                              | 1,650,000                              | 0                                 |
| Invested in Capital Assets Restricted for:   | 642,963                 | 0                        | 642,963         | 0                              | 0                                      | 0                                 |
| Capital Projects                             | 2,545,969               | 0                        | 2,545,969       | 0                              | 0                                      | 0                                 |
| Debt Service                                 | 0                       | 0                        | 0               | 1,255,054                      | 0                                      | 0                                 |
| Special Purpose Highway                      | 0                       | 0                        | 0               | 260,821                        | 0                                      | 0                                 |
| Central Cafeteria                            | 0                       | 0                        | 0               | 0                              | 0                                      | 0                                 |
| Federal Projects                             | 210,139                 | 0                        | 210,139         | 0                              | 0                                      | 0                                 |
| Central Maintenance Garage                   | 141,088                 | 0                        | 141,088         | 0                              | 0                                      | 0                                 |
| Drug Control                                 | 99,656                  | 0                        | 99,656          | 0                              | 0                                      | 0                                 |
| Computer System - Register                   | 95,205                  | 0                        | 95,205          | 0                              | 0                                      | 0                                 |
| Automation Purposes - General Sessions Court | 210,725                 | 0                        | 210,725         | 0                              | 0                                      | 0                                 |
| Other Purposes                               | 49,204                  | 0                        | 49,204          | 76,007                         | 0                                      | 0                                 |
| Unrestricted                                 | (69,267,691)            | 55,439,594               | (13,828,097)    | (724,846)                      | 2,699,094                              | 397,444                           |
| Total Net Assets                             | \$ 916,919              | \$ 153,816,251           | \$ 154,733,170  | \$ 117,759,200                 | \$ 22,095,292                          | \$ 1,191,377                      |

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

Exhibit B

Maury County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2008

| Functions/Programs                          | Net (Expense) Revenue and Changes in Net Assets |                       |                                    |                                  |   |                        |                                |  |                                   |             |             |             |             |             |             |             |             |             |             |             |                  |
|---|---|-----------------------|------------------------------------|----------------------------------|---|------------------------|--------------------------------|--|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------|
|   | Program Revenues                                |                       |                                    |                                  |   | Component Units        |                                |  |                                   |             |             |             |             |             |             |             |             |             |             |             |                  |
|   | Expenses  | Charges for Services  | Operating Grants and Contributions | Capital Grants and Contributions | Primary Governmental Business-type Activities | Total                  | Maury County School Department | Board of Public Utilities Water System | Emergency Communications District |             |             |             |             |             |             |             |             |             |             |             |                  |
| <b>Primary Government:</b>                  |   |                       |                                    |                                  |   |                        |                                |  |                                   |             |             |             |             |             |             |             |             |             |             |             |                  |
| <b>Governmental Activities:</b>             |   |                       |                                    |                                  |   |                        |                                |  |                                   |             |             |             |             |             |             |             |             |             |             |             |                  |
| General Government                          | \$ 11,411,999                                   | \$ 1,155,287          | \$ 63,975                          | \$ 1,773                         | \$ (10,190,964)                               | \$ 0                   | \$ (10,190,964)                | \$ 0                                   | \$ 0                              | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        |                  |
| Finance                                     | 2,987,121                                       | 1,989,263             | 23,609                             | 0                                | (974,249)                                     | 0                      | (974,249)                      | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Administration of Justice                   | 2,275,866                                       | 1,656,789             | 39,385                             | 0                                | (579,692)                                     | 0                      | (579,692)                      | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Public Safety                               | 7,849,128                                       | 888,504               | 73,581                             | 254,799                          | (6,632,244)                                   | 0                      | (6,632,244)                    | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Public Health and Welfare                   | 2,252,232                                       | 51,327                | 670,747                            | 605,202                          | (924,956)                                     | 0                      | (924,956)                      | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Social, Cultural, and Recreational Services | 1,320,634                                       | 72,199                | 10,350                             | 21,750                           | (1,216,335)                                   | 0                      | (1,216,335)                    | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Agriculture and Natural Resources           | 166,467   | 0                     | 0                                  | 0                                | (166,467)                                     | 0                      | (166,467)                      | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Highway/Public Works                        | 5,148,282                                       | 28,600                | 2,357,944                          | 1,169,925                        | (1,591,813)                                   | 0                      | (1,591,813)                    | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Education                                   | 28,291,225                                      | 882,438               | 0                                  | 0                                | (27,408,787)                                  | 0                      | (27,408,787)                   | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Interest on Long-term Debt                  | 2,969,263                                       | 0                     | 341,907                            | 0                                | (2,627,356)                                   | 0                      | (2,627,356)                    | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Other Debt Service                          | 149,205   | 0                     | 0                                  | 0                                | (149,205)                                     | 0                      | (149,205)                      | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| <b>Total Governmental Activities</b>        | <b>\$ 64,821,422</b>                            | <b>\$ 6,724,407</b>   | <b>\$ 3,581,498</b>                | <b>\$ 2,053,449</b>              | <b>\$ (52,462,068)</b>                        | <b>\$ 0</b>            | <b>\$ (52,462,068)</b>         | <b>\$ 0</b>                            | <b>\$ 0</b>                       | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> |                  |
| <b>Business-type Activities:</b>            |   |                       |                                    |                                  |   |                        |                                |  |                                   |             |             |             |             |             |             |             |             |             |             |             |                  |
| Maury Regional Hospital                     | \$ 255,612,256                                  | \$ 249,617,773        | \$ 0                               | \$ 0                             | \$ (5,994,483)                                | \$ (5,994,483)         | \$ (5,994,483)                 | \$ 0                                   | \$ 0                              | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        |                  |
| Solid Waste Disposal                        | 3,059,638                                       | 1,604,197             | 0                                  | 0                                | (1,455,441)                                   | (1,455,441)            | (1,455,441)                    | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| <b>Total Business-type Activities</b>       | <b>\$ 258,671,894</b>                           | <b>\$ 251,221,970</b> | <b>\$ 0</b>                        | <b>\$ 0</b>                      | <b>\$ (7,449,924)</b>                         | <b>\$ (7,449,924)</b>  | <b>\$ (7,449,924)</b>          | <b>\$ 0</b>                            | <b>\$ 0</b>                       | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> |                  |
| <b>Total Primary Government</b>             | <b>\$ 323,493,316</b>                           | <b>\$ 257,946,377</b> | <b>\$ 3,581,498</b>                | <b>\$ 2,053,449</b>              | <b>\$ (52,462,068)</b>                        | <b>\$ (52,462,068)</b> | <b>\$ (52,462,068)</b>         | <b>\$ 0</b>                            | <b>\$ 0</b>                       | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> |                  |
| <b>Component Units:</b>                     |   |                       |                                    |                                  |   |                        |                                |  |                                   |             |             |             |             |             |             |             |             |             |             |             |                  |
| Maury County School Department              | \$ 92,264,383                                   | \$ 2,957,383          | \$ 9,104,249                       | \$ 27,172,460                    | \$ 0  | \$ 0                   | \$ 0                           | \$ (53,030,291)                        | \$ 0                              | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        | \$ 0        |                  |
| Board of Public Utilities Water System      | 2,882,092                                       | 3,263,611             | 0                                  | 0                                | 0   | 0                      | 0                              | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |                  |
| Emergency Communications District           | 1,015,328                                       | 1,087,128             | 0                                  | 0                                | 0   | 0                      | 0                              | 0                                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 71,800      |                  |
| <b>Total Component Units</b>                | <b>\$ 96,161,803</b>                            | <b>\$ 7,308,122</b>   | <b>\$ 9,104,249</b>                | <b>\$ 27,172,460</b>             | <b>\$ 0</b>                                   | <b>\$ 0</b>            | <b>\$ 0</b>                    | <b>\$ (53,030,291)</b>                 | <b>\$ 0</b>                       | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 0</b> | <b>\$ 71,800</b> |

(Continued)

Exhibit B

Maury County, Tennessee  
Statement of Activities (Cont.)

| Functions/Programs   | Program Revenues     |                                    |                                  | Net (Expense) Revenue and Changes in Net Assets |                          |                 |                                |                               |                                   |           |
|--|----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------|--------------------------------|-------------------------------|-----------------------------------|-----------|
|  | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government Activities                   |                          | Total           | Component Units                |                               |                                   |           |
|  |                      |                                    |                                  | Governmental Activities                         | Business-type Activities |                 | Maury County School Department | Public Utilities Water System | Emergency Communications District |           |
| General Revenues:  |                      |                                    |                                  |   |                          |                 |                                |                               |                                   |           |
| Taxes:   |                      |                                    |                                  |   |                          |                 |                                |                               |                                   |           |
| Property Taxes Levied for General Purposes                   |                      |                                    |                                  | \$ 12,639,990                                   | \$ 1,636,091             | \$ 14,276,081   | \$ 18,338,987                  | \$ 0                          | \$ 0                              | 0         |
| Property Taxes Levied for Debt Service                       |                      |                                    |                                  | 4,787,462                                       | 0                        | 4,787,462       | 0                              | 0                             | 0                                 | 0         |
| Local Option Sales Taxes                                     |                      |                                    |                                  | 421,577   | 0                        | 421,577         | 10,258,963                     | 0                             | 0                                 | 0         |
| Hotel/Motel Tax  |                      |                                    |                                  | 418,500   | 0                        | 418,500         | 0                              | 0                             | 0                                 | 0         |
| Wheel Tax  |                      |                                    |                                  | 1,853,813                                       | 0                        | 1,853,813       | 0                              | 0                             | 0                                 | 0         |
| Litigation Tax - General                                     |                      |                                    |                                  | 522,640   | 0                        | 522,640         | 0                              | 0                             | 0                                 | 0         |
| Business Tax   |                      |                                    |                                  | 863,140   | 0                        | 863,140         | 0                              | 0                             | 0                                 | 0         |
| Mineral Severance Tax  |                      |                                    |                                  | 154,277   | 0                        | 154,277         | 0                              | 0                             | 0                                 | 0         |
| Adequate Facilities / Development Tax                        |                      |                                    |                                  | 1,003,226                                       | 0                        | 1,003,226       | 0                              | 0                             | 0                                 | 0         |
| Wholesale Beer Tax   |                      |                                    |                                  | 287,262   | 0                        | 287,262         | 0                              | 0                             | 0                                 | 0         |
| Other Local Taxes  |                      |                                    |                                  | 27,963  | 0                        | 27,963          | 10,632                         | 0                             | 0                                 | 0         |
| Grants and Contributions Not Restricted to Specific Programs |                      |                                    |                                  | 4,210,554                                       | 1,145,186                | 5,355,740       | 44,942,270                     | 0                             | 20,000                            | 20,000    |
| Unrestricted Investment Earnings                             |                      |                                    |                                  | 1,797,186                                       | 241,100                  | 2,038,286       | 35,935                         | 143,743                       | 8,778                             | 8,778     |
| Miscellaneous  |                      |                                    |                                  | 499,155   | 1,256,000                | 1,755,155       | 203,252                        | 0                             | 0                                 | 0         |
| Total General Revenues                                       |                      |                                    |                                  | \$ 29,486,745                                   | \$ 4,278,377             | \$ 33,765,122   | \$ 73,790,039                  | \$ 143,743                    | \$ 28,778                         | 0         |
| Change in Net Assets   |                      |                                    |                                  | \$ (22,975,323)                                 | \$ (3,171,547)           | \$ (26,146,870) | \$ 20,759,748                  | \$ 525,262                    | \$ 100,578                        | 100,578   |
| Prior-period Adjustment                                      |                      |                                    |                                  | 4,309,881                                       | (1,200,000)              | 3,109,881       | (1,769,176)                    | 0                             | 0                                 | 0         |
| Net Assets, July 1, 2007                                     |                      |                                    |                                  | 19,582,361                                      | 158,187,798              | 177,770,159     | 98,768,628                     | 21,570,030                    | 1,090,799                         | 1,090,799 |
| Net Assets, June 30, 2008                                    |                      |                                    |                                  | \$ 916,919                                      | \$ 153,816,251           | \$ 154,733,170  | \$ 117,759,200                 | \$ 22,095,292                 | \$ 1,191,377                      | 1,191,377 |

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

Exhibit C-1

Maury County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2008

|   | Major Funds          |                      | Nonmajor                 | Total                |
|---|----------------------|----------------------|--------------------------|----------------------|
|   | General              | General Debt Service | Other Governmental Funds |                      |
| <u>ASSETS</u>   |                      |                      |                          |                      |
| Cash  | \$ 63                | \$ 0                 | \$ 185,530               | \$ 185,593           |
| Equity in Pooled Cash and Investments                     | 4,812,853            | 13,046,442           | 15,998,262               | 33,857,557           |
| Accounts Receivable                                       | 333,198              | 180,648              | 233,945                  | 747,791              |
| Due from Other Governments                                | 617,566              | 0                    | 221,656                  | 839,222              |
| Due from Other Funds                                      | 0                    | 0                    | 300                      | 300                  |
| Due from Component Units                                  | 47,203               | 0                    | 0                        | 47,203               |
| Property Taxes Receivable                                 | 10,537,730           | 5,070,788            | 2,852,318                | 18,460,836           |
| Allowance for Uncollectible Property Taxes                | (297,458)            | (143,138)            | (80,515)                 | (521,111)            |
| Prepaid Items   | 235,848              | 0                    | 40,989                   | 276,837              |
| Notes Receivable - Current                                | 0                    | 0                    | 1,768                    | 1,768                |
| <b>Total Assets</b>                                       | <b>\$ 16,287,003</b> | <b>\$ 18,154,740</b> | <b>\$ 19,454,253</b>     | <b>\$ 53,895,996</b> |
| <u>LIABILITIES AND FUND BALANCES</u>                      |                      |                      |                          |                      |
| <u>Liabilities</u>  |                      |                      |                          |                      |
| Accounts Payable  | \$ 13,360            | \$ 0                 | \$ 9,173                 | \$ 22,533            |
| Payroll Deductions Payable                                | 16,601               | 0                    | 2,326                    | 18,927               |
| Contracts Payable   | 0                    | 0                    | 357,252                  | 357,252              |
| Retainage Payable   | 0                    | 0                    | 18,803                   | 18,803               |
| Due to Other Funds  | 300                  | 0                    | 0                        | 300                  |
| Due to Litigants, Heirs, and Others                       | 0                    | 0                    | 2,076                    | 2,076                |
| Current Liabilities Payable from Restricted Assets:       |                      |                      |                          |                      |
| Customer Deposits Payable                                 | 0                    | 0                    | 32,949                   | 32,949               |
| Deferred Revenue - Current Property Taxes                 | 9,874,350            | 4,751,567            | 2,672,757                | 17,298,674           |
| Deferred Revenue - Delinquent Property Taxes              | 335,319              | 161,357              | 90,762                   | 587,438              |
| Other Deferred Revenues                                   | 207,792              | 0                    | 221,656                  | 429,448              |
| <b>Total Liabilities</b>                                  | <b>\$ 10,447,722</b> | <b>\$ 4,912,924</b>  | <b>\$ 3,407,754</b>      | <b>\$ 18,768,400</b> |
| <u>Fund Balances</u>                                      |                      |                      |                          |                      |
| Reserved for Encumbrances                                 | \$ 132,958           | \$ 0                 | \$ 3,387,585             | \$ 3,520,543         |
| Reserved for Litter Enforcement Awards                    | 2,815                | 0                    | 0                        | 2,815                |
| Reserved for Drug Court                                   | 99,656               | 0                    | 0                        | 99,656               |
| Reserved for Sexual Offender Registration                 | 1,072                | 0                    | 0                        | 1,072                |
| Reserved for Courthouse and Jail Maintenance              | 0                    | 2,974,988            | 0                        | 2,974,988            |
| Reserved for Computer System - Register                   | 95,205               | 0                    | 0                        | 95,205               |
| Reserved for Automation Purposes - Circuit Court          | 11,487               | 0                    | 0                        | 11,487               |
| Reserved for Automation Purposes - General Sessions Court | 210,725              | 0                    | 0                        | 210,725              |
| Reserved for Automation Purposes - Chancery Court         | 13,563               | 0                    | 0                        | 13,563               |
| Reserved for Automation Purposes - Sheriff                | 20,267               | 0                    | 0                        | 20,267               |
| Reserved for Other General Purposes                       | 0                    | 0                    | 2,000,000                | 2,000,000            |
| Unreserved, Reported In:                                  |                      |                      |                          |                      |
| General Fund  | 5,251,533            | 0                    | 0                        | 5,251,533            |
| Special Revenue Funds                                     | 0                    | 0                    | 4,371,834                | 4,371,834            |
| Debt Service Funds  | 0                    | 10,266,828           | 0                        | 10,266,828           |
| Capital Projects Funds                                    | 0                    | 0                    | 6,287,080                | 6,287,080            |
| <b>Total Fund Balances</b>                                | <b>\$ 5,839,281</b>  | <b>\$ 13,241,816</b> | <b>\$ 16,046,499</b>     | <b>\$ 35,127,596</b> |
| <b>Total Liabilities and Fund Balances</b>                | <b>\$ 16,287,003</b> | <b>\$ 18,154,740</b> | <b>\$ 19,454,253</b>     | <b>\$ 53,895,996</b> |

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

Exhibit C-2

Maury County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Assets  
June 30, 2008

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)  |                  | \$ 35,127,596     |
|   |                  |                   |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.  |                  |                   |
| Add: land   | \$ 7,663,650     |                   |
| Add: construction in progress   | 3,442,156        |                   |
| Add: infrastructure net of accumulated depreciation   | 22,581,612       |                   |
| Add: buildings and improvements net of accumulated depreciation   | 22,821,594       |                   |
| Add: other capital assets net of accumulated depreciation   | 4,607,909        |                   |
| Less: capital assets of internal service funds that are also included in item (2) below.  | <u>(129,015)</u> | 60,987,906        |
|   |                  |                   |
| (2) Internal service funds are used by management to charge the costs of a central maintenance garage and a prescription drug plan to applicable profit due business-type funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. |                  | 210,139           |
|   |                  |                   |
| (3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.   |                  |                   |
| Less: notes payable   | \$ (21,312,558)  |                   |
| Less: capital leases payable  | (456,139)        |                   |
| Less: bonds payable   | (69,385,000)     |                   |
| Add: deferred amount on refunding   | 151,808          |                   |
| Add: deferred charges - debt issuance costs   | 967,152          |                   |
| Less: compensated absences payable  | (916,013)        |                   |
| Less: judgments payable   | (3,279,000)      |                   |
| Less: other deferred revenue - premium on debt  | (1,329,463)      |                   |
| Less: accrued interest on bonds, notes, and capital leases  | <u>(866,395)</u> | (96,425,608)      |
|   |                  |                   |
| (4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.   |                  | <u>1,016,886</u>  |
| Net assets of governmental activities (Exhibit A)   |                  | <u>\$ 916,919</u> |

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

## Exhibit C-3

Maury County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2008

|  | Major Funds          |                            |                                  | Nonmajor<br>Funds                   | Total<br>Governmental<br>Funds |
|--|----------------------|----------------------------|----------------------------------|-------------------------------------|--------------------------------|
|  | General              | General<br>Debt<br>Service | Education<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds |                                |
| <b>Revenues</b>                                      |                      |                            |                                  |                                     |                                |
| Local Taxes  | \$ 12,324,677        | \$ 7,347,098               | \$ 0                             | \$ 6,065,810                        | \$ 25,737,585                  |
| Licenses and Permits                                 | 330,682              | 0                          | 0                                | 0                                   | 330,682                        |
| Fines, Forfeitures, and Penalties                    | 389,767              | 0                          | 0                                | 86,900                              | 476,667                        |
| Charges for Current Services                         | 241,937              | 0                          | 0                                | 802,103                             | 1,044,040                      |
| Other Local Revenues                                 | 451,903              | 1,778,755                  | 0                                | 458,122                             | 2,688,780                      |
| Fees Received from County Officials                  | 2,925,971            | 0                          | 0                                | 0                                   | 2,925,971                      |
| State of Tennessee                                   | 1,821,594            | 868,693                    | 0                                | 2,442,747                           | 5,133,034                      |
| Federal Government                                   | 474,865              | 410                        | 0                                | 333,547                             | 808,822                        |
| Other Governments and Citizens Groups                | 93,514               | 0                          | 0                                | 200,348                             | 293,862                        |
| <b>Total Revenues</b>                                | <b>\$ 19,054,910</b> | <b>\$ 9,994,956</b>        | <b>\$ 0</b>                      | <b>\$ 10,389,577</b>                | <b>\$ 39,439,443</b>           |
| <b>Expenditures</b>                                  |                      |                            |                                  |                                     |                                |
| Current:   |                      |                            |                                  |                                     |                                |
| General Government                                   | \$ 3,445,047         | \$ 0                       | \$ 0                             | \$ 0                                | \$ 3,445,047                   |
| Finance  | 2,064,671            | 0                          | 0                                | 918,398                             | 2,983,069                      |
| Administration of Justice                            | 1,946,228            | 0                          | 0                                | 276,578                             | 2,222,806                      |
| Public Safety  | 9,284,486            | 0                          | 0                                | 122,271                             | 9,406,757                      |
| Public Health and Welfare                            | 1,330,126            | 0                          | 0                                | 192,062                             | 1,522,188                      |
| Social, Cultural, and Recreational Services          | 1,261,014            | 0                          | 0                                | 19,923                              | 1,280,937                      |
| Agriculture and Natural Resources                    | 159,951              | 0                          | 0                                | 0                                   | 159,951                        |
| Other Operations                                     | 1,293,767            | 0                          | 0                                | 287,543                             | 1,581,310                      |
| Highways   | 0                    | 0                          | 0                                | 4,863,930                           | 4,863,930                      |
| Debt Service:  |                      |                            |                                  |                                     |                                |
| Principal on Debt                                    | 0                    | 5,297,222                  | 0                                | 362,689                             | 5,659,911                      |
| Interest on Debt                                     | 0                    | 2,549,601                  | 0                                | 6,570                               | 2,556,171                      |
| Other Debt Service                                   | 0                    | 149,205                    | 0                                | 0                                   | 149,205                        |
| Capital Projects                                     | 0                    | 0                          | 0                                | 6,763,611                           | 6,763,611                      |
| Capital Projects - Donated                           | 113,203              | 0                          | 26,923,404                       | 344,760                             | 27,381,367                     |
| <b>Total Expenditures</b>                            | <b>\$ 20,898,493</b> | <b>\$ 7,996,028</b>        | <b>\$ 26,923,404</b>             | <b>\$ 14,158,335</b>                | <b>\$ 69,976,260</b>           |
| Excess (Deficiency) of Revenues<br>Over Expenditures |                      |                            |                                  |                                     |                                |
|  | \$ (1,843,583)       | \$ 1,998,928               | \$ (26,923,404)                  | \$ (3,768,758)                      | \$ (30,536,817)                |
| <b>Other Financing Sources (Uses)</b>                |                      |                            |                                  |                                     |                                |
| Bonds Issued   | \$ 0                 | \$ 0                       | \$ 22,580,000                    | \$ 6,420,000                        | \$ 29,000,000                  |
| Notes Issued   | 0                    | 0                          | 4,343,404                        | 1,913,596                           | 6,257,000                      |
| Capital Leases Issued                                | 0                    | 0                          | 0                                | 344,760                             | 344,760                        |
| Premiums on Debt Issued                              | 0                    | 0                          | 0                                | 116,374                             | 116,374                        |
| Insurance Recovery                                   | 5,572                | 0                          | 0                                | 1,882                               | 7,454                          |
| Transfers In   | 1,139,047            | 0                          | 0                                | 104,371                             | 1,243,418                      |
| Transfers Out  | (3,600)              | 0                          | 0                                | (1,268,250)                         | (1,271,850)                    |
| <b>Total Other Financing Sources (Uses)</b>          | <b>\$ 1,141,019</b>  | <b>\$ 0</b>                | <b>\$ 26,923,404</b>             | <b>\$ 7,632,733</b>                 | <b>\$ 35,697,156</b>           |
| Net Change in Fund Balances                          |                      |                            |                                  |                                     |                                |
| Fund Balance, July 1, 2007                           | \$ 6,541,845         | \$ 11,242,888              | \$ 0                             | \$ 12,182,524                       | \$ 29,967,257                  |
| Fund Balance, June 30, 2008                          | \$ 5,839,281         | \$ 13,241,816              | \$ 0                             | \$ 16,046,499                       | \$ 35,127,596                  |

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

Exhibit C-4

Maury 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, 2008

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

|   |                    |                        |
|---|--------------------|------------------------|
| Net change in fund balances - total governmental funds (Exhibit C-3)  |                    | \$ 5,160,339           |
|   |                    |                        |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:   |                    |                        |
| Add: capital assets purchased in the current period   | \$ 7,890,895       |                        |
| Less: current year depreciation expense   | <u>(4,069,791)</u> | 3,821,104              |
|   |                    |                        |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.  |                    |                        |
| Add: assets donated and capitalized   | \$ 1,130,563       |                        |
| Less: loss on disposal of capital assets  | <u>(161,873)</u>   | 968,690                |
|   |                    |                        |
| (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.  |                    |                        |
| Add: deferred delinquent property taxes and other deferred June 30, 2008  | \$ 1,016,886       |                        |
| Less: deferred delinquent property taxes and other deferred June 30, 2007   | <u>(931,000)</u>   | 85,886                 |
|   |                    |                        |
| (4) The issuance of long-term debt (e.g., notes, bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items 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 amount is the effect of these differences in the treatment of long-term debt and related items: |                    |                        |
| Less: note proceeds   | \$ (6,257,000)     |                        |
| Less: capital lease proceeds  | (344,760)          |                        |
| Less: bond proceeds   | (29,000,000)       |                        |
| Add: change in premium on debt issuances  | 225,533            |                        |
| Add: change in deferred debt issuance costs   | 434,219            |                        |
| Add: principal payments on notes  | 692,222            |                        |
| Add: principal payments on capital leases   | 362,689            |                        |
| Add: principal payments on bonds  | 4,605,000          |                        |
| Less: change in deferred amount on refunding debt   | <u>(104,466)</u>   | (29,386,563)           |
|   |                    |                        |
| (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  | \$ (239,839)       |                        |
| Change in compensated absences payable  | (103,700)          |                        |
| Change in judgments payable   | <u>(3,279,000)</u> | (3,622,539)            |
|   |                    |                        |
| (6) Internal service funds are used by management to charge the costs of a central maintenance garage and a prescription drug plan to applicable profit due business-type funds. The net revenue of certain activities of the internal service funds is reported with governmental activities in the statement of activities.   |                    | <u>(2,240)</u>         |
| Change in net assets of governmental activities (Exhibit B)   |                    | <u>\$ (22,975,323)</u> |

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

## Exhibit D-1

Maury County, Tennessee  
Statement of Net Assets  
Proprietary Funds  
June 30, 2008

|  | Business-type Activities      |                            |                       | Governmental<br>Activities -<br>Internal<br>Service<br>Funds |
|--|-------------------------------|----------------------------|-----------------------|--|
|  | Major                         | Nonmajor                   | Total                 |  |
|  | Fund                          | Fund                       |                       |  |
|  | Maury<br>Regional<br>Hospital | Solid<br>Waste<br>Disposal |                       |  |
| <b>ASSETS</b>  |                               |                            |                       |  |
| Current Assets:  |                               |                            |                       |  |
| Cash   | \$ 15,031,533                 | \$ 200                     | \$ 15,031,733         | \$ 0   |
| Equity in Pooled Cash and Investments  | 0                             | 2,978,313                  | 2,978,313             | 20,844   |
| Accounts Receivable  | 83,481,712                    | 121,947                    | 83,603,659            | 54,947   |
| Allowance for Uncollectible Accounts   | (34,700,000)                  | 0                          | (34,700,000)          | 0  |
| Property Taxes Receivable<br>(Net of Allowance for Uncollected Property Taxes) | 0                             | 1,693,879                  | 1,693,879             | 0  |
| Due from Other Governments   | 0                             | 48,264                     | 48,264                | 0  |
| Inventories  | 4,580,724                     | 0                          | 4,580,724             | 0  |
| Prepaid Items  | 2,274,485                     | 13,815                     | 2,288,300             | 5,799  |
| Other  | 3,388,673                     | 0                          | 3,388,673             | 0  |
| <b>Total Current Assets</b>  | <b>\$ 74,057,127</b>          | <b>\$ 4,856,418</b>        | <b>\$ 78,913,545</b>  | <b>\$ 81,590</b>   |
| Noncurrent Assets:   |                               |                            |                       |  |
| Capital Assets:  |                               |                            |                       |  |
| Assets not Depreciated:  |                               |                            |                       |  |
| Land   | \$ 5,042,873                  | \$ 818,367                 | \$ 5,861,240          | \$ 25,000  |
| Construction in Progress   | 5,712,655                     | 0                          | 5,712,655             | 0  |
| Assets Net of Accumulated Depreciation:  |                               |                            |                       |  |
| Buildings and Improvements   | 95,949,988                    | 365,653                    | 96,315,641            | 53,280   |
| Other Capital Assets   | 32,713,984                    | 837,080                    | 33,551,064            | 50,735   |
| <b>Total Noncurrent Assets</b>   | <b>\$ 139,419,500</b>         | <b>\$ 2,021,100</b>        | <b>\$ 141,440,600</b> | <b>\$ 129,015</b>  |
| <b>Total Assets</b>  | <b>\$ 213,476,627</b>         | <b>\$ 6,877,518</b>        | <b>\$ 220,354,145</b> | <b>\$ 210,605</b>  |
| <b>LIABILITIES</b>   |                               |                            |                       |  |
| Current Liabilities:   |                               |                            |                       |  |
| Accounts Payable   | \$ 12,760,463                 | \$ 2,751                   | \$ 12,763,214         | \$ 105   |
| Accrued Payroll  | 4,109,181                     | 0                          | 4,109,181             | 0  |
| Payroll Deductions Payable   | 0                             | 623                        | 623                   | 361  |
| Compensated Absences Payable   | 4,056,512                     | 34,140                     | 4,090,652             | 0  |
| Accrued Liability for Landfill Closure/Postclosure Care Cost                   | 0                             | 36,121                     | 36,121                | 0  |
| Accrued Interest Payable   | 207,415                       | 0                          | 207,415               | 0  |
| Deferred Revenue - Current Property Taxes                                      | 0                             | 1,688,817                  | 1,688,817             | 0  |
| Current Portion of Long-term Debt  | 6,868,038                     | 0                          | 6,868,038             | 0  |
| <b>Total Current Liabilities</b>   | <b>\$ 28,001,609</b>          | <b>\$ 1,762,452</b>        | <b>\$ 29,764,061</b>  | <b>\$ 466</b>  |
| Noncurrent Liabilities:  |                               |                            |                       |  |
| Accrued Liability for Landfill Closure/Postclosure Care Cost                   | \$ 0                          | \$ 577,928                 | \$ 577,928            | \$ 0   |
| Bonds and Other Long-term Debt   | 36,195,905                    | 0                          | 36,195,905            | 0  |
| <b>Total Noncurrent Liabilities</b>  | <b>\$ 36,195,905</b>          | <b>\$ 577,928</b>          | <b>\$ 36,773,833</b>  | <b>\$ 0</b>  |
| <b>Total Liabilities</b>   | <b>\$ 64,197,514</b>          | <b>\$ 2,340,380</b>        | <b>\$ 66,537,894</b>  | <b>\$ 466</b>  |
| <b>NET ASSETS</b>  |                               |                            |                       |  |
| Invested in Capital Assets, Net of Related Debt                                | \$ 96,355,557                 | \$ 0                       | \$ 96,355,557         | \$ 0   |
| Invested in Capital Assets   | 0                             | 2,021,100                  | 2,021,100             | 129,015  |
| Unrestricted   | 52,923,556                    | 2,516,038                  | 55,439,594            | 81,124   |
| <b>Total Net Assets</b>  | <b>\$ 149,279,113</b>         | <b>\$ 4,537,138</b>        | <b>\$ 153,816,251</b> | <b>\$ 210,139</b>  |

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

Exhibit D-2

Maury County, Tennessee  
Statement of Revenues, Expenses, and  
Changes in Net Assets  
Proprietary Funds  
For the Year Ended June 30, 2008

|   | Business-type Activities      |                            |                       | Governmental<br>Activities -<br>Internal<br>Service<br>Funds |
|---|-------------------------------|----------------------------|-----------------------|--|
|   | Major<br>Fund                 | Nonmajor<br>Fund           | Total                 |  |
|   | Maury<br>Regional<br>Hospital | Solid<br>Waste<br>Disposal |                       |  |
| <u>Operating Revenues</u>                 |                               |                            |                       |  |
| Charges for Current Services              | \$ 243,273,735                | \$ 1,405,250               | \$ 244,678,985        | \$ 2,123,889   |
| Other Local Revenues                      | 6,344,038                     | 198,947                    | 6,542,985             | 1,580  |
| Total Operating Revenues                  | <u>\$ 249,617,773</u>         | <u>\$ 1,604,197</u>        | <u>\$ 251,221,970</u> | <u>\$ 2,125,469</u>  |
| <u>Operating Expenses</u>                 |                               |                            |                       |  |
| Salaries and Employee Benefits            | \$ 142,593,883                | \$ 0                       | \$ 142,593,883        | \$ 0   |
| Other General Administration              | 0                             | 0                          | 0                     | 2,145,156  |
| Other Operations                          | 28,907,271                    | 0                          | 28,907,271            | 0  |
| Fees and Professional Services            | 19,026,633                    | 0                          | 19,026,633            | 0  |
| Insurance                                 | 2,380,576                     | 0                          | 2,380,576             | 0  |
| Supplies and Other Expenses               | 44,095,003                    | 0                          | 44,095,003            | 0  |
| Waste Pickup                              | 0                             | 44,597                     | 44,597                | 0  |
| Convenience Centers                       | 0                             | 865,473                    | 865,473               | 0  |
| Landfill Operation and Maintenance        | 0                             | 2,008,401                  | 2,008,401             | 0  |
| Depreciation and Amortization Expense     | 16,825,757                    | 141,167                    | 16,966,924            | 10,779   |
| Total Operating Expenses                  | <u>\$ 253,829,123</u>         | <u>\$ 3,059,638</u>        | <u>\$ 256,888,761</u> | <u>\$ 2,155,935</u>  |
| Operating Income (Loss)                   | <u>\$ (4,211,350)</u>         | <u>\$ (1,455,441)</u>      | <u>\$ (5,666,791)</u> | <u>\$ (30,466)</u>   |
| <u>Nonoperating Revenues (Expenses)</u>   |                               |                            |                       |  |
| Local Taxes                               | \$ 0                          | \$ 1,636,091               | \$ 1,636,091          | \$ 0   |
| General Government Grants                 | 0                             | 115,153                    | 115,153               | 0  |
| Other Local Revenues - nonrecurring       | 0                             | 1,802                      | 1,802                 | 0  |
| Contributions                             | 569,933                       | 460,100                    | 1,030,033             | 0  |
| Interest Income                           | 241,100                       | 0                          | 241,100               | 0  |
| Interest Expense                          | (1,783,133)                   | 0                          | (1,783,133)           | 0  |
| Minority Interest in Loss of Subsidiaries | 370,649                       | 0                          | 370,649               | 0  |
| Gain (Loss) on Disposal of Equipment      | 883,343                       | 0                          | 883,343               | 0  |
| Total Nonoperating Revenues (Expenses)    | <u>\$ 281,892</u>             | <u>\$ 2,213,146</u>        | <u>\$ 2,495,038</u>   | <u>\$ 0</u>  |
| Income(Loss) Before Transfers             | \$ (3,929,458)                | \$ 757,705                 | \$ (3,171,753)        | \$ (30,466)  |
| Transfers In (Out)                        | 0                             | 206                        | 0                     | 28,226   |
| Change in Net Assets                      | \$ (3,929,458)                | \$ 757,911                 | \$ (3,171,547)        | \$ (2,240)   |
| Prior-period Adjustment                   | (1,200,000)                   | 0                          | (1,200,000)           | 0  |
| Net Assets, July 1, 2007                  | <u>154,408,571</u>            | <u>3,779,227</u>           | <u>158,187,798</u>    | <u>212,379</u>   |
| Nets Assets, June 30, 2008                | <u>\$ 149,279,113</u>         | <u>\$ 4,537,138</u>        | <u>\$ 153,816,251</u> | <u>\$ 210,139</u>  |

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

Maury County, Tennessee  
 Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended June 30, 2008

|                | Business-type Activities |                  |                            | Total | Governmental<br>Activities -<br>Internal<br>Service<br>Funds |
|----------------|--------------------------|------------------|----------------------------|-------|--|
|                | Major<br>Fund            | Nonmajor<br>Fund | Solid<br>Waste<br>Disposal |       |  |
| \$ 246,002,863 | \$ 1,513,762             | \$ 247,516,625   | \$ 2,066,817               |       |  |
| 5,986,748      | 198,947                  | 6,185,695        | 1,580                      |       |  |
| (91,511,688)   | 0                        | (91,511,688)     | 0                          |       |  |
| (141,988,345)  | 0                        | (141,988,345)    | 0                          |       |  |
| 0              | 0                        | 0                | 0                          |       |  |
| 0              | (2,955,620)              | (2,955,620)      | 0                          |       |  |
| \$ 18,489,578  | \$ (1,242,911)           | \$ 17,246,667    | \$ (81,362)                |       |  |

CASH FLOWS FROM OPERATING ACTIVITIES

|   |  |
|---|--|
| Receipts from Customers and Users                   |  |
| Other Cash Receipts (Payments)                      |  |
| Payments to Suppliers                               |  |
| Payments to Employees                               |  |
| Central Maintenance Garage Activity - Uses          |  |
| Waste Collection and Disposal Activity - Uses       |  |
| Net Cash Provided By (Used In) Operating Activities |  |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

|   |  |
|---|--|
| Acquisition of Capital Assets   |  |
| Proceeds from Sale of Equipment   |  |
| Contributions   |  |
| Principal Payments on Long-term Debt                                    |  |
| Interest Paid on Long-term Debt   |  |
| Net Cash Provided By (Used In) Capital and Related Financing Activities |  |

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

|  |  |
|--|--|
| Grants Received  |  |
| Local Taxes  |  |
| Contributions and Gifts  |  |
| Operating Transfers In   |  |
| Operating Transfers (Out)                                      |  |
| Net Cash Provided By (Used In) Noncapital Financing Activities |  |

CASH FLOWS FROM INVESTING ACTIVITIES

|   |  |
|---|--|
| Investment Income                                   |  |
| Distribution to Minority Shareholder                |  |
| Net Cash Provided By (Used In) Investing Activities |  |
| Net Increase (Decrease) in Cash                     |  |
| Cash, July 1, 2007                                  |  |
| Cash, June 30, 2008                                 |  |

(Continued)

Maury County, Tennessee  
Statement of Cash Flows  
Proprietary Funds (Cont.)

|   | Business-type Activities                       |  |                | Governmental<br>Activities -<br>Internal<br>Service<br>Funds |
|---|--|--|----------------|--|
|   | Major<br>Fund<br>Maury<br>Regional<br>Hospital | Nonmajor<br>Fund<br>Solid<br>Waste<br>Disposal | Total          |  |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS)<br/>TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>     |  |  |                |  |
| Operating Income (Loss)   | \$ (4,211,350)                                 | \$ (1,455,441)                                 | \$ (5,666,791) | \$ (30,466)  |
| Adjustments to Reconcile Net Operating Income (Loss) to<br>Net Cash Provided By (Used In) Operating Activities: |  |  |                |  |
| Depreciation and Amortization Expense   | 16,825,757                                     | 141,167  | 16,966,924     | 10,779   |
| Provision for Uncollectible Accounts  | 30,799,024                                     | 0  | 30,799,024     | 0  |
| (Increase) Decrease in Accounts Receivable  | (30,174,429)                                   | 141,226  | (30,033,203)   | (54,947)   |
| (Increase) Decrease in Due from Other Governments   | 0  | (24,322)                                       | (24,322)       | 0  |
| (Increase) Decrease in Inventories  | 192,417  | 0  | 192,417        | 0  |
| (Increase) Decrease in Prepaid Items  | (481,774)                                      | (8,392)  | (490,166)      | (2,125)  |
| (Increase) Decrease in Other Assets   | 1,747,243                                      | 0  | 1,747,243      | 0  |
| Increase (Decrease) in Accounts Payable   | 3,187,152                                      | (20,571)                                       | 3,166,581      | (48)   |
| Increase (Decrease) in Payroll Deductions Payable   | 0  | (7,067)  | (7,067)        | (4,555)  |
| Increase (Decrease) in Closure/Postclosure Care Costs   | 0  | (15,325)                                       | (15,325)       | 0  |
| Increase (Decrease) in Due to State of Tennessee  | 0  | (647)  | (647)          | 0  |
| Increase (Decrease) in Accrued Leave  | 0  | 6,461  | 6,461          | 0  |
| Increase (Decrease) in Accrued Expenses   | 605,538  | 0  | 605,538        | 0  |
| Net Cash Provided By (Used In) Operating Activities   | \$ 18,489,578                                  | \$ (1,242,911)                                 | \$ 17,246,667  | \$ (81,362)  |
| <b>RECONCILIATION OF CASH WITH STATEMENT OF NET ASSETS</b>  |  |  |                |  |
| Cash per Net Assets   | \$ 15,031,533                                  | \$ 200   | \$ 15,031,733  | \$ 0   |
| Equity in Pooled Cash and Investments per Net Assets  | 0  | 2,978,313                                      | 2,978,313      | 20,844   |
| Cash, June 30, 2008   | \$ 15,031,533                                  | \$ 2,978,513                                   | \$ 18,010,046  | \$ 20,844  |

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

Exhibit E

Maury County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2008

|                                     | <u>Agency<br/>Funds</u> |
|-------------------------------------|-------------------------|
| <u>ASSETS</u>                       |                         |
| Cash                                | \$ 2,160,457            |
| Investments                         | 37,490                  |
| Due from Other Governments          | <u>1,619,182</u>        |
| Total Assets                        | <u>\$ 3,817,129</u>     |
| <u>LIABILITIES</u>                  |                         |
| Due to Other Taxing Units           | \$ 1,619,182            |
| Due to Litigants, Heirs, and Others | <u>2,197,947</u>        |
| Total Liabilities                   | <u>\$ 3,817,129</u>     |

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

**MAURY COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2008**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Maury 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 Maury County:

**A. Reporting Entity**

Maury County is a public municipal corporation governed by an elected 22-member board. As required by GAAP, these financial statements present Maury 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 Maury 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 Maury County School Department operates the public school system in the county, and the voters of Maury 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 Maury County Board of Public Utilities Water System provides water supply and distribution lines for county residents outside of the city limits. The county mayor appoints, and the County Commission ratifies its governing body. The board's operating budget is subject to the County Commission's approval.

The Maury County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Maury County, and the Maury 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 Maury County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the Maury County School Department are included in this report as listed in the table of contents. Complete financial statements of the Maury County Board of Public Utilities Water System and the Maury County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Board of Public Utilities Water System  
1018 South Garden Street  
Columbia, TN 38401

Maury County Emergency Communications District  
2907 Cayce Lane  
Columbia, TN 38401

**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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Maury 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.

Maury County issues most debt for the discretely presented Maury County School Department. Net debt issues (\$26,923,404) were contributed by the county to the School Department during the year ended June 30, 2008.

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

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

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

Fund financial statements of Maury County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Maury County reports four proprietary funds (two internal service funds and two enterprise funds).

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

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

all eligibility requirements imposed by the provider have been met and the revenues are available. Maury County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the 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.

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

Maury 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.

**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.

**Education Capital Projects Fund** – This fund accounts for debt issued by Maury County that is subsequently contributed to the discretely presented Maury County School Department for construction and renovation projects.

Maury County reports the following major proprietary fund:

**Maury Regional Hospital Fund** – This fund accounts for the regional hospital under authority of and in compliance with the provisions of Chapter 373 of the Tennessee Private Acts of 1953.

Additionally, Maury County reports the following fund types:

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

**Internal Service Funds** – These funds, the Central Maintenance/ Garage and the Employee Insurance - Prescriptions funds, are used to account for the county's central vehicle maintenance and the county's self-insured prescription drug programs. Premiums charged to the various county funds and employee payroll deductions are placed in the Employee Insurance - Prescriptions Fund for payment of claims of county employees.

**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 Maury 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 Maury 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 Maury County and contributed to the School Department for building construction and renovations.

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to the same limitations. Maury County has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and

contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has four proprietary funds that account for solid waste disposal (enterprise fund), a regional hospital (enterprise fund), a central maintenance garage (internal service fund), and an employees' prescription drug program (internal service fund). Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's proprietary funds are charges for services. Operating expenses for the proprietary funds include general operating expenses and employee benefits.

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

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

**1. Deposits and Investments**

For purposes of the statement of cash flows of the primary government (excluding the Maury Regional Hospital), cash includes cash on hand and cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds (excluding the Maury Regional Hospital) and the discretely presented Maury 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. In addition, investments are held separately by the Constitutional Officers - Agency Fund. Maury County (excluding the Maury Regional Hospital) and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's

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

## **2. Receivables and Payables**

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

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

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

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

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

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

Retainage payable in the primary government's nonmajor governmental funds and the School Department's Education Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments.

**3. Prepaid Items**

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

**4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and the business-type columns in the government-wide financial statements. Capital assets are defined by the government (excluding the Maury Regional Hospital) as assets with an initial, individual cost of \$5,000 (infrastructure \$50,000) 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 (excluding Maury Regional Hospital) 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 | 10 - 50      |
| Other Capital Assets       | 3 - 7        |
| Infrastructure:            |              |
| Roads                      | 5 - 15       |
| Bridges                    | 50           |

**5. Compensated Absences**

**Primary Government**

The policy of Maury County (with the exception of the Maury Regional Hospital) permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Maury County does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**Discretely Presented Maury County School Department**

It is the policy of the discretely presented Maury County School Department to permit employees to accumulate varying amounts of earned but unused vacation leave, which will be paid upon retirement, resignation, or termination. It is also the policy of the discretely presented Maury County School Department to permit employees to accumulate varying amounts of earned but unused sick leave. Upon retirement from the School Department, employees will be paid either \$50 (professional) or \$10 (certain nonprofessional) per day for unused sick leave. This payment will be made after the employee's retirement has been approved by the Tennessee Consolidated Retirement System. During the year, nine employees retired and received sick leave payments totaling \$42,405. All vacation and sick leave is accrued when incurred in the government-wide financial statements for the School Department. A liability for vacation and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**6. Long-term Obligations**

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type 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 refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is netted against the new debt and amortized over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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, judgments, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

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

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

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

As of June 30, 2008, Maury County had \$71,090,606 in outstanding debt for capital purposes for the discretely presented Maury County School Department. This debt is a liability of Maury County, but the capital assets acquired are reported in the financial statements of the Maury County School Department. Therefore, Maury 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. Designations of fund balance represent tentative management plans that are subject to change. The following table reflects designations on June 30, 2008:

| <u>Fund/Purpose</u>                     | <u>Amount</u> |
|---|---------------|
| Primary Government:                     |               |
| General:                                |               |
| Libraries                               | \$ 38,325     |
| Archives                                | 57,465        |
| Nonqualified Retirement                 | 675,001       |
| Emergency Management                    | 20,888        |
| Tower Rentals                           | 14,000        |
| Special Purpose:                        |               |
| Park Bleachers                          | 50,000        |
| Discretely Presented School Department: |               |
| General Purpose School:                 |               |
| At-Risk State Fund                      | 146,532       |
| E-Rate Funds                            | 12,030        |
| Hurricane Education Recovery            | 6,088         |

**8. Prior-period Adjustments**

**Primary Government**

Capital assets for the primary government were restated (\$3,803,631) from the prior year because the health department building and various building improvements had been omitted.

During 2007, the county borrowed \$500,000 for energy efficiency improvements for the discretely presented School Department. Principal and interest payments were to be made from the General Debt Service Fund. However in the current year, the county and the School Department elected to reflect these payments in the General Purpose School Fund. The principal balance of the note (\$500,000) and related interest payable (\$6,250) were removed from the primary

government's financial statements and reflected in the School Department's financial statements.

**Discretely Presented Maury County School Department**

Capital assets for the School Department were restated (\$1,262,926) from the prior year because construction in progress included items that did not meet the capitalization threshold when completed.

As noted above, the county and the School Department elected to reflect the energy efficiency improvement payments in the General Purpose School Fund. The principal balance of the note (\$500,000) and related interest payable (\$6,250) were removed from the primary government's financial statements and reflected in the School Department's financial statements.

**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 Maury County School Department**

Exhibit K-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide statement of net assets.

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

**Primary Government**

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

## **Discretely Presented Maury County School Department**

Exhibit K-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net 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 and the Other Special Revenue funds (special revenue funds), which are not budgeted, and the capital projects funds, which adopt project length budgets. All annual appropriations lapse at fiscal year end.

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

The budgetary level of control is at the major category level established by the State Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Other Boards and Committees, County Mayor/Executive, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

#### **B. Fund Deficit**

The Other Special Revenue Fund had a deficit in unreserved fund balance of \$946 at June 30, 2008. This fund deficit resulted from outstanding purchase orders of \$441 and accounts payable of \$1,958. Funding for this deficit is expected to be received from a transfer from the General Fund.

**C. Prior-year Cash Shortage**

In the prior year, we reported that Central High School cafeteria funds were stolen. On February 28, 2008, an employee of the school cafeteria pled guilty to the theft. Restitution of \$501 was paid on August 26, 2008.

**D. Expenditures Exceeded Appropriations**

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

| <u>Fund/Major Category</u>                                  | <u>Amount<br/>Overspent</u> |
|---|-----------------------------|
| <u>Primary Government:</u>                                  |                             |
| General:  |                             |
| County Attorney   | \$ 2,954                    |
| Courtroom Security  | 2,754                       |
| Public Safety Grant Programs                                | 15,042                      |
| Rabies and Animal Control                                   | 18,149                      |
| Libraries   | 13,730                      |
| Miscellaneous   | 54,260                      |
| Capital Projects Donated to School Department               | 65,903                      |
| Adequate Facilities/Development Tax:                        |                             |
| Other General Government Projects                           | 15,600                      |
| <u>Discretely Presented Maury County School Department:</u> |                             |
| General Purpose School Fund:                                |                             |
| Special Education Program                                   | 68,907                      |

Such overexpenditures are a violation of state statutes. These overexpenditures were funded by available fund balances.

**E. A Budget Was Not Adopted for the Other Special Revenue Fund**

During 2007-08, Maury County took over operations of an animal shelter from the Maury County Animal Shelter Association, but failed to adopt a budget for the fund.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Maury County (excluding the Maury Regional Hospital) and the discretely presented Maury County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the

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

### **Deposits**

**Legal Provisions.** All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

### **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; 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.

**Investment Balances.** As of June 30, 2008, Maury County (excluding the Maury Regional Hospital) had the following investments carried at cost. All investments are in the Constitutional Officers - Agency Fund and were made on behalf of litigants at the direction of a court order.

| Investment    | Maturities | Cost      |
|---------------|------------|-----------|
| Merrill Lynch | Daily      | \$ 37,490 |

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Maury County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Maury County has no investment policy that would further limit its investment choices.

**Custodial Credit Risk.** Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Maury County does not have a formal policy that limits custodial credit risk for investments. It should be noted that the above-noted amount is invested on behalf of litigants at the order of the court and the county has no custodial credit risk for this investment.

**B. Notes Receivable**

Notes receivable in the Special Purpose Fund resulted from the use of idle county funds to finance various projects of the Maury County Arts Guild. This note was expected to be collected in December 2008.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2008, was as follows:

**Primary Government (excluding the Maury Regional Hospital)**

**Governmental Activities (Includes Internal Service Funds):**

|  | Balance<br>7-1-07 | Prior-period<br>Adjustment | Increases     | Decreases      | Balance<br>6-30-08 |
|--|-------------------|----------------------------|---------------|----------------|--------------------|
| Capital Assets Not<br>Depreciated:             |                   |                            |               |                |                    |
| Land   | \$ 7,680,650      | \$ 0                       | \$ 8,000      | \$ (25,000)    | \$ 7,663,650       |
| Construction in<br>Progress                    | 1,405,813         | 3,591,754                  | 4,142,912     | (5,698,323)    | 3,442,156          |
| Total Capital Assets<br>Not Depreciated        | \$ 9,086,463      | \$ 3,591,754               | \$ 4,150,912  | \$ (5,723,323) | \$ 11,105,806      |
| Capital Assets<br>Depreciated:                 |                   |                            |               |                |                    |
| Buildings and<br>Improvements                  | \$ 24,917,087     | \$ 231,827                 | \$ 4,640,810  | \$ (126,100)   | \$ 29,663,624      |
| Infrastructure                                 | 34,645,222        |                            | 4,103,459     | 0              | 38,748,681         |
| Other Capital Assets                           | 9,809,738         | (20,037)                   | 1,844,093     | (621,468)      | 11,012,326         |
| Total Capital Assets<br>Depreciated            | \$ 69,372,047     | \$ 211,790                 | \$ 10,588,362 | \$ (747,568)   | \$ 79,424,631      |
| Less Accumulated<br>Depreciation For:          |                   |                            |               |                |                    |
| Buildings and<br>Improvements                  | \$ 6,317,962      | \$ (87)                    | \$ 525,206    | \$ (1,051)     | \$ 6,842,030       |
| Infrastructure                                 | 13,722,132        | 0                          | 2,444,937     | 0              | 16,167,069         |
| Other Capital Assets                           | 5,903,634         | 0                          | 1,110,427     | (609,644)      | 6,404,417          |
| Total Accumulated<br>Depreciation              | \$ 25,943,728     | \$ (87)                    | \$ 4,080,570  | \$ (610,695)   | \$ 29,413,516      |
| Total Capital Assets<br>Depreciated, Net       | \$ 43,428,319     | \$ 211,877                 | \$ 6,507,792  | \$ (136,873)   | \$ 50,011,115      |
| Governmental Activities<br>Capital Assets, Net | \$ 52,514,782     | \$ 3,803,631               | \$ 10,658,704 | \$ (5,860,196) | \$ 61,116,921      |

**Business-type Activities (Excluding Maury Regional Hospital):**

|   | Balance<br>7-1-07   | Increases         | Balance<br>6-30-08  |
|---|---------------------|-------------------|---------------------|
| Capital Assets Not<br>Depreciated:              |                     |                   |                     |
| Land  | \$ 818,367          | \$ 0              | \$ 818,367          |
| Total Capital Assets<br>Not Depreciated         | <u>\$ 818,367</u>   | <u>\$ 0</u>       | <u>\$ 818,367</u>   |
| Capital Assets<br>Depreciated:                  |                     |                   |                     |
| Buildings and<br>Improvements                   | \$ 1,266,752        | \$ 0              | \$ 1,266,752        |
| Other Capital Assets                            | 1,788,893           | 604,995           | 2,393,888           |
| Total Capital Assets<br>Depreciated             | <u>\$ 3,055,645</u> | <u>\$ 604,995</u> | <u>\$ 3,660,640</u> |
| Less Accumulated<br>Depreciation For:           |                     |                   |                     |
| Buildings and<br>Improvements                   | \$ 845,955          | \$ 55,144         | \$ 901,099          |
| Other Capital Assets                            | 1,470,785           | 86,023            | 1,556,808           |
| Total Accumulated<br>Depreciation               | <u>\$ 2,316,740</u> | <u>\$ 141,167</u> | <u>\$ 2,457,907</u> |
| Total Capital Assets<br>Depreciated, Net        | <u>\$ 738,905</u>   | <u>\$ 463,828</u> | <u>\$ 1,202,733</u> |
| Business-type Activities<br>Capital Assets, Net | <u>\$ 1,557,272</u> | <u>\$ 463,828</u> | <u>\$ 2,021,100</u> |

Depreciation expense was charged to functions of the primary government (excluding the Maury Regional Hospital) as follows:

**Governmental Activities:**

|                           |            |
|---------------------------|------------|
| General Government        | \$ 220,193 |
| Finance                   | 55,762     |
| Administration of Justice | 47,132     |
| Public Safety             | 804,696    |
| Public Health and Welfare | 17,338     |

**Governmental Activities (Cont.):**

|   |                  |
|---|------------------|
| Social, Cultural, and Recreational Services | \$ 125,794       |
| Agriculture and Natural Resources           | 5,860            |
| Other Operations                            | 12,637           |
| Highways                                    | <u>2,780,379</u> |

|  |                     |
|--|---------------------|
| Total Depreciation Expense - Governmental Activities | <u>\$ 4,069,791</u> |
|--|---------------------|

**Business-type Activities:**

|                      |                   |
|----------------------|-------------------|
| Solid Waste Disposal | <u>\$ 141,167</u> |
|----------------------|-------------------|

**Discretely Presented Maury County School Department**

**Governmental Activities:**

|  | Balance<br>7-1-07     | Prior-period<br>Adjustment | Increases            | Decreases              | Balance<br>6-30-08    |
|--|-----------------------|----------------------------|----------------------|------------------------|-----------------------|
| Capital Assets Not<br>Depreciated:             |                       |                            |                      |                        |                       |
| Land   | \$ 2,438,500          | \$ 0                       | \$ 474,793           | \$ (2,480)             | \$ 2,910,813          |
| Construction in Progress                       | 27,151,149            | (1,262,926)                | 4,111,236            | (25,324,313)           | 4,675,146             |
| Total Capital Assets                           |                       |                            |                      |                        |                       |
| Not Depreciated                                | <u>\$ 29,589,649</u>  | <u>\$ (1,262,926)</u>      | <u>\$ 4,586,029</u>  | <u>\$ (25,326,793)</u> | <u>\$ 7,585,959</u>   |
| Capital Assets<br>Depreciated:                 |                       |                            |                      |                        |                       |
| Buildings and<br>Improvements                  | \$ 98,994,133         | \$ 0                       | \$ 24,510,504        | \$ 0                   | \$ 123,504,637        |
| Other Capital Assets                           | 11,101,639            | 0                          | 2,060,334            | (714,793)              | 12,447,180            |
| Total Capital Assets<br>Depreciated            | <u>\$ 110,095,772</u> | <u>\$ 0</u>                | <u>\$ 26,570,838</u> | <u>\$ (714,793)</u>    | <u>\$ 135,951,817</u> |
| Less Accumulated<br>Depreciation For:          |                       |                            |                      |                        |                       |
| Buildings and<br>Improvements                  | \$ 40,793,767         | \$ 0                       | \$ 2,827,537         | \$ 0                   | \$ 43,621,304         |
| Other Capital Assets                           | 8,107,458             | 0                          | 904,623              | (714,793)              | 8,297,288             |
| Total Accumulated<br>Depreciation              | <u>\$ 48,901,225</u>  | <u>\$ 0</u>                | <u>\$ 3,732,160</u>  | <u>\$ (714,793)</u>    | <u>\$ 51,918,592</u>  |
| Total Capital Assets<br>Depreciated, Net       | <u>\$ 61,194,547</u>  | <u>\$ 0</u>                | <u>\$ 22,838,678</u> | <u>\$ 0</u>            | <u>\$ 84,033,225</u>  |
| Governmental Activities<br>Capital Assets, Net | <u>\$ 90,784,196</u>  | <u>\$ (1,262,926)</u>      | <u>\$ 27,424,707</u> | <u>\$ (25,326,793)</u> | <u>\$ 91,619,184</u>  |

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

**Governmental Activities:**

|   |                                |
|---|--------------------------------|
| Instruction   | \$ 2,653,551                   |
| Support Services  | 930,383                        |
| Operation of Non-Instructional Services                     | <u>148,226</u>                 |
| <br>Total Depreciation Expense -<br>Governmental Activities | <br><u><u>\$ 3,732,160</u></u> |

**D. Construction Commitments**

At June 30, 2008, the county (excluding the Maury Regional Hospital) had uncompleted construction contracts of approximately \$440,757 in the Adequate Facilities/Development Fund, and \$2,569,431 in the General Capital Projects Fund. Funding has been received for these future expenditures.

At June 30, 2008, the discretely presented Maury County School Department had uncompleted construction contracts of approximately \$896,301 in the Education Capital Projects Fund for the school building program. Funding has been received for these future expenditures.

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

The composition of interfund balances as of June 30, 2008, is as follows:

| <u>Receivable Fund</u>            | <u>Payable Fund</u>    | <u>Amount</u> |
|-----------------------------------|------------------------|---------------|
| Primary Government:               |                        |               |
| Nonmajor governmental             | General                | \$ 300        |
| School Department Component Unit: |                        |               |
| General Purpose School            | Nonmajor governmental  | 127,030       |
| Nonmajor governmental             | General Purpose School | 4,081         |

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

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2008, consisted of the following amounts:

**Primary Government**

| Transfers Out               | Transfers In        |                        |
|-----------------------------|---------------------|------------------------|
|                             | General Fund        | Internal Service Funds |
| Internal Service funds      | \$ 4,047            | \$ 154                 |
| Nonmajor governmental funds | 1,135,000           | 33,250                 |
| <b>Total</b>                | <b>\$ 1,139,047</b> | <b>\$ 33,404</b>       |

**Primary Government**

| Transfers Out               | Transfers In              |                             |
|-----------------------------|---------------------------|-----------------------------|
|                             | Nonmajor Proprietary Fund | Nonmajor Governmental Funds |
| General Fund                | \$ 0                      | \$ 3,600                    |
| Internal Service funds      | 206                       | 771                         |
| Nonmajor governmental funds | 0                         | 100,000                     |
| <b>Total</b>                | <b>\$ 206</b>             | <b>\$ 104,371</b>           |

**Discretely Presented Maury County School Department**

| Transfer Out               | Transfer In                 |
|----------------------------|-----------------------------|
|                            | General Purpose School Fund |
| Nonmajor governmental fund | \$ 139,196                  |

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

**F. Capital Leases**

**Primary Government (Excluding the Maury Regional Hospital)**

On June 1, 2006, Maury County entered into a two-year lease-purchase agreement for data processing equipment. The terms of the agreement require total lease payments of \$355,632 plus interest of 5.549 percent. Title

to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the Special Purpose Fund.

On March 20, 2007, Maury County entered into a three-year lease-purchase agreement for data processing equipment. The terms of the agreement require total lease payments of \$355,638 plus interest of 4.9 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the Special Purpose Fund.

On April 17, 2008, Maury County entered into a two-year lease-purchase agreement for data processing equipment. The terms of the agreement require total lease payments of \$344,760 plus interest of 4.5 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the Special Purpose Fund.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2008, were as follows:

| Year Ending<br>June 30                  | Governmental<br>Funds    |
|---|--------------------------|
| 2009                                    | \$ 244,260               |
| 2010                                    | 244,260                  |
| Total Minimum Lease Payments            | <u>\$ 488,520</u>        |
| Amount Representing Interest            | <u>(32,381)</u>          |
| Present Value of Minimum Lease Payments | <u><u>\$ 456,139</u></u> |

**Discretely Presented Maury County School Department**

On November 1, 2006, the discretely presented Maury County School Department entered into a seven-year lease-purchase agreement for lighting equipment. The terms of the agreement require total lease payments of \$1,598,657 plus interest of 4.8 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the General Purpose School Fund.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2008, were as follows:

| Year Ending<br>June 30                  | Governmental<br>Funds |
|---|-----------------------|
| 2009                                    | \$ 274,280            |
| 2010                                    | 274,280               |
| 2011                                    | 274,281               |
| 2012                                    | 274,281               |
| 2013                                    | 274,280               |
| 2014                                    | <u>274,280</u>        |
| Total Minimum Lease Payments            | \$ 1,645,682          |
| Amount Representing Interest            | <u>(244,570)</u>      |
| Present Value of Minimum Lease Payments | <u>\$ 1,401,112</u>   |

**G. Long-term Debt**

**Primary Government (Excluding the Maury Regional Hospital)**

**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 ten 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, 2008, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, and capital leases outstanding as of June 30, 2008, are as follows:

| Type                                 | Interest Rate | Original Amount of Issue | Balance 6-30-08 |
|--------------------------------------|---------------|--------------------------|-----------------|
| General Obligation Bonds             | 3 to 5%       | \$ 59,000,000            | \$ 57,865,000   |
| General Obligation Bonds - Refunding | 4 to 5        | 21,420,000               | 11,520,000      |
| Capital Outlay Notes                 | 2.78 to 3.69  | 23,442,000               | 21,312,558      |
| Capital Leases                       | 4.5 to 5.549  | 1,056,030                | 456,139         |

The annual requirements to amortize all general obligation bonds and notes outstanding as of June 30, 2008, including interest payments, are presented in the following table:

| Year Ending June 30 | Bonds         |               |               |
|---------------------|---------------|---------------|---------------|
|                     | Principal     | Interest      | Total         |
| 2009                | \$ 4,645,000  | \$ 2,627,747  | \$ 7,272,747  |
| 2010                | 5,005,000     | 2,638,357     | 7,643,357     |
| 2011                | 5,235,000     | 2,407,853     | 7,642,853     |
| 2012                | 3,185,000     | 2,170,447     | 5,355,447     |
| 2013                | 3,380,000     | 2,061,998     | 5,441,998     |
| 2014-2018           | 20,330,000    | 8,132,920     | 28,462,920    |
| 2019-2023           | 16,855,000    | 3,891,800     | 20,746,800    |
| 2024-2028           | 10,750,000    | 1,351,812     | 12,101,812    |
| Total               | \$ 69,385,000 | \$ 25,282,934 | \$ 94,667,934 |

| Year Ending June 30 | Notes         |              |               |
|---------------------|---------------|--------------|---------------|
|                     | Principal     | Interest     | Total         |
| 2009                | \$ 2,449,558  | \$ 782,893   | \$ 3,232,451  |
| 2010                | 2,104,000     | 689,196      | 2,793,196     |
| 2011                | 3,769,000     | 615,019      | 4,384,019     |
| 2012                | 1,955,000     | 490,405      | 2,445,405     |
| 2013                | 2,030,000     | 412,205      | 2,442,205     |
| 2014-2017           | 9,005,000     | 834,790      | 9,839,790     |
| Total               | \$ 21,312,558 | \$ 3,824,508 | \$ 25,137,066 |

There is \$13,241,816 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$998, based on the 2000 federal census. Debt per capita, including bonds, notes, and capital leases totaled \$1,312, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the primary government (excluding the Maury Regional Hospital) for the year ended June 30, 2008, was as follows:

**Governmental Activities:**

|                             | Bonds         | Notes         | Capital<br>Leases |
|-----------------------------|---------------|---------------|-------------------|
|                             |               |               |                   |
| Balance, July 1, 2007       | \$ 44,990,000 | \$ 16,247,780 | \$ 474,068        |
| Prior-period Adjustment     | 0             | (500,000)     | 0                 |
| Additions                   | 29,000,000    | 6,257,000     | 344,760           |
| Deductions                  | (4,605,000)   | (692,222)     | (362,689)         |
|                             |               |               |                   |
| Balance, June 30, 2008      | \$ 69,385,000 | \$ 21,312,558 | \$ 456,139        |
|                             |               |               |                   |
| Balance Due Within One Year | \$ 4,645,000  | \$ 2,449,558  | \$ 222,837        |
|                             |               |               |                   |

|                             | Compensated |              |
|-----------------------------|-------------|--------------|
|                             | Absences    | Judgments    |
|                             |             |              |
| Balance, July 1, 2007       | \$ 812,313  | \$ 0         |
| Additions                   | 1,062,592   | 3,279,000    |
| Deductions                  | (958,892)   | 0            |
|                             |             |              |
| Balance, June 30, 2008      | \$ 916,013  | \$ 3,279,000 |
|                             |             |              |
| Balance Due Within One Year | \$ 916,013  | \$ 0         |
|                             |             |              |

Analysis of Noncurrent Liabilities Presented on Exhibit A:

|   |               |
|---|---------------|
| Total Noncurrent Liabilities, June 30, 2008                       | \$ 95,348,710 |
| Less: Due Within One Year   | (8,233,408)   |
| Add: Unamortized Premium on Debt                                  | 1,329,463     |
| Less: Deferred Amount on Refunding                                | (151,808)     |
|   | \$ 88,292,957 |
| Noncurrent Liabilities - Due in<br>More Than One Year - Exhibit A | \$ 88,292,957 |

Compensated absences will be paid from the employing funds, primarily the General and Highway/Public Works funds. Judgments will be paid from the General Fund.

**Maury County Solid Waste Disposal Fund (Enterprise Fund)**

**Changes in Long-term Liabilities**

Long-term liability activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2008, was as follows:

**Business-type Activities:**

|                             | <u>Closure/<br/>Postclosure<br/>Care Costs</u> |
|-----------------------------|--|
| Balance, July 1, 2007       | \$ 629,374                                     |
| Deductions                  | <u>(15,325)</u>                                |
| Balance, June 30, 2008      | <u>\$ 614,049</u>                              |
| Balance Due Within One Year | <u>\$ 36,121</u>                               |

**Discretely Presented Maury County School Department**

**Notes**

The county issues capital outlay notes on behalf of the School Department 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, 2008, will be retired from the General Purpose School Fund.

Capital outlay notes and capital leases outstanding as of June 30, 2008, are as follows:

| <u>Type</u>          | <u>Interest<br/>Rate</u> | <u>Original<br/>Amount<br/>of Issue</u> | <u>Balance<br/>6-30-08</u> |
|----------------------|--------------------------|---|----------------------------|
| Capital Outlay Notes | 3%                       | \$ 500,000                              | \$ 434,747                 |
| Capital Leases       | 4.8                      | 1,598,657                               | 1,401,112                  |

The annual requirements to amortize all notes outstanding as of June 30, 2008, including interest payments, are presented in the following table:

| Year Ending<br>June 30 | Notes      |           |            |
|------------------------|------------|-----------|------------|
|                        | Principal  | Interest  | Total      |
| 2009                   | \$ 67,211  | \$ 13,042 | \$ 80,253  |
| 2010                   | 69,227     | 11,026    | 80,253     |
| 2011                   | 71,304     | 8,949     | 80,253     |
| 2012                   | 73,443     | 6,810     | 80,253     |
| 2013                   | 75,646     | 4,607     | 80,253     |
| 2014                   | 77,916     | 2,337     | 80,253     |
| Total                  | \$ 434,747 | \$ 46,771 | \$ 481,518 |

Debt per capita for the School Department, including notes and capital leases totaled \$31, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Maury County School Department for the year ended June 30, 2008, was as follows:

**Governmental Activities:**

|                             | Notes      | Capital<br>Leases |
|-----------------------------|------------|-------------------|
| Balance, July 1, 2007       | \$ 0       | \$ 1,598,657      |
| Prior-period Adjustment     | 500,000    | 0                 |
| Deductions                  | (65,253)   | (197,545)         |
| Balance, June 30, 2008      | \$ 434,747 | \$ 1,401,112      |
| Balance Due Within One Year | \$ 67,211  | \$ 207,027        |

**Governmental Activities:**

|                             | Compensated<br>Absences | Other<br>Postemployment<br>Benefits |
|-----------------------------|-------------------------|-------------------------------------|
| Balance, July 1, 2007       | \$ 3,672,953            | \$ 0                                |
| Additions                   | 957,629                 | 2,301,000                           |
| Deductions                  | (980,867)               | (1,068,356)                         |
| Balance, June 30, 2008      | \$ 3,649,715            | \$ 1,232,644                        |
| Balance Due Within One Year | \$ 1,010,294            | \$ 0                                |

Analysis of Noncurrent Liabilities Presented on Exhibit A:

|   |                     |
|---|---------------------|
| Total Noncurrent Liabilities, June 30, 2008                       | \$ 6,718,218        |
| Less: Due Within One Year   | <u>(1,284,532)</u>  |
| Noncurrent Liabilities - Due in<br>More Than One Year - Exhibit A | <u>\$ 5,433,686</u> |

Compensated absences will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds. Other postemployment benefits will be paid from the General Purpose School Fund.

**H. On-Behalf Payments – Discretely Presented Maury County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Maury County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2008, were \$334,797 and \$59,750, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**I. Short-term Debt**

Maury County 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 obligations coming due before current tax collections. Short-term debt activity for the year ended June 30, 2008, was as follows:

|                           | <u>7-1-07</u> | Issued       | Paid           | <u>6-30-08</u> |
|---------------------------|---------------|--------------|----------------|----------------|
| Tax Anticipation<br>Notes | \$ 0          | \$ 3,000,000 | \$ (3,000,000) | \$ 0           |

**V. OTHER INFORMATION**

**A. Risk Management**

Maury County (excluding the Maury Regional Hospital) is exposed to various risks related to general liability, property, and casualty losses. The county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property,

and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), 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 LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$100,000 for each insured event.

Maury County (excluding the Maury Regional Hospital) and the discretely presented Maury County School Department participate in the Local Government Workers' Compensation Fund (LWCF), a public entity risk pool established by the Tennessee County Services Association, an association of member counties, to provide for liabilities arising under the workers' compensation law. In accordance with Sections 12-9-101 through 12-9-109, Tennessee Code Annotated (TCA), inclusive, local governments are eligible to participate. The creation of the LWCF provides for it to be self-sustaining through member premiums. The LWCF reinsures through commercial insurance companies for claims exceeding \$500,000 for each insured event.

Maury County officials ceased operations of the Employee Insurance – Prescriptions Fund during 2005-06; however, this fund was not closed until 2007-08. The remaining cash balance was transferred to the participating funds of this program.

The county (excluding the Maury Regional Hospital) continues to carry commercial insurance for employees' health insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

The discretely presented Maury County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, TCA, all local education agencies are eligible to participate. The LEGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, TCA, provides for the LEGIF to be self-sustaining through member premiums.

## **B. Accounting Changes**

The Maury County School Department early implemented provisions of Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment

Benefits Other Than Pensions. Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues; and Statement No. 50, Pension Disclosures became effective for the year ended June 30, 2008.

GASB Statement No. 45 establishes reporting requirements for Other Postemployment Benefits (OPEB). OPEB includes postemployment healthcare, as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. This statement establishes standards for the measurement, recognition, and display of OPEB expenses/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the county's financial statements. In previous years, Maury County School Department had only recognized the current year cost (expense) of these benefits. GASB Statement No. 45 was implemented prospectively with a zero net OPEB obligation at transition. The county does not currently offer other postemployment benefits.

GASB Statement No. 48 establishes criteria to ascertain whether certain transactions are sales or collateralized borrowings and provides guidance on how to account for sales or pledges of receivables or future revenues. This statement provides additional guidance for sales of receivables and future revenues within the same reporting entity. This statement also requires governments to disclose in the notes to the financial statements the nature of any receivables or future revenues that have been pledged or sold. Tennessee state statutes do not currently allow counties to sell or pledge receivables or sell future revenue streams. Therefore, those provisions of GASB Statement No. 48 that pertain to the sale or pledge receivables or sale of future revenue will not apply to Maury County. GASB Statement No. 48 had no effect on the financial statements of Maury County for the year ended June 30, 2008, since the county has not pledged any of its future revenues. However, it is reasonably expected that Maury County may pledge a future revenue stream toward the payment of debt in subsequent years.

GASB Statement No. 50 amends previous guidance concerning pension information. This statement closely aligns the financial reporting requirements for pensions with those for other postemployment benefits and enhances the information disclosed in the notes to the financial statements or presented as required supplementary information for pension plans. This statement requires Maury County to provide additional and more detailed pension plan note disclosures than in previous years.

### **C. Subsequent Events**

James Bracken became the Director of Accounts and Budgets effective September 15, 2008, succeeding interim director Buddy Harlan.

On October 29, 2008, the county's General Debt Service Fund issued a \$2,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds.

On December 12, 2008, Maury County issued capital outlay notes totaling \$3,000,000 for various motor vehicles, equipment, highway construction, school buses, and the construction, renovation, and repairs of county and school buildings.

On December 18, 2008, the county's General Debt Service Fund issued a \$1,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds.

On May 19, 2008, the county's General Debt Service Fund issued a \$1,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds.

The county is a defendant in litigation alleging that many retired and still employed county employees who were employed prior to 1999 and participated in the county's Life of Georgia Pension Plan in effect until that time should be credited for retirement benefit calculations with up to three years of service. On April 18, 2007, the trial judge ruled that the county is liable for damages and ordered an actuarial study be conducted to determine the damages. The study was completed as of April 6, 2009. Estimated cost of additional benefits payable to the Tennessee Consolidated Retirement System for the county are \$366,000 in retroactive payments and \$2,913,000 in future payments. The future payments could be paid in a lump sum without interest or amortized over 15 or 30 years with a 7.5 percent interest rate. On May 8, 2009, the trial judge awarded the plaintiffs' attorney ten percent of the recovery amount to be paid in a lump sum. The county has appealed the ruling. Maury County has designated \$675,001 in the General Fund to help offset these costs.

A fraud reporting form was filed with the Comptroller of the Treasury April 30, 2009, concerning a suspected theft of funds at the Maury Regional Medical Center. This case is under investigation by the police department of the City of Columbia.

**D. Contingent Liabilities**

The county is a defendant in the litigation of Express Scripts, Inc. vs. Maury County. The county's insurance carrier advised that the damages sought are unspecified and therefore have the potential to exceed the coverage limits available from the county's insurance policy. In the event of such an excess judgment, the county will be responsible to pay the difference between the available limits of coverage and the amount of the judgment. Therefore, potential exposure to the county has not been determined.

The county is involved in several other pending lawsuits. Except for the lawsuit discussed in note V.C. Subsequent Events and the lawsuit discussed above, 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. Changes in Administration**

On April 15, 2008, Director of Accounts and Budgets Christy Mash left office. Buddy Harlan assumed the position as interim director until succeeded by Jim Bracken on September 15, 2008.

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

State and federal laws and regulations require the county to place a final cover on its Industrial Park Road landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Solid Waste Disposal Fund reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$614,049 reported as landfill closure and postclosure care liability at June 30, 2008, represents the net amount reported to date based on the use of 100 percent of the estimated capacity of the landfill. This amount is based on what it would cost to perform all closure and postclosure care in 2008. The county closed the landfill effective October 1, 1996. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**G. Joint Ventures**

The Maury County Regional Airport Authority is a joint venture in which the county, the City of Columbia, and the City of Mount Pleasant participate. The authority is governed by a three member-board comprising one appointee from the county and one appointee from each city. During the year ended June 30, 2008, Maury County contributed \$58,000 to the authority.

The discretely presented Maury County School Department participates in the Volunteer State Cooperative (VOLCO), which represents a cost-sharing arrangement. The cooperative was established through a contractual agreement between the Boards of Education of Bedford County, Coffee County, Dickson County, Fayetteville City, Humphreys County, Manchester City, Marshall County, Maury County, Robertson County, and Stewart County. Chapter 49 of Tennessee Code Annotated authorized the cooperative to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Stewart County School Department) and a service provider to provide these services. The cooperative is governed by a Representative Committee, comprising one representative from each of the member districts; and an Executive Council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the Representative Committee.

Maury County and the discretely presented Maury County School Department do not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Maury County Regional Airport Authority and the Volunteer State Cooperative can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Regional Airport Authority  
1200 North Main Street  
Mt. Pleasant, Tennessee 38474

Volunteer State Cooperative  
P.O. Box 433  
110 Natcor Drive  
Dover, TN 37058

**H. Jointly Governed Organization**

The Tennessee Southern Railroad Authority (TSRA) was created by the county, in conjunction with Giles and Lawrence counties. The TSRA's board includes the county mayors and a representative appointed by the respective County Commissions from each of the three counties, and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Maury County made no appropriations to the TSRA during the year ended June 30, 2008.

**I. Retirement Commitments**

**Employees**

**Plan Description**

Employees of Maury 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 Maury 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.tn.gov/treasury/tcrs](http://www.tn.gov/treasury/tcrs).

### **Funding Policy**

Maury 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, 2008, was 8.94 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Maury County is established and may be amended by the TCRS Board of Trustees.

### **Annual Pension Cost**

For the year ended June 30, 2008, Maury County's annual pension cost of \$2,055,598 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2005, 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 postretirement 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. Maury County's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2005, was 15 years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

### Trend Information

| Fiscal Year Ended | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-------------------|---------------------------|-------------------------------|------------------------|
| 6-30-08           | \$2,055,598               | 100%                          | \$0                    |
| 6-30-07           | 1,908,417                 | 100                           | 0                      |
| 6-30-06           | 1,622,068                 | 100                           | 0                      |

### Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 89.58 percent funded. The actuarial accrued liability for benefits was \$29.7 million, and the actuarial value of assets was \$26.6 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$3.1 million. The covered payroll (annual payroll of active employees covered by the plan) was \$21.34 million, and the ratio of the UAAL to the covered payroll was 14.49 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The annual required contribution was calculated using the aggregate actuarial cost method. Since the aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and this information is intended to serve as a surrogate for the funded status and funding progress of the plan.

### School Teachers

#### Plan Description

The Maury County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service, or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service.

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

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEPP. 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.tn.gov/treasury/tcrs](http://www.tn.gov/treasury/tcrs).

### **Funding Policy**

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2008, was 6.24 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2008, 2007, and 2006, were \$2,706,551, \$2,554,776, and \$2,180,271, respectively, equal to the required contributions for each year.

## **J. Other Postemployment Benefits (OPEB)**

### **Plan Description**

The School Department participates in the state-administered Local Education Group Insurance Plan for healthcare benefits. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-302, Tennessee Code Annotated for teachers. Prior to reaching the age of 65, all members have the option of choosing a preferred provider organization (PPO), point of service (POS), or health maintenance organization (HMO) plan for healthcare benefits. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plans are reported in the State of Tennessee Comprehensive Annual Financial

Report (CAFR). The CAFR is available on the state's website at <http://tennessee.gov/finance/act/cafr.html>.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employer in the plan develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. During the year ended June 30, 2008, the discretely presented Maury County School Department made contributions totaling \$1,068,356 for postemployment benefits.

|                              |                                     |
|------------------------------|-------------------------------------|
|                              | Local<br>Education<br>Group<br>Plan |
|                              | <hr/>                               |
| ARC                          | \$ 2,301,000                        |
| Interest on the NPO          | 0                                   |
| Adjustment to the ARC        | 0                                   |
|                              | <hr/>                               |
| Annual OPEB cost             | \$ 2,301,000                        |
| Amount of contribution       | (1,068,356)                         |
|                              | <hr/>                               |
| Increase/decrease in NPO     | \$ 1,232,644                        |
| Net OPEB obligation, 7-1-07  | 0                                   |
|                              | <hr/>                               |
| Net OPEB obligation, 6-30-08 | <u>\$ 1,232,644</u>                 |

| Year<br>Ended | Plan                  | Annual<br>OPEB<br>Cost | Percentage<br>of Annual<br>OPEB Cost<br>Contributed | Net OPEB<br>Obligation<br>at Year End |
|---------------|-----------------------|------------------------|---|---------------------------------------|
| <hr/>         |                       |                        |   |                                       |
| 6-30-08       | Local Education Group | \$ 2,301,000           | 46.4%   | \$ 1,232,644                          |

\* Data not available for two preceding years.

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2008, was as follows:

|   | <u>Local<br/>Education<br/>Group<br/>Plan</u> |
|---|---|
| Actuarial valuation date                    | 6-30-07                                       |
| Actuarial accrued liability (AAL)           | \$ 19,760,000                                 |
| Actuarial value of plan assets              | \$ 0  |
| Unfunded actuarial accrued liability (UAAL) | \$ 19,760,000                                 |
| Actuarial value of assets as a % of the AAL | 0%  |
| Covered payroll (active plan members)       | \$ 51,832,000                                 |
| UAAL as a % of covered payroll              | 38%   |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the June 30, 2007, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 11 percent initially, reduced by decrements to an ultimate rate of six percent after ten years. Both rates include a three percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with June 30, 2008.

**K. Offices of Central Accounting, Budgeting, and Purchasing and Human Resources**

Maury County operates under provisions of Chapter 233, Private Acts of 1963, which provide for a central system of accounting and budgeting covering funds administered by the county mayor and the road superintendent. These funds were maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of accounts and budgets.

Maury County also operates under provisions of Chapter 91, Private Acts of 2004, which provide for an Office of Human Resources under the direction of the administrative committee of the County Commission. The human resources office handles all human resource duties and responsibilities.

**L. Purchasing Laws**

Offices of County Mayor and Road Superintendent

Purchasing procedures for the Offices of County Mayor and Road Superintendent are governed by the County Purchasing Law of 1957, Section 5-14-101, et seq., Tennessee Code Annotated (TCA). Purchasing procedures for the Highway Department are also governed by the Uniform Road Law, Section 54-7-113, TCA. These statutes require that purchase orders be issued for all purchases and sealed bids be solicited on purchases exceeding \$10,000 for the Offices of County Mayor and Road Superintendent.

Office of Director of Schools

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

**VI. OTHER NOTES – MAURY REGIONAL HOSPITAL FUND (ENTERPRISE FUND)**

**A. Organization**

Maury Regional Hospital is operated and maintained by Maury County, Tennessee, under authority of and in compliance with the provisions of Chapter 125 of the Tennessee Private Acts of 1996. The federal, state, and local governments participated in the cost of constructing and equipping the hospital under the Hill-Burton Act. For financial reporting purposes, the hospital is considered an enterprise fund of Maury County, Tennessee.

The hospital's primary mission is to provide healthcare services to the residents of southern middle Tennessee, including Giles, Hickman, Lawrence, Lewis, Marshall, Maury, Perry, Wayne, and Williamson counties.

The combined financial statements include the accounts of the following entities:

Maury Regional Hospital, located in Columbia, Tennessee, has been in operation since 1953 and presently has a 275-bed capacity with 20 beds designated for skilled nursing care, and also includes five medical office buildings in its service area.

Marshall Medical Center is an acute-care hospital located in Lewisburg, Tennessee, which was acquired by the hospital in 1995 and, effective January 1, 2005, was designated a critical access hospital with a new licensed bed complement of 25 beds.

Wayne Medical Center is an acute-care hospital with an 80-bed capacity located in Waynesboro, Tennessee, and has been leased by the hospital since 1995.

Additionally, the combined financial statements include the following blended component units that provide healthcare services that support the hospital's mission:

Family Health Group (FHG) is a nonprofit corporation which acquires, owns, operates, and manages physician practices in the hospital's service area. FHG is 80 percent owned by the hospital.

South Central Heart Group, Inc., Thoracic and Cardiovascular Associates of Tennessee, Inc., and Pulmonary and Critical Care Associates, Inc., are taxable nonprofit corporations that operate physician practices in the hospital's service area. The hospital is the sole member of each practice.

Maury Regional Ambulatory Care Center, Inc., is a nonprofit corporation that provides medical care to non-emergent patients in the hospital's service area. The hospital is the sole member of the Ambulatory Care Center.

Maury Regional Surgery Center, LLC operates an ambulatory surgery center in Columbia, Tennessee.

Spring Hill Imaging Center, LLC owns and operates an outpatient center that provides diagnostic and radiology services to patients in the hospital's service area. The Imaging Center is owned 51 percent by the hospital, and a minority interest has been recognized, which represents the interests of physician and other investors.

## **B. Summary of Significant Accounting Policies**

Method of Accounting – The hospital utilized the enterprise fund method of accounting. Revenue and expenses are recorded on the accrual basis. Based on Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, as amended, the hospital applies all applicable pronouncements of the Financial Accounting Standards Board (FASB), including pronouncements issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Recently Issued Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) recently issued Statement No. 51, Accounting and Financial Reporting for Intangible Assets, which is effective for years beginning after June 15, 2009, and provides guidance on amortization of intangible assets. Management does not believe the adoption of the statement will materially impact the combined financial statements of the hospital.

Estimates – The preparation of the combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Cash and cash equivalents include investments with original maturities of three months or less when acquired.

Inventories – Inventories are reported at the lower of cost or market, with the cost determined by the average cost method.

Patient Accounts Receivable – Patient accounts receivable are reported net of both an estimated allowance for contractual adjustments and an estimated allowance for uncollectible accounts. The contractual allowance represents the difference between established billing rates and estimated reimbursement for Medicare, TennCare, and other third-party payor programs. Current operations are charged with a provision for bad debts estimated based upon the age of the account, prior experience, and any unusual circumstances which affect the collectability. The hospital's policy does not require collateral or other security for patient accounts receivable, and the hospital routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies.

Property, Plant, and Equipment – Property, plant, and equipment are reported at cost or fair value at the date of gift, if donated. Depreciation is calculated by the straight-line method to allocate the cost of the assets over

their estimated useful lives which range from three to 20 years for equipment and ten to 40 years for buildings and land improvements. Equipment held under capital lease obligations is amortized using the straight line method over the shorter of the useful life or the lease term. This amortization is included with depreciation expense and as part of accumulated depreciation in the combined financial statements.

Interest costs incurred on applicable borrowings outstanding during the construction period of capital assets are capitalized as part of the cost of acquiring the asset and are amortized on the same basis as the related capital asset.

Costs of maintenance and repairs are charged to expense.

Debt Issue Costs – Debt issue costs are capitalized and amortized on the straight-line method over the life of the related obligation.

Compensated Absences – The hospital's employees earn paid time off at varying rates depending on years of service. An accrual for paid time off is recorded in the period in which the employee earns the right to the compensation.

Net Assets – Net assets invested in capital assets, net of related debt, consist of capital assets net of accumulated depreciation and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets. Unrestricted net assets are remaining net assets that do not meet the definition of invested in capital assets, net of related debt.

Net Patient Service Revenue – Net patient service revenue is reported as services are rendered at estimated net realizable amounts, including estimated retroactive revenue adjustments under reimbursement agreements with third-party payors. Estimated settlements under third-party reimbursement agreements are accrued in the period the related services are rendered and adjusted in future periods as final settlements are determined. A provision for bad debts is included in net patient service revenue.

Charity Care – The hospital provides care without charge to patients who meet certain criteria under its charity-care policy. Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Operating Activities – The hospital defines operating activities as reported on the Combined Statement of Revenues, Expenses, and Changes in Net Assets as those that generally result from exchange transactions, such as payments for providing services and payments for goods and services received. Non-exchange transactions, including contributions and grants, as well as interest income and interest expense, are considered nonoperating revenue and expenses.

Income Taxes – The hospital is a not-for-profit entity in accordance with Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the code. The hospital meets the Internal Revenue Service definition of a governmental unit and is exempt from filing a Form 990 based on Internal Revenue Procedure 95-48.

**C. Patient Service Revenue and Accounts Receivable**

The hospital has agreements with various third-party payors that provide for payments to the hospital at amounts different from established rates. The difference between the rates charged and the estimated payments from third-party payors is recorded as a reduction of gross patient charges. Revenue for patient services have been adjusted to the amounts estimated to be receivable under third-party payor arrangements. Amounts recorded under these contractual arrangements are subject to review and final determination by various program intermediaries. Management believes that adequate provision has been made for any adjustments, which may result from such reviews. However, due to uncertainties in the estimates, it is at least reasonable possible that management's estimates will change in 2009.

A summary of the payment arrangements with significant third-party payors follows:

Medicare – Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid on a prospective basis. These rates vary according to a patient classification system that is based on clinical diagnosis, procedures utilized, and other factors. The Medicare program continues to reimburse certain other services on a percentage of cost up to predetermined limits. The hospital also receives additional payments from the Medicare program for providing services to a disproportionate share of Medicaid (TennCare) and other low-income patients. Approximately \$9,200,000 of net patient accounts receivable is due from the Medicare program at June 30, 2008.

TennCare – The State of Tennessee's Medicaid waiver program (TennCare) provides coverage through several managed care organizations. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per diem amounts. Approximately \$2,500,000 of net patient accounts receivable was from the TennCare program at June 30, 2008.

Other – The hospital also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the hospital under these agreements includes prospectively determined rates, discounts from established charges, and prospectively determined per diem amounts.

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue is as follows at June 30, 2008:

|                                   |                              |
|-----------------------------------|------------------------------|
| Patient service charges           | \$ 568,550,086               |
| Estimated contractual adjustments | (284,651,562)                |
| Estimated provision for bad debts | (30,799,024)                 |
| Charity care                      | <u>(9,825,765)</u>           |
| Total                             | <u><u>\$ 243,273,735</u></u> |

**D. Cash, Cash Equivalents, and Certificates of Deposit**

The hospital has a policy of investing only in banks participating in the State of Tennessee Collateral Pool or in banks that provide collateral for all deposits. Additionally, the hospital's deposits in financial institutions are required by state statute to be secured and collateralized by the institutions. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

At June 30, 2008, the hospital's cash, cash equivalents, and certificates of deposit totaled \$15,031,533. Bank balances for such accounts totaled \$15,405,311, a majority of which was insured by the Federal Deposit Insurance Corporation or by the bank's participation in the State of Tennessee's collateral pool. Deposits totaling \$1,675,116 are collateralized by securities held by the financial institution in the hospital's name.

The hospital holds no investments other than certificates of deposit as of June 30, 2008, which are summarized below:

| Interest<br>Rate | Maturity       | Amount            |
|------------------|----------------|-------------------|
| 2.55 %           | July 2008      | \$ 292,654        |
| 3.01             | September 2008 | 250,000           |
| 2.55             | December 2008  | 111,016           |
| 2.55             | December 2008  | 111,016           |
| 2.55             | December 2008  | 70,115            |
| 3.75             | January 2009   | 100,000           |
| 5.23             | August 2009    | <u>35,000</u>     |
| Total            |                | <u>\$ 969,801</u> |

### E. Property, Plant, and Equipment

A summary of changes in properties and related accumulated depreciation for the year ended June 30, 2008 is as follows:

|  | Balance<br>7-1-07     | Additions/<br>Transfers | Retirements           | Balance<br>6-30-08    |
|--|-----------------------|-------------------------|-----------------------|-----------------------|
| Capital Assets Depreciated:              |                       |                         |                       |                       |
| Land Improvements                        | \$ 5,348,072          | \$ 73,064               | \$ 0                  | \$ 5,421,136          |
| Buildings                                | 154,857,860           | 4,140,152               | (80,178)              | 158,917,834           |
| Equipment                                | 112,042,812           | 14,482,917              | (2,284,881)           | 124,240,848           |
| Total Capital Assets Depreciated         | <u>\$ 272,248,744</u> | <u>\$ 18,696,133</u>    | <u>\$ (2,365,059)</u> | <u>\$ 288,579,818</u> |
| Less Accumulated Depreciation For:       |                       |                         |                       |                       |
| Land Improvements                        | \$ 2,960,499          | \$ 219,441              | \$ (721)              | \$ 3,179,219          |
| Buildings                                | 58,467,274            | 6,780,350               | (37,861)              | 65,209,763            |
| Equipment                                | 84,266,805            | 9,530,614               | (2,270,555)           | 91,526,864            |
| Total Accumulated Depreciation           | <u>\$ 145,694,578</u> | <u>\$ 16,530,405</u>    | <u>\$ (2,309,137)</u> | <u>\$ 159,915,846</u> |
| Total Capital Assets<br>Depreciated, Net | <u>\$ 126,554,166</u> | <u>\$ 2,165,728</u>     | <u>\$ (55,922)</u>    | <u>\$ 128,663,972</u> |
| Capital Assets Not Depreciated:          |                       |                         |                       |                       |
| Land                                     | \$ 5,603,125          | \$ (560,252)            | \$ 0                  | \$ 5,042,873          |
| Construction in Progress                 | 10,405,304            | (4,692,649)             | 0                     | 5,712,655             |
| Total Capital Assets Not<br>Depreciated  | <u>\$ 16,008,429</u>  | <u>\$ (5,252,901)</u>   | <u>\$ 0</u>           | <u>\$ 10,755,528</u>  |
| Total Capital Assets, Net                | <u>\$ 142,562,595</u> | <u>\$ (3,087,173)</u>   | <u>\$ (55,922)</u>    | <u>\$ 139,419,500</u> |

During 2008, the hospital capitalized interest expense on construction projects totaling approximately \$225,000. Construction in progress at June 30, 2008, consists primarily of facility renovations and software implementation, including capitalized payroll expenses totaling approximately

\$585,000. Total estimated costs required to complete construction projects in progress as of June 30, 2008, totaled approximately \$1,600,000.

**F. Long-term Debt**

Long-term debt consists of the following as of June 30, 2008:

Bonds Payable

|   |                                 |
|---|---------------------------------|
| Series 2006B, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 4% to 4.25%, maturing over a 7-year period, with the final payment due June 1, 2014.           | \$ 7,120,000                    |
| Series 2006, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 4% to 5%, maturing over a 15-year period, with the final payment due June 1, 2021.              | 15,720,000                      |
| Series 2005, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 3% to 4%, maturing over a 15-year period, with the final payment due June 1, 2020.              | 6,790,000                       |
| Series 2004B Refunding, Maury County General Obligation Refunding Bond issued on behalf of the hospital, with interest rates of 5%, maturing over a 10-year period, with the final payment due April 1, 2014. | <u>8,605,000</u>                |
| Total bonds payable   | <u>\$ 38,235,000</u>            |
| Less unamortized loss on bond refunding   | \$ (225,682)                    |
| Plus premium on bond refunding  | <u>1,406,442</u>                |
| Total bonds payable, net of unamortized loss and premiums   | <u>\$ 39,415,760</u>            |
| <br><u>Other Long-term Debt</u>   |                                 |
| Notes payable with interest rates ranging from 5.8% to 8.94%, maturing through August 2014, and secured by equipment and property.  | \$ 972,535                      |
| Lines of credit with interest rates of 4.75% and 5.99%, due in 2009 and 2011, maximum available of \$775,000 and \$170,000, respectively  | 783,543                         |
| Capital lease obligations - see Note H  | <u>1,892,105</u>                |
| Total other long-term debt  | <u>\$ 3,648,183</u>             |
| <br>Total debt  | <br>\$ 43,063,943               |
| Less: current portion   | <u>(6,868,038)</u>              |
| <br>Total long-term debt  | <br><u><u>\$ 36,195,905</u></u> |

The hospital's bonds payable are general obligation bonds of Maury County, Tennessee. The bonds were issued for the purpose of acquiring property and equipment or the retirement of outstanding bonds and notes and are secured by unlimited ad valorem taxes on all taxable property within the county.

The Series 2006 Bonds maturing on or after June 1, 2017, are subject to redemption prior to maturity at the option of the county on June 1, 2016, or thereafter, at a redemption price of par plus accrued interest. The Series 2004B Refunding Bonds maturing on or after April 1, 2013, are subject to redemption prior to maturity at the option of the county on April 1, 2012, at 102 percent of par or on April 1, 2013, at 101 percent of par.

The hospital's scheduled principal maturities on all long-term debt as of June 30, 2008, (including the capital lease obligations and excluding unamortized premiums and loss on refunding) follows:

| Year Ending<br>June 30 | Principal            | Interest            |
|------------------------|----------------------|---------------------|
| 2009                   | \$ 6,868,038         | \$ 1,878,290        |
| 2010                   | 5,987,542            | 1,600,434           |
| 2011                   | 4,481,546            | 1,298,448           |
| 2023                   | 4,101,067            | 1,098,175           |
| 2013                   | 4,035,000            | 917,956             |
| 2014-2018              | 11,529,990           | 2,336,246           |
| 2019-2021              | 4,880,000            | 403,099             |
| <b>Total</b>           | <b>\$ 41,883,183</b> | <b>\$ 9,532,648</b> |

A schedule of changes in long-term debt for the year ended June 30, 2008 follows:

|                               | Balance<br>7-1-07    | Additions/<br>Amortization | Payments/<br>Maturities | Balance<br>6-30-08   | Amounts Due<br>Within<br>One Year |
|-------------------------------|----------------------|----------------------------|-------------------------|----------------------|-----------------------------------|
| Bonds payable, net of premium | \$ 43,180,000        | \$ 0                       | \$ (4,945,000)          | \$ 38,235,000        | \$ 5,115,000                      |
| Unamortized loss on refunding | (265,509)            | 39,827                     | 0                       | (225,682)            | 0                                 |
| Unamortized premiums          | 1,613,299            | (206,857)                  | 0                       | 1,406,442            | 0                                 |
| Other long-term debt          | 4,620,842            | 0                          | (972,659)               | 3,648,183            | 1,753,038                         |
| <b>Total</b>                  | <b>\$ 49,148,632</b> | <b>\$ (167,030)</b>        | <b>\$ (5,917,659)</b>   | <b>\$ 43,063,943</b> | <b>\$ 6,868,038</b>               |

## **G. Employee Benefit Plans**

**Defined Benefit Plan** – Prior to May 1, 1997, all employees of the hospital were eligible to participate in the Maury Regional Hospital Retirement Plan (the plan), a single-employer public retirement system (PERS), accounted for

as a separate entity from the hospital. The purpose of the plan is to provide retirement, death, and certain other benefits to employees as specified in the plan. The actuarial method employed to determine contributions to the plan is the entry age actuarial cost method. Although it has not expressed any intention to do so, the hospital has the right under the plan to discontinue its contributions at any time and to terminate the plan subject to the provisions set forth in ERISA. The plan issues separate financial statements, which may be obtained from the hospital.

The plan was amended effective May 1, 1997, to stop accrual of benefit service on April 30, 1997, for participants who made an irrevocable election to participate in the Maury Regional Healthcare System 403(b) plan on May 1, 1997. As of May 1, 2007, 177 participants are earning future service accruals. Employees hired after May 1, 1997, are not eligible to participate in the plan.

During 2007, the hospital early adopted the provisions of GASB Statement No. 50, Pension Disclosures, which expands disclosure requirements for defined benefit plans. This statement requires the hospital to disclose the plan's funded status using the entry age actuarial cost method.

Defined Benefit Plan Funding Policy – Voluntary contributions may not be made by participants. The hospital's contributions are based on an actuarially determined rate.

The hospital's annual pension cost and net pension obligation to the plan for 2008 was zero. The annual required contribution for the current year was determined as part of the May 1, 2008, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions used included the following:

- Eight percent investment rate of return
- Projected salary increases ranging from four percent to 7.5 percent per year
- Amortization method – level dollar amount

**Three-year Trend Information**

| Fiscal Year | Annual Required Contribution | Percentage Contributed | Pension Obligation |
|-------------|------------------------------|------------------------|--------------------|
| 6-30-06     | \$ 0                         | 100%                   | \$ 0               |
| 6-30-07     | 0                            | 100                    | 0                  |
| 6-30-08     | 0                            | 100                    | 0                  |

Defined Contribution Plan – Effective May 1, 1997, the hospital implemented a defined contribution plan, which includes a 403(b) feature and an employer-matching provision and covers substantially all hourly and salaried employees. Voluntary contributions may be made by the participants as a percentage of annual compensation not to exceed Internal Revenue Service limits. The hospital’s contribution consists of a base contribution of three percent of annual covered compensation and a matching contribution equal to 50 percent of the employees’ first five percent of annual compensation contributed. The hospital’s contributions for 2007 totaled \$3,500,000.

**H. Leases**

Capital Leases – The hospital leases medical equipment under various capital lease agreements with interest rates ranging from 4.7 percent to 7.88 percent. A summary as of June 30, 2008, of the leased equipment, which is included in property, plant, and equipment follows:

|   |                            |
|---|----------------------------|
| Equipment acquired under capital leases | \$ 2,738,423               |
| Less accumulated depreciation           | <u>(1,192,624)</u>         |
| Total                                   | <u><u>\$ 1,545,799</u></u> |

The following is a schedule, by year, of the future minimum lease payments required under the capital leases as of June 30, 2008:

| <u>Year Ending<br/>June 30</u>          |                            |
|---|----------------------------|
| 2009                                    | \$ 616,053                 |
| 2010                                    | 520,445                    |
| 2011                                    | 451,758                    |
| 2012                                    | 281,607                    |
| 2013                                    | <u>196,369</u>             |
| Total minimum lease payments            | \$ 2,066,232               |
| Amount representing interest            | <u>(174,127)</u>           |
| Present value of minimum lease payments | <u><u>\$ 1,892,105</u></u> |

Operating Leases – The hospital also rents office space and equipment under various non-cancelable operating lease agreements with varying terms. Rent expense under operating lease agreements totaled approximately \$3,420,000 for the year ended June 30, 2008. Future minimum lease commitments for all significant non-cancelable operating leases are as follows:

Year Ending  
June 30

---

|            |              |
|------------|--------------|
| 2009       | \$ 2,379,353 |
| 2010       | 1,976,407    |
| 2011       | 1,785,847    |
| 2012       | 1,215,200    |
| 2013       | 512,214      |
| Thereafter | 267,600      |

Leases with Physicians – The hospital leases office space in its medical office buildings to physicians under non-cancelable operating leases with varying terms.

Rental income under these lease agreements totaled \$1,400,000 for the year ended June 30, 2008. Future minimum lease commitments to the hospital for all significant non-cancelable operating leases are as follows:

Year Ending  
June 30

---

|      |              |
|------|--------------|
| 2009 | \$ 1,050,149 |
| 2010 | 647,953      |

**I. Leased Healthcare Facilities**

Effective July 1, 2005, the hospital entered into the first of two 5-year renewal options provided under a lease arrangement with the Board of Trustees of Wayne County General Hospital for the operation of several Wayne County healthcare facilities, including the county hospital, nursing home, ambulance service, and medical office buildings. The lease also extends to all equipment, improvements, fixtures, and related personal property. The annual lease expense under the first renewal consists of a base rent of \$175,000 and an annual capital improvement commitment of \$175,000. The annual lease expense under the second renewal will increase to a base rent of \$200,000 and a capital improvement commitment of \$200,000 beginning July 1, 2010. The hospital may terminate the lease at any time upon 180 days' notice and the payment of \$500,000.

**J. Commitments and Contingencies**

General Liability Claims – The hospital is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The hospital maintains commercial insurance coverage for each of those risks of loss.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the hospital.

Malpractice Liability Claims – The hospital is also subject to claims and suits arising in the ordinary course of business from services provided to patients. Losses against the hospital are limited by the Tennessee Governmental Tort Liability Act to \$350,000 for injury or death per occurrence and \$700,000 in the aggregate. However, claims against healthcare practitioners are not subject to these limits. The hospital maintains professional liability insurance on a claims made basis with limits of \$1,000,000 per occurrence and \$3,000,000 in the aggregate with a retention of \$250,000 per claim. The hospital has estimated and recorded a liability for reported claims totaling \$1,210,000 at June 30, 2008. In some of these actions, damages may be sought, which exceed the hospital’s insurance coverage. In management’s opinion, the hospital is currently not a party to any proceeding, the ultimate resolution of which will have a material adverse effect on the hospital’s results of operations or financial condition. The hospital has not estimated any liability for incurred but not reported claims.

Workers’ Compensation Claims – The hospital is covered for workers’ compensation claims through an insurance policy with a deductible of \$500,000 per claim. Management has recorded an accrual for the estimated liability related to claims reported as of June 30, 2008. The hospital has not estimated any liability for incurred but not reported claims.

Healthcare Benefits – The hospital maintains a partially self-insured healthcare plan to provide reimbursement for covered expenses incurred as a result of illness or injury to covered employees and dependants. Stop-loss insurance is purchased for annual claims per individual exceeding \$150,000 with a life time maximum per individual totaling \$850,000. The hospital has estimated and recorded a liability for healthcare claims incurred but not yet reported totaling \$1,270,000 at June 30, 2008.

Healthcare Industry – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse statutes, and most recently under the provisions of the Health Insurance Portability and Accountability Act of 1996, patient records privacy and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

**K. Fair Value of Financial Instruments**

Management believes that book value approximates fair value for the majority of the hospital's financial assets and liabilities. The fair value of bonds payable, which are general obligation bonds of Maury County, are not considered practicable to estimate.

**L. Prior-period Adjustment**

During 2008, management determined that amounts recorded as receivables at June 30, 2006, related to contractual disputes were contingent in nature and should not have been reported. A prior-period adjustment was made to reduce net assets by \$1,200,000 as of July 1, 2006.

**VII. OTHER NOTES – DISCRETELY PRESENTED MAURY COUNTY BOARD OF PUBLIC UTILITIES WATER SYSTEM**

**A. Summary of Significant Accounting Policies**

**1. General**

The Maury County Board of Public Utilities Water System is a discrete component unit of Maury County, Tennessee. The system is governed by a Board of Directors appointed by the county mayor and ratified by the County Commission. In addition, the County Commission approves the annual budget of the system.

**2. Accounting Method**

The system generally uses the accrual basis of accounting, except that revenue from water sales is recognized when billed.

The system applies Financial Accounting Standards Board pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails.

**3. Organization**

The system is operated as an enterprise fund with self-balancing accounting records. The system does not receive any operating revenues from Maury County, Tennessee.

**4. Utility Plant and Equipment**

The utility plant and equipment are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Maintenance and repairs are charged to

expense as incurred; major renewals and improvements are capitalized. When items of property or equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income.

**5. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the system considers all investment instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2008. Restricted assets are not treated as part of the entity's cash and cash equivalents.

**6. Use of Estimates**

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

**7. Inventory**

The water system's inventory of supplies is stated at cost using the first in, first out method. The costs of inventory items are recognized as expenditures in governmental funds when purchased, since they are not a material nature, and as expenses in the enterprise fund when used.

**B. Accounts Receivable**

Customer receivables are composed of the following aged categories:

|                  | <u>Amount</u>     |
|------------------|-------------------|
| Current billings | \$ 229,692        |
| 30 days past due | 22,346            |
| 60 days past due | 2,866             |
| 90 days past due | <u>3,652</u>      |
| Total            | <u>\$ 258,556</u> |

Bad debts are determined and written off only by direct action of the system's board. The amount written off for 2008 was \$6,142.

**C. Deposits and Investments**

The system is subject to the Tennessee statute, which requires deposits in financial institutions be secured and collateralized by such institutions. The collateral must meet certain requirements and must have a total minimum market value of 105 percent of the value of the deposits placed in the institutions, less the amount protected by federal depository insurance. Collateral requirements are not applicable for financial institutions that participate in the state of Tennessee's collateral pool.

Custodial credit risk is the risk that in the event of a bank failure, the system's deposits may not be returned to it. As of June 30, 2008, all deposits were insured or collateralized.

Investments consist of certificates of deposit with financial institutions with original maturities of over three months and not over one year. The system's policy is to hold these investments to maturity; and therefore, there is no interest rate risk that will adversely affect the fair value of the investments.

**D. Restricted Assets**

The restricted assets represent investment of construction reserves and customer deposits. The customer deposits are not available for operation of the system and are held in trust. The deposits at June 30, 2008, included \$14,610 for meter deposits of current customers.

**E. Utility Plant, Property, and Equipment**

Major classifications of the utility plant and equipment and their respective depreciable lives are summarized below:

| <u>Assets</u>                  | <u>Years</u> |
|--------------------------------|--------------|
| Water grid and improvements    | 50 - 100     |
| Water mains                    | 40           |
| Water towers and stations      | 40           |
| Water meters                   | 10 - 40      |
| Casting and valves             | 20 - 50      |
| Other capitalized costs        | 40           |
| Equipment and fixtures:        |              |
| Trucks                         | 5            |
| Small tools and equipment      | 3 - 5 - 10   |
| Office furniture and equipment | 5 - 10       |

**F. Capital Assets**

Capital assets activity for the year ended June 30, 2008, was as follows:

|   | Balance<br>7-1-07    | Additions           | Retirements           | Balance<br>6-30-08   |
|---|----------------------|---------------------|-----------------------|----------------------|
| Capital Assets Not Depreciated:                     |                      |                     |                       |                      |
| Land  | \$ 287,025           | \$ 0                | \$ 0                  | \$ 287,025           |
| Construction in Progress                            | 1,965,523            | 0                   | (1,965,523)           | 0                    |
| <b>Total Capital Assets Not Depreciated</b>         | <b>\$ 2,252,548</b>  | <b>\$ 0</b>         | <b>\$ (1,965,523)</b> | <b>\$ 287,025</b>    |
| Capital Assets Depreciated:                         |                      |                     |                       |                      |
| Building  | \$ 225,077           | \$ 0                | \$ 0                  | \$ 225,077           |
| Water Grid and Improvements                         | 21,913,576           | 6,676,257           | (165,160)             | 28,424,673           |
| Equipment and Fixtures                              | 595,340              | 24,461              | 0                     | 619,801              |
| <b>Total Capital Assets Depreciated</b>             | <b>\$ 22,733,993</b> | <b>\$ 6,700,718</b> | <b>\$ (165,160)</b>   | <b>\$ 29,269,551</b> |
| Less Accumulated Depreciation For:                  |                      |                     |                       |                      |
| Building  | \$ 53,520            | \$ 6,892            | \$ 0                  | \$ 60,412            |
| Water Grid and Improvements                         | 3,339,021            | 450,252             | (88,739)              | 3,700,534            |
| Equipment and Fixtures                              | 363,648              | 71,087              | 0                     | 434,735              |
| <b>Total Accumulated Depreciation</b>               | <b>\$ 3,756,189</b>  | <b>\$ 528,231</b>   | <b>\$ (88,739)</b>    | <b>\$ 4,195,681</b>  |
| <b>Total Capital Assets Depreciated, Net</b>        | <b>\$ 18,977,804</b> | <b>\$ 6,172,487</b> | <b>\$ (76,421)</b>    | <b>\$ 25,073,870</b> |
| <b>Business-type Activities Capital Assets, Net</b> | <b>\$ 21,230,352</b> | <b>\$ 6,172,487</b> | <b>\$ (2,041,944)</b> | <b>\$ 25,360,895</b> |

**G. Accrued Leave**

Accumulated annual leave at June 30, 2008, totals \$25,499. It is the system's policy to accrue vacation annually for full-time personnel and charge employee benefits. The policy provides two weeks of annual leave for personnel with one to five years continuous county service, three weeks for six to 11 years of service, and increasing amounts up to five weeks for service up to 25 years.

**H. Risk Management**

The system is exposed to losses that could arise from torts; asset theft, damage, or destruction; business interruption; errors or omissions; job-related illnesses or injuries to employees; acts of nature; and accident, health, dental, and other medical benefits to employees. Potential losses are covered by commercial insurance.

The system has not been involved in any litigation during the last four fiscal years.

**I. Long-term Debt**

During 2006, Rural Development obligated a \$2,900,000 loan for Maury County Water System to finance water line upgrades and extensions. Rural Development is doing the interim financing, and at June 30, 2008, \$2,408,594 had been drawn against this loan. The interest rate is 4.125 percent, and no payments will be due until closing. The interim financing is to be converted to permanent financing upon project completion by the issuance of 4.125 percent bonds with maturities over 38 years.

Also, during 2006, Maury County Water System entered into a contract for State Revolving Loan Funds not to exceed \$4,200,000 to finance water line upgrades and improvements. In 2008, principal payments began within 90 days after the project was completed. The principal will be amortized over 20 years with an interest rate of 2.42 percent.

Estimated maturities of long-term debt over the next five years and after is as follows:

| Year Ending<br>June 30 | Amount                     |
|------------------------|----------------------------|
| 2009                   | \$ 168,324                 |
| 2010                   | 172,440                    |
| 2011                   | 176,664                    |
| 2012                   | 180,984                    |
| 2013                   | 185,412                    |
| After 2014             | <u>3,102,147</u>           |
| Total                  | <u><u>\$ 3,985,971</u></u> |

Also, during 2007, Maury County Water System entered into a contract for State Revolving Loan Funds not to exceed \$1,650,000 to finance water line upgrades and improvements. Principal payments will be required within 90 days after the project is completed. The principal will then be amortized over 20 years with an interest rate of 2.42 percent.

## **VIII. OTHER NOTES – DISCRETELY PRESENTED MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

### **A. Summary of Significant Accounting Policies**

#### **1. Nature of Activities**

The Maury County Emergency Communications District is a nonprofit organization, established under Tennessee law. The district was organized to provide Emergency 911 services to the residents of Maury County. While 911 has been in use for several years for emergency services, the Enhanced 911 was adopted for Maury County by public referendum on August 4, 1988. The voters of Maury County voted for E911 with an approval majority of 92 percent. Although the district is considered a municipality under its enabling legislation, it cannot levy or collect taxes, and the charges for services shall not be considered or classified as taxes. The district is managed by a volunteer board of directors who are appointed by the district's primary government.

The district is a discretely presented component unit of Maury County, Tennessee, and the financial statements are presented in both the district's separate financial report and within the Maury County, Tennessee financial report. The district is considered a discretely presented component unit of Maury County as defined under the criteria set forth in Governmental Accounting Standards Board Statement No. 14, because the district would be unable to issue debt without going through Maury County, Tennessee.

#### **2. Basis of Accounting and Financial Statement Presentation**

The term basis of accounting is used to determine when a transaction or event is recognized on the district's operating statement. The district uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned, and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

The Governmental Accounting Standards Board (GASB) exercises jurisdiction over accounting and financial reporting for governments. The Financial Accounting Standards Board (FASB) exercises jurisdiction over private enterprises and nonprofits. The Office of the Comptroller of the Treasury requires Tennessee emergency communications districts to follow option one of GASB Statement No. 20. This option required the district to follow only GASB guidance after November 30, 1989, and not to follow any FASB guidance after that date.

**3. Use of Estimates**

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**4. Cash and Cash Equivalents**

For purposes of the statement of net assets and statement of cash flows, Maury County Emergency Communications District considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**5. Capital Assets**

Capital assets are defined by the district as assets with an initial cost of more than \$500 and an estimated useful life in excess of one year. Additions to capital assets are recorded at acquisition cost or estimated market value at the date of donation in the case of donated property. Depreciation and amortization are provided for in amounts sufficient to relate the cost of the assets to operations over their estimated service lives using the straight-line method of depreciation. Estimated useful lives, in years, for depreciable assets are as follows:

| <u>Assets</u>             | <u>Years</u> |
|---------------------------|--------------|
| Building and improvements | 10 - 40      |
| Furniture and fixtures    | 7            |
| Office equipment          | 5 - 10       |
| Communicaitons equipment  | 5 - 10       |
| Vehicles                  | 5            |

**6. Income Taxes**

Maury County Emergency Communications District is a tax-exempt organization under Section 115 of the Internal Revenue Code and, accordingly, no provision for federal income taxes has been made.

**7. Operating Revenues and Expenses**

The district distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and products and delivering goods in connection with a district's principal ongoing operations. The

principal operating revenues of the district are emergency telephone service charges to residents for providing emergency 911 services. Operating expenses include payroll expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**8. Budgetary Data**

The district is required by state statute to adopt an annual budget. The annual budget is prepared on the basis in which current available funds must be sufficient to meet current expenditures. The district utilizes cash basis accounting for the budget as depreciation is not budgeted, and outlays for capital items are budgeted as expenses. Therefore the budget is not intended to be presented in accordance with generally accepted accounting principles. The budget may be amended by the board as conditions warrant throughout the year.

**9. Compensated Absences**

It is the policy of the district not to carry over unused leave at the end of a fiscal year to the next year. Vacation and sick leave expenditures are recognized when paid. Therefore, no accrual for accumulated unpaid leave is necessary.

**B. Cash and Depository Collateral**

The district's current policies limit deposits of funds to accounts with commercial banks, which are required to pledge securities as collateral for the deposits if they are in excess of Federal Deposit Insurance Corporation (FDIC) coverage. The financial institution used by the district is a participant in the Tennessee Collateral Pool, which was established to provide security for public funds deposits in excess of FDIC coverage.

At year-end the district's deposits of cash and certificates of deposit were fully insured by the FDIC or collateralized by the Tennessee Collateral Pool.

**C. Certificate of Deposit**

At June 30, 2008, the certificate of deposit is as follows:

|   | <u>Amount</u>     |
|---|-------------------|
| First Farmers and Merchants Bank,<br>2.3% maturing November 7, 2008 | <u>\$ 150,000</u> |

**D. Accounts Receivable**

The following schedule reflects the components of accounts receivable as of June 30, 2008:

|                                | <u>Amount</u>           |
|--------------------------------|-------------------------|
| Emergency telephone surcharges | \$ 35,916               |
| Emergency support services     | <u>330</u>              |
| Total                          | <u><u>\$ 36,246</u></u> |

**E. Capital Assets**

Capital assets activity for the year ended June 30, 2008, is presented below:

|   | Balance<br>7-1-07        | Additions                 | Retirements        | Balance<br>6-30-08       |
|---|--------------------------|---------------------------|--------------------|--------------------------|
| Capital Assets Not<br>Depreciated:              |                          |                           |                    |                          |
| Land  | \$ 74,380                | \$ 0                      | \$ 0               | \$ 74,380                |
| Total Capital Assets<br>Not Depreciated         | <u>\$ 74,380</u>         | <u>\$ 0</u>               | <u>\$ 0</u>        | <u>\$ 74,380</u>         |
| Capital Assets<br>Depreciated:                  |                          |                           |                    |                          |
| Building  | \$ 492,395               | \$ 687                    | \$ 0               | \$ 493,082               |
| Office Equipment                                | 18,526                   | 3,629                     | 0                  | 22,155                   |
| Furniture and Fixtures                          | 3,482                    | 0                         | 0                  | 3,482                    |
| Communications Equipment                        | 439,687                  | 2,829                     | 0                  | 442,516                  |
| Vehicles  | 20,032                   | 26,247                    | (20,032)           | 26,247                   |
| Total Capital Assets<br>Depreciated             | <u>\$ 974,122</u>        | <u>\$ 33,392</u>          | <u>\$ (20,032)</u> | <u>\$ 987,482</u>        |
| Less Accumulated<br>Depreciation For:           |                          |                           |                    |                          |
| Building  | \$ 11,606                | \$ 12,324                 | \$ 0               | \$ 23,930                |
| Office Equipment                                | 955                      | 1,128                     | 0                  | 2,083                    |
| Furniture and Fixtures                          | 306                      | 292                       | 0                  | 598                      |
| Communications Equipment                        | 72,995                   | 44,511                    | 0                  | 117,506                  |
| Vehicles  | 20,032                   | 4,489                     | (20,032)           | 4,489                    |
| Total Accumulated<br>Depreciation               | <u>\$ 105,894</u>        | <u>\$ 62,744</u>          | <u>\$ (20,032)</u> | <u>\$ 148,606</u>        |
| Total Capital Assets<br>Depreciated, Net        | <u>\$ 868,228</u>        | <u>\$ (29,352)</u>        | <u>\$ 0</u>        | <u>\$ 838,876</u>        |
| Business-type Activities<br>Capital Assets, Net | <u><u>\$ 942,608</u></u> | <u><u>\$ (29,352)</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 913,256</u></u> |

Depreciation charged to expense for the current year totaled \$62,744.

In the current year, the district donated a fully depreciated vehicle with an original cost of \$20,032 to the Maury County Rural Fire and Rescue.

**F. Accrued Expenses**

Accrued expenses at June 30, 2008, consist of the following:

|                       | <u>Amount</u>           |
|-----------------------|-------------------------|
| Accrued payroll       | \$ 33,082               |
| Accrued payroll taxes | 2,530                   |
| Employee withholdings | <u>834</u>              |
| Total                 | <u><u>\$ 36,446</u></u> |

**G. Notes Payable**

Notes payable activity for the current year was as follows:

|                                  | <u>Beginning<br/>Balance</u> | <u>Reductions</u>   | <u>Ending<br/>Balance</u> |
|----------------------------------|------------------------------|---------------------|---------------------------|
| First Farmers and Merchants Bank | \$ 242,551                   | \$ (123,228)        | \$ 119,323                |
| Motorola Credit Corporation      | 141,622                      | (141,622)           | 0                         |
| Total                            | <u>\$ 384,173</u>            | <u>\$ (264,850)</u> | <u>\$ 119,323</u>         |

|                                  | <u>Amounts Due<br/>Within One Year</u> |
|----------------------------------|--|
| First Farmers and Merchants Bank | <u>\$ 31,358</u>                       |
| Total                            | <u><u>\$ 31,358</u></u>                |

At June 30, 2008, notes payable consist of the following:

|  |                          |
|--|--------------------------|
| Original mortgage of \$280,000 with First Farmers and Merchants Bank for the new building on 2907 Cayce Lane, Columbia, Tennessee, payable at 6.1% interest and monthly payments of \$3,135, maturing December 20, 2011. | <u><u>\$ 119,323</u></u> |
|--|--------------------------|

Current principal and interest payments for fiscal year ending June 30, 2008, are as follows:

| Year Ending<br>June 30 | Principal         | Interest         |
|------------------------|-------------------|------------------|
| 2009                   | \$ 31,358         | \$ 6,260         |
| 2010                   | 33,169            | 4,449            |
| 2011                   | 35,250            | 2,369            |
| 2012                   | 19,546            | 363              |
| Total                  | <u>\$ 119,323</u> | <u>\$ 13,441</u> |

**H. Major Revenue Source**

Revenue for operation and maintenance of the Maury County Emergency Communications District is generated by a surcharge on residential and business phone lines. The surcharge is collected by AT&T Telephone Company and remitted to the district monthly less a one percent administrative fee. In fiscal year 2000, the district began collecting revenue generated by wireless phone users. The Tennessee Emergency Communications Board collects the revenue and distributes 25 percent of funds to the Emergency Communications District based on the proportion of the population of each district to that of the state, according to the latest census.

**I. Retirement Plan**

The district has elected to participate in the Tennessee Consolidated Retirement System. The district assumed the employer and employee liability for five years of prior service for each person who was employed full-time on the date of participation. The district also elected to provide costs-of-living increases to retirees. The initial contribution rate for the district is 9.24 percent. Current year contributions totaled \$39,996.

**J. Risk Management**

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the year ended June 30, 2008, the district was insured against potential losses associated with these risks through the purchase of commercial insurance for management liability and through a blanket general liability policy purchased by Maury County. There have been no losses in excess of insurance coverage during the last three years.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2008

|                                       | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts     |                      | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---------------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|----------------------|----------------------|--|
|                                       |                           |                                   |                                   |   | Original             | Final                |  |
| <b>Revenues</b>                       |                           |                                   |                                   |   |                      |                      |  |
| Local Taxes                           | \$ 12,324,677             | \$ 0                              | \$ 0                              | \$ 12,324,677   | \$ 11,724,703        | \$ 11,724,703        | \$ 599,974   |
| Licenses and Permits                  | 330,682                   | 0                                 | 0                                 | 330,682   | 332,000              | 332,000              | (1,318)  |
| Fines, Forfeitures, and Penalties     | 389,767                   | 0                                 | 0                                 | 389,767   | 401,000              | 435,000              | (45,233)   |
| Charges for Current Services          | 241,937                   | 0                                 | 0                                 | 241,937   | 257,400              | 287,110              | (45,173)   |
| Other Local Revenues                  | 451,903                   | 0                                 | 0                                 | 451,903   | 118,300              | 442,407              | 9,496  |
| Fees Received from County Officials   | 2,925,971                 | 0                                 | 0                                 | 2,925,971   | 3,125,000            | 3,047,051            | (121,080)  |
| State of Tennessee                    | 1,821,594                 | 0                                 | 0                                 | 1,821,594   | 1,720,709            | 1,941,170            | (119,576)  |
| Federal Government                    | 474,865                   | 0                                 | 0                                 | 474,865   | 15,000               | 357,378              | 117,487  |
| Other Governments and Citizens Groups | 93,514                    | 0                                 | 0                                 | 93,514  | 96,100               | 132,224              | (38,710)   |
| <b>Total Revenues</b>                 | <b>\$ 19,054,910</b>      | <b>\$ 0</b>                       | <b>\$ 0</b>                       | <b>\$ 19,054,910</b>  | <b>\$ 17,790,212</b> | <b>\$ 18,699,043</b> | <b>\$ 355,867</b>  |

|                              | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |           | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|------------------|-----------|--|
|                              |                           |                                   |                                   |   | Original         | Final     |  |
| <b>Expenditures</b>          |                           |                                   |                                   |   |                  |           |  |
| <b>General Government</b>    |                           |                                   |                                   |   |                  |           |  |
| County Commission            | \$ 69,674                 | \$ 0                              | \$ 0                              | \$ 69,674   | \$ 55,835        | \$ 83,463 | \$ 13,789  |
| Board of Equalization        | 825                       | 0                                 | 0                                 | 825   | 1,615            | 1,615     | 790  |
| Other Boards and Committees  | 6,259                     | 0                                 | 0                                 | 6,259   | 2,153            | 8,153     | 1,894  |
| County Mayor/Executive       | 199,181                   | 0                                 | 0                                 | 199,181   | 206,922          | 207,679   | 8,498  |
| Personnel Office             | 212,863                   | 0                                 | 0                                 | 212,863   | 216,880          | 218,278   | 5,415  |
| County Attorney              | 67,150                    | 0                                 | 0                                 | 67,150  | 62,655           | 64,196    | (2,954)  |
| Election Commission          | 255,378                   | 0                                 | 0                                 | 255,378   | 264,129          | 267,418   | 12,040   |
| Register of Deeds            | 315,303                   | 0                                 | 0                                 | 315,303   | 342,040          | 343,905   | 28,602   |
| Development                  | 460,225                   | (14,025)                          | 14,125                            | 460,325   | 574,413          | 578,610   | 118,285  |
| County Buildings             | 1,080,455                 | (14,300)                          | 3,067                             | 1,069,222   | 895,945          | 1,137,104 | 67,882   |
| Other General Administration | 633,835                   | (30,000)                          | 32,265                            | 636,100   | 738,657          | 758,586   | 122,486  |
| Preservation of Records      | 143,899                   | 0                                 | 0                                 | 143,899   | 148,936          | 149,286   | 5,387  |

(Continued)

Exhibit F-1

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

|                                  | Actual<br>(GAAP<br>Basis) | Less:        |          | Add:<br>6/30/2008<br>Encumbrances | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |           | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|----------------------------------|---------------------------|--------------|----------|-----------------------------------|---|------------------|-----------|--|
|                                  |                           | 7/1/2007     |          |                                   |   | Original         | Final     |  |
|                                  |                           | Encumbrances | 7/1/2007 |                                   |   |                  |           |  |
| <u>Expenditures (Cont.)</u>      |                           |              |          |                                   |   |                  |           |  |
| <u>Finance</u>                   |                           |              |          |                                   |   |                  |           |  |
| Accounting and Budgeting         | \$ 608,046                | \$ (9)       | \$ 5,006 | \$ 613,043                        | \$ 629,218  | \$ 642,403       | \$ 29,360 |  |
| Purchasing                       | 59,798                    | (469)        | 0        | 59,329                            | 74,364  | 67,183           | 7,854     |  |
| Property Assessor's Office       | 521,918                   | (4,819)      | 10,126   | 527,225                           | 578,395   | 584,167          | 56,942    |  |
| Reappraisal Program              | 168,130                   | (244)        | 0        | 167,886                           | 199,869   | 201,267          | 33,381    |  |
| County Trustee's Office          | 302,801                   | (5,057)      | 0        | 297,744                           | 302,217   | 305,890          | 8,146     |  |
| County Clerk's Office            | 174,007                   | (188)        | 0        | 173,819                           | 201,403   | 208,514          | 34,695    |  |
| Data Processing                  | 229,971                   | 0            | 0        | 229,971                           | 231,012   | 232,236          | 2,265     |  |
| <u>Administration of Justice</u> |                           |              |          |                                   |   |                  |           |  |
| Circuit Court                    | 898,053                   | (100)        | 0        | 897,953                           | 973,356   | 1,000,711        | 102,758   |  |
| General Sessions Court           | 865,804                   | (835)        | 27,656   | 892,625                           | 877,780   | 899,821          | 7,196     |  |
| Chancery Court                   | 96,536                    | (850)        | 0        | 95,686                            | 110,323   | 113,005          | 17,319    |  |
| District Attorney General        | 76,875                    | 0            | 0        | 76,875                            | 100,500   | 100,500          | 23,625    |  |
| Courtroom Security               | 8,960                     | 0            | 0        | 8,960                             | 0   | 6,206            | (2,754)   |  |
| <u>Public Safety</u>             |                           |              |          |                                   |   |                  |           |  |
| Sheriff's Department             | 5,487,920                 | (16,721)     | 352      | 5,471,551                         | 5,650,376   | 5,834,893        | 363,342   |  |
| Jail                             | 3,217,171                 | (35,850)     | 250      | 3,181,571                         | 3,520,461   | 3,557,447        | 375,876   |  |
| Juvenile Services                | 188,390                   | 0            | 0        | 188,390                           | 211,629   | 212,620          | 24,230    |  |
| Civil Defense                    | 136,048                   | 0            | 17,967   | 154,015                           | 132,700   | 157,519          | 3,504     |  |
| Other Emergency Management       | 199,165                   | (45,735)     | 0        | 153,430                           | 195,217   | 243,617          | 90,187    |  |
| County Coroner/Medical Examiner  | 16,328                    | 0            | 0        | 16,328                            | 26,000  | 26,000           | 9,672     |  |
| Public Safety Grant Programs     | 39,464                    | (544)        | 7,122    | 46,042                            | 15,000  | 31,000           | (15,042)  |  |
| <u>Public Health and Welfare</u> |                           |              |          |                                   |   |                  |           |  |
| Local Health Center              | 651,438                   | (9,420)      | 712      | 642,730                           | 914,400   | 935,846          | 293,116   |  |
| Rabies and Animal Control        | 280,764                   | 0            | 0        | 280,764                           | 261,915   | 262,615          | (18,149)  |  |

(Continued)

Exhibit F-1

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |         | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------|--|
|  |                           |                                   |                                   |   | Original         | Final   |  |
|  |                           |                                   |                                   |   | Original         | Final   |  |
| <u>Expenditures (Cont.)</u>                        |                           |                                   |                                   |   |                  |         |  |
| Public Health and Welfare (Cont.)                  |                           |                                   |                                   |   |                  |         |  |
| Regional Mental Health Center                      | \$ 9,000                  | \$ 0                              | \$ 0                              | \$ 9,000  | \$ 9,000         | \$ 0    | 0  |
| Appropriation to State                             | 69,900                    | 0                                 | 0                                 | 69,900  | 69,900           | 0       | 0  |
| Other Local Welfare Services                       | 13,681                    | 0                                 | 0                                 | 13,681  | 15,000           | 1,319   | 1,319  |
| Other Public Health and Welfare                    | 305,343                   | 0                                 | 0                                 | 305,343   | 0                | 500,000 | 194,657  |
| <u>Social, Cultural, and Recreational Services</u> |                           |                                   |                                   |   |                  |         |  |
| Senior Citizens Assistance                         | 33,000                    | 0                                 | 0                                 | 33,000  | 33,000           | 0       | 0  |
| Libraries  | 602,987                   | (18)                              | 0                                 | 602,969   | 584,343          | 589,239 | (13,730)   |
| Parks and Fair Boards                              | 625,027                   | (1,600)                           | 5,510                             | 628,937   | 692,581          | 718,002 | 89,065   |
| <u>Agriculture and Natural Resources</u>           |                           |                                   |                                   |   |                  |         |  |
| Agriculture Extension Service                      | 114,373                   | 0                                 | 0                                 | 114,373   | 119,250          | 122,092 | 7,719  |
| Forest Service                                     | 2,000                     | 0                                 | 0                                 | 2,000   | 2,000            | 0       | 0  |
| Soil Conservation                                  | 43,578                    | 0                                 | 0                                 | 43,578  | 43,953           | 43,953  | 375  |
| <u>Other Operations</u>                            |                           |                                   |                                   |   |                  |         |  |
| Tourism  | 365,275                   | (2,000)                           | 3,000                             | 366,275   | 356,446          | 367,144 | 869  |
| Industrial Development                             | 176,481                   | 0                                 | 0                                 | 176,481   | 183,400          | 183,400 | 6,919  |
| Other Economic and Community Development           | 3,967                     | 0                                 | 0                                 | 3,967   | 12,000           | 12,000  | 8,033  |
| Airport  | 58,000                    | 0                                 | 0                                 | 58,000  | 58,000           | 58,000  | 0  |
| Veterans' Services                                 | 65,881                    | 0                                 | 0                                 | 65,881  | 64,582           | 65,881  | 0  |
| Other Charges                                      | 0                         | 0                                 | 0                                 | 0   | 200              | 200     | 200  |
| Contributions to Other Agencies                    | 230,068                   | 0                                 | 0                                 | 230,068   | 230,068          | 230,068 | 0  |
| Employee Benefits                                  | 20,863                    | 0                                 | 0                                 | 20,863  | 33,000           | 33,000  | 12,137   |
| Miscellaneous                                      | 373,232                   | 0                                 | 0                                 | 373,232   | 318,972          | 318,972 | (54,260)   |
| <u>Capital Projects</u>                            |                           |                                   |                                   |   |                  |         |  |
| Public Utility Projects                            | 0                         | 0                                 | 5,800                             | 5,800   | 0                | 6,000   | 200  |

(Continued)

Exhibit F-1

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) |                | Budgeted Amounts<br>Original | Final | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|----------------|------------------------------|-------|--|
|  |                           |                                   |                                   | 0 \$  | 113,203 \$     |                              |       |  |
| <u>Expenditures (Cont.)</u>  |                           |                                   |                                   |   |                |                              |       |  |
| Capital Projects - Donated   | \$ 113,203 \$             | 0 \$                              | 0 \$                              | 113,203 \$  | 0 \$           | 47,300 \$                    |       | (65,903)   |
| Capital Projects Donated to School Department                      | \$ 20,898,493 \$          | (182,784) \$                      | 132,958 \$                        | 20,848,667 \$   | 21,542,010 \$  | 22,865,904 \$                |       | 2,017,237  |
| Total Expenditures   | \$ (1,843,583) \$         | 182,784 \$                        | (132,958) \$                      | (1,793,757) \$  | (3,751,798) \$ | (4,166,861) \$               |       | 2,373,104  |
| <u>Excess (Deficiency) of Revenues</u><br><u>Over Expenditures</u> |                           |                                   |                                   |   |                |                              |       |  |
| Other Financing Sources (Uses)                                     | \$ 5,572 \$               | 0 \$                              | 0 \$                              | 5,572 \$  | 0 \$           | 0 \$                         |       | 5,572  |
| Insurance Recovery   | 1,139,047                 | 0                                 | 0                                 | 1,139,047   | 2,035,000      | 1,135,000                    |       | 4,047  |
| Transfers In   | (3,600)                   | 0                                 | 0                                 | (3,600)   | (638,600)      | (3,600)                      |       | 0  |
| Transfers Out  | \$ 1,141,019 \$           | 0 \$                              | 0 \$                              | 1,141,019 \$  | 1,396,400 \$   | 1,131,400 \$                 |       | 9,619  |
| Total Other Financing Sources (Uses)                               | \$ (702,564) \$           | 182,784 \$                        | (132,958) \$                      | (652,738) \$  | (2,355,398) \$ | (3,035,461) \$               |       | 2,382,723  |
| Net Change in Fund Balance   | 6,541,845                 | (182,784)                         | 0                                 | 6,359,061   | 6,700,184      | 6,700,184                    |       | (341,123)  |
| Fund Balance, July 1, 2007   | \$ 5,839,281 \$           | 0 \$                              | (132,958) \$                      | 5,706,323 \$  | 4,344,786 \$   | 3,664,723 \$                 |       | 2,041,600  |
| Fund Balance, June 30, 2008  |                           |                                   |                                   |   |                |                              |       |  |

Exhibit F-2

Maury County, Tennessee  
Schedule of Funding Progress – Pension Plans  
June 30, 2008

(Dollar amounts in thousands)

**County Employees (Excluding Hospital Employees)**

| Actuarial Valuation Date | Actuarial Value of Plan Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b)-(a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|------------------------------------|---|-----------------------------|--------------------|---------------------|---|
| 6-30-07                  | \$ 26,608                          | \$ 29,702                                       | 3,094                       | 89.58 %            | \$ 21,348           | 14.49 %   |

The Governmental Accounting Standards Board requires the plan to prepare the Schedule of Funding Progress using the entry age actuarial cost method. The requirement to present the Schedule of Funding Progress using the entry age actuarial cost method was a change made during the year; therefore, only the most current year is presented.

**Hospital Employees**

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|---------------------------|--------------------|---------------------|---|
| 5-1-06*                  | \$ 39,895,500                 | \$ 39,895,500                                   | 0                         | 100 %              | \$ 7,487,836        | 0 %   |
| 5-1-07**                 | 42,314,713                    | 39,373,681                                      | (2,941,032)               | 100                | 6,877,594           | 42.8  |
| 5-1-08**                 | 43,136,990                    | 41,325,850                                      | (1,811,140)               | 100                | 6,645,042           | 27.3  |

\* An unfunded actuarial accrued liability is not identified under the aggregate actuarial cost method utilized prior to 2007.

\*\* Entry age cost method is utilized for determining the unfunded actuarial liability.

Exhibit F-3

Maury County, Tennessee  
Schedule of Funding Progress - Other Postemployment Benefits Plan  
Discretely Presented Maury County School Department  
June 30, 2008

(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) |
|----------------------------|-------------------------------|---------------------------------------|-----------------------------|--------------------|---------------------|---|
| 6-30-07                    | \$ 0                          | \$ 19,760                             | \$ 19,760                   | 0%                 | \$ 51,832           | 38%   |

\*Data not available for two preceding years.

**MAURY COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2008**

**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 Maury 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, Other Boards and Committees, County Mayor/Executive, etc.). Management may make revisions within major categories, but only the Maury County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

**B. EXPENDITURES EXCEEDED APPROPRIATIONS**

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

| Fund/Major Category                           | Amount<br>Overspent |
|---|---------------------|
| General:                                      |                     |
| County Attorney                               | \$ 2,954            |
| Courtroom Security                            | 2,754               |
| Public Safety Grant Programs                  | 15,042              |
| Rabies and Animal Control                     | 18,149              |
| Libraries                                     | 13,730              |
| Miscellaneous                                 | 54,260              |
| Capital Projects Donated to School Department | 65,903              |

Such overexpenditures are a violation of state statute. These overexpenditures were funded by available fund balance.

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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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Special Purpose Fund – The Special Purpose Fund is used primarily to account for in-lieu-of taxes paid by the Saturn Corporation.

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

Adequate Facilities/Development Tax Fund – The Adequate Facilities/Development Tax Fund is used to account for the fee assessed on square footage on all new residential and commercial buildings.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions of the county’s Animal Shelter.

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.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county’s Highway Department.

# Capital Projects Funds

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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 general capital expenditures of the county.

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

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

Maury County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

| Special Purpose | Special Revenue Funds |                                      |                       |                                |                        |           | Total |
|-----------------|-----------------------|--------------------------------------|-----------------------|--------------------------------|------------------------|-----------|-------|
|                 | Drug Control          | Adequate Facilities/ Development Tax | Other Special Revenue | Constitutional Officers - Fees | Highway / Public Works |           |       |
| \$ 0 \$         | 0 \$                  | 0 \$                                 | 0 \$                  | 185,530 \$                     | 0 \$                   | 185,530   |       |
| 645,674         | 140,788               | 1,654,684                            | 33,274                | 0                              | 2,094,073              | 4,568,493 |       |
| 0               | 0                     | 5,000                                | 0                     | 1,376                          | 227,569                | 233,945   |       |
| 0               | 0                     | 0                                    | 0                     | 0                              | 221,656                | 221,656   |       |
| 0               | 300                   | 0                                    | 0                     | 0                              | 0                      | 300       |       |
| 0               | 0                     | 0                                    | 0                     | 0                              | 2,218,470              | 2,218,470 |       |
| 0               | 0                     | 0                                    | 0                     | 0                              | (62,623)               | (62,623)  |       |
| 0               | 0                     | 0                                    | 1,128                 | 0                              | 39,861                 | 40,989    |       |
| 1,768           | 0                     | 0                                    | 0                     | 0                              | 0                      | 1,768     |       |
| \$ 647,442 \$   | 141,088 \$            | 1,659,684 \$                         | 34,402 \$             | 186,906 \$                     | 4,739,006 \$           | 7,408,528 |       |

ASSETS

Cash  
 Equity in Pooled Cash and Investments  
 Accounts Receivable  
 Due from Other Governments  
 Due from Other Funds  
 Property Taxes Receivable  
 Allowance for Uncollectible Property Taxes  
 Prepaid Items  
 Notes Receivable - Current

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities  
 Accounts Payable  
 Payroll Deductions Payable  
 Contracts Payable  
 Retainage Payable  
 Due to Litigants, Heirs, and Others  
 Current Liabilities Payable from Restricted Assets:  
     Customer Deposits Payable  
 Deferred Revenue - Current Property Taxes  
 Deferred Revenue - Delinquent Property Taxes  
 Other Deferred Revenues  
 Total Liabilities

Fund Balances  
 Reserved for Encumbrances  
 Reserved for Other General Purposes  
 Unreserved (Deficit)  
 Total Fund Balances

Total Liabilities and Fund Balances

|               |            |              |           |            |              |           |
|---------------|------------|--------------|-----------|------------|--------------|-----------|
| \$ 4,479 \$   | 0 \$       | 100 \$       | 1,958 \$  | 0 \$       | 2,419 \$     | 8,956     |
| 0             | 0          | 0            | 0         | 0          | 2,326        | 2,326     |
| 0             | 0          | 0            | 0         | 0          | 0            | 0         |
| 0             | 0          | 0            | 0         | 0          | 0            | 0         |
| 0             | 0          | 0            | 0         | 2,076      | 0            | 2,076     |
| 0             | 0          | 0            | 32,949    | 0          | 0            | 32,949    |
| 0             | 0          | 0            | 0         | 0          | 2,078,811    | 2,078,811 |
| 0             | 0          | 0            | 0         | 0          | 70,593       | 70,593    |
| 0             | 0          | 0            | 0         | 0          | 221,656      | 221,656   |
| \$ 4,479 \$   | 0 \$       | 100 \$       | 34,907 \$ | 2,076 \$   | 2,375,805 \$ | 2,417,367 |
| \$ 46,784 \$  | 0 \$       | 440,757 \$   | 441 \$    | 0 \$       | 131,345 \$   | 619,327   |
| 0             | 0          | 0            | 0         | 0          | 0            | 0         |
| 596,179       | 141,088    | 1,218,827    | (946)     | 184,830    | 2,231,856    | 4,371,834 |
| \$ 642,963 \$ | 141,088 \$ | 1,659,584 \$ | (505) \$  | 184,830 \$ | 2,363,201 \$ | 4,991,161 |
| \$ 647,442 \$ | 141,088 \$ | 1,659,684 \$ | 34,402 \$ | 186,906 \$ | 4,739,006 \$ | 7,408,528 |

(Continued)

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

|  | Capital Projects Funds         |                                |                              | Total         | Nonmajor<br>Governmental<br>Funds |
|--|--------------------------------|--------------------------------|------------------------------|---------------|-----------------------------------|
|  | General<br>Capital<br>Projects | Highway<br>Capital<br>Projects | Other<br>Capital<br>Projects |               |                                   |
| \$   | 0                              | 0                              | 0                            | 0             | 185,530                           |
| Equity in Pooled Cash and Investments      | 10,736,380                     | 123,752                        | 569,637                      | 11,429,769    | 15,998,262                        |
| Accounts Receivable                        | 0                              | 0                              | 0                            | 0             | 233,945                           |
| Due from Other Governments                 | 0                              | 0                              | 0                            | 0             | 221,656                           |
| Due from Other Funds                       | 0                              | 0                              | 0                            | 0             | 300                               |
| Property Taxes Receivable                  | 0                              | 0                              | 633,848                      | 633,848       | 2,852,318                         |
| Allowance for Uncollectible Property Taxes | 0                              | 0                              | (17,892)                     | (17,892)      | (80,515)                          |
| Prepaid Items                              | 0                              | 0                              | 0                            | 0             | 40,989                            |
| Notes Receivable - Current                 | 0                              | 0                              | 0                            | 0             | 1,768                             |
| Total Assets                               | \$ 10,736,380                  | \$ 123,752                     | \$ 1,185,593                 | \$ 12,045,725 | \$ 19,454,253                     |

LIABILITIES AND FUND BALANCES

|   |    |            |         |         |           |            |
|---|----|------------|---------|---------|-----------|------------|
| Liabilities   |    |            |         |         |           |            |
| Accounts Payable                                    | \$ | 0          | 0       | 217     | 9,173     |            |
| Payroll Deductions Payable                          |    | 0          | 0       | 0       | 2,326     |            |
| Contracts Payable                                   |    | 357,252    | 0       | 357,252 | 357,252   |            |
| Retainage Payable                                   |    | 18,803     | 0       | 18,803  | 18,803    |            |
| Due to Litigants, Heirs, and Others                 |    | 0          | 0       | 0       | 2,076     |            |
| Current Liabilities Payable from Restricted Assets: |    |            |         |         |           |            |
| Customer Deposits Payable                           |    | 0          | 0       | 0       | 32,949    |            |
| Deferred Revenue - Current Property Taxes           |    | 0          | 593,946 | 593,946 | 2,672,757 |            |
| Deferred Revenue - Delinquent Property Taxes        |    | 0          | 20,169  | 20,169  | 90,762    |            |
| Other Deferred Revenues                             |    | 0          | 0       | 0       | 221,656   |            |
| Total Liabilities                                   | \$ | 376,055    | \$      | 614,332 | \$        | 3,407,754  |
| Fund Balances                                       |    |            |         |         |           |            |
| Reserved for Encumbrances                           | \$ | 2,701,354  | \$      | 66,904  | \$        | 2,768,258  |
| Reserved for Other General Purposes                 |    | 2,000,000  |         | 0       |           | 2,000,000  |
| Unreserved (Deficit)                                |    | 5,658,971  |         | 571,261 |           | 6,287,080  |
| Total Fund Balances                                 | \$ | 10,360,325 | \$      | 123,752 | \$        | 11,055,338 |
| Total Liabilities and Fund Balances                 | \$ | 10,736,380 | \$      | 123,752 | \$        | 12,045,725 |

Exhibit G-2

Maury County, Tennessee  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2008

|  | Special Revenue Funds |                  |                                     |                       |                                |                        |                     | Total |
|--|-----------------------|------------------|-------------------------------------|-----------------------|--------------------------------|------------------------|---------------------|-------|
|  | Special Purpose       | Drug Control     | Adequate Facilities/Development Tax | Other Special Revenue | Constitutional Officers - Fees | Highway / Public Works |                     |       |
|  |                       |                  |                                     |                       |                                |                        |                     |       |
| <b>Revenues</b>  |                       |                  |                                     |                       |                                |                        |                     |       |
| Local Taxes  | \$ 2,250,000          | \$ 0             | \$ 1,003,226                        | \$ 0                  | \$ 0                           | \$ 2,236,892           | \$ 5,490,118        |       |
| Fines, Forfeitures, and Penalties                        | 0                     | 86,900           | 0                                   | 0                     | 0                              | 0                      | 86,900              |       |
| Charges for Current Services                             | 0                     | 0                | 0                                   | 0                     | 802,103                        | 0                      | 802,103             |       |
| Other Local Revenues                                     | 22,140                | 200              | 0                                   | 187,359               | 0                              | 241,044                | 450,743             |       |
| State of Tennessee                                       | 25,385                | 1,979            | 0                                   | 0                     | 0                              | 2,415,383              | 2,442,747           |       |
| Federal Government                                       | 0                     | 0                | 0                                   | 0                     | 0                              | 33,547                 | 33,547              |       |
| Other Governments and Citizens Groups                    | 152,650               | 0                | 43,500                              | 4,198                 | 0                              | 0                      | 200,348             |       |
| <b>Total Revenues</b>                                    | <b>\$ 2,450,175</b>   | <b>\$ 89,079</b> | <b>\$ 1,046,726</b>                 | <b>\$ 191,557</b>     | <b>\$ 802,103</b>              | <b>\$ 4,926,866</b>    | <b>\$ 9,506,506</b> |       |
| <b>Expenditures</b>                                      |                       |                  |                                     |                       |                                |                        |                     |       |
| Current:   |                       |                  |                                     |                       |                                |                        |                     |       |
| Finance  | \$ 402,529            | \$ 0             | \$ 0                                | \$ 0                  | \$ 515,869                     | \$ 0                   | \$ 918,398          |       |
| Administration of Justice                                | 0                     | 0                | 0                                   | 0                     | 276,578                        | 0                      | 276,578             |       |
| Public Safety  | 22,105                | 85,878           | 0                                   | 0                     | 78                             | 0                      | 108,061             |       |
| Public Health and Welfare                                | 0                     | 0                | 0                                   | 192,062               | 0                              | 0                      | 192,062             |       |
| Social, Cultural, and Recreational Services              | 19,923                | 0                | 0                                   | 0                     | 0                              | 0                      | 19,923              |       |
| Other Operations   | 275,883               | 0                | 65                                  | 0                     | 0                              | 0                      | 275,948             |       |
| Highways   | 0                     | 0                | 0                                   | 0                     | 0                              | 4,859,660              | 4,859,660           |       |
| Debt Service:  |                       |                  |                                     |                       |                                |                        |                     |       |
| Principal on Debt  | 362,689               | 0                | 0                                   | 0                     | 0                              | 0                      | 362,689             |       |
| Interest on Debt   | 6,570                 | 0                | 0                                   | 0                     | 0                              | 0                      | 6,570               |       |
| Capital Projects   | 269,666               | 0                | 978,744                             | 0                     | 0                              | 173,781                | 1,422,191           |       |
| Capital Projects - Donated                               | 344,760               | 0                | 0                                   | 0                     | 0                              | 0                      | 344,760             |       |
| <b>Total Expenditures</b>                                | <b>\$ 1,704,125</b>   | <b>\$ 85,878</b> | <b>\$ 978,809</b>                   | <b>\$ 192,062</b>     | <b>\$ 792,525</b>              | <b>\$ 5,033,441</b>    | <b>\$ 8,786,840</b> |       |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>\$ 746,050</b>     | <b>\$ 3,201</b>  | <b>\$ 67,917</b>                    | <b>\$ (505)</b>       | <b>\$ 9,578</b>                | <b>\$ (106,575)</b>    | <b>\$ 719,666</b>   |       |
| <b>Other Financing Sources (Uses)</b>                    |                       |                  |                                     |                       |                                |                        |                     |       |
| Bonds Issued   | \$ 0                  | \$ 0             | \$ 0                                | \$ 0                  | \$ 0                           | \$ 0                   | \$ 0                |       |
| Notes Issued   | 0                     | 0                | 0                                   | 0                     | 0                              | 0                      | 0                   |       |
| Capital Leases Issued                                    | 344,760               | 0                | 0                                   | 0                     | 0                              | 0                      | 344,760             |       |

(Continued)

Exhibit G-2

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

|   | Special Revenue Funds |              |                                      |                       |                                |                        | Total        |
|---|-----------------------|--------------|--------------------------------------|-----------------------|--------------------------------|------------------------|--------------|
|   | Special Purpose       | Drug Control | Adequate Facilities/ Development Tax | Other Special Revenue | Constitutional Officers - Fees | Highway / Public Works |              |
| <u>Other Financing Sources (Uses) (Cont.)</u> |                       |              |                                      |                       |                                |                        |              |
| Premiums on Debt Issued                       | \$ 0                  | \$ 0         | \$ 0                                 | \$ 0                  | \$ 0                           | \$ 0                   | \$ 0         |
| Insurance Recovery                            | 0                     | 0            | 0                                    | 0                     | 0                              | 1,882                  | 1,882        |
| Transfers In                                  | 0                     | 3,600        | 0                                    | 0                     | 0                              | 771                    | 4,371        |
| Transfers Out                                 | (1,228,250)           | 0            | 0                                    | 0                     | 0                              | 0                      | (1,228,250)  |
| Total Other Financing Sources (Uses)          | \$ (883,490)          | \$ 3,600     | \$ 0                                 | \$ 0                  | \$ 0                           | \$ 2,653               | \$ (877,237) |
| Net Change in Fund Balances                   | \$ (137,440)          | \$ 6,801     | \$ 67,917                            | \$ (505)              | \$ 9,578                       | \$ (103,922)           | \$ (157,571) |
| Fund Balance, July 1, 2007                    | 780,403               | 134,287      | 1,591,667                            | 0                     | 175,252                        | 2,467,123              | 5,148,732    |
| Fund Balance, June 30, 2008                   | \$ 642,963            | \$ 141,088   | \$ 1,659,584                         | \$ (505)              | \$ 184,830                     | \$ 2,363,201           | \$ 4,991,161 |

(Continued)

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

|  | Capital Projects Funds         |                                |                              |                | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|--------------------------------|--------------------------------|------------------------------|----------------|--|
|  | General<br>Capital<br>Projects | Highway<br>Capital<br>Projects | Other<br>Capital<br>Projects | Total          |  |
| <u>Revenues</u>                                      |                                |                                |                              |                |  |
| Local Taxes  | \$ 0 \$                        | 0 \$                           | 575,692 \$                   | 575,692 \$     | 6,065,810                                  |
| Fines, Forfeitures, and Penalties                    | 0                              | 0                              | 0                            | 0              | 86,900                                     |
| Charges for Current Services                         | 0                              | 0                              | 0                            | 0              | 802,103                                    |
| Other Local Revenues                                 | 209                            | 6                              | 7,164                        | 7,379          | 458,122                                    |
| State of Tennessee                                   | 0                              | 0                              | 0                            | 0              | 2,442,747                                  |
| Federal Government                                   | 300,000                        | 0                              | 0                            | 300,000        | 333,547                                    |
| Other Governments and Citizens Groups                | 0                              | 0                              | 0                            | 0              | 200,348                                    |
| Total Revenues                                       | \$ 300,209 \$                  | 6 \$                           | 582,856 \$                   | 883,071 \$     | 10,389,577                                 |
| <u>Expenditures</u>                                  |                                |                                |                              |                |  |
| Current:   |                                |                                |                              |                |  |
| Finance  | 0 \$                           | 0 \$                           | 0 \$                         | 0 \$           | 918,398                                    |
| Administration of Justice                            | 0                              | 0                              | 0                            | 0              | 276,578                                    |
| Public Safety  | 14,210                         | 0                              | 0                            | 14,210         | 122,271                                    |
| Public Health and Welfare                            | 0                              | 0                              | 0                            | 0              | 192,062                                    |
| Social, Cultural, and Recreational Services          | 0                              | 0                              | 0                            | 0              | 19,923                                     |
| Other Operations                                     | 0                              | 0                              | 11,595                       | 11,595         | 287,543                                    |
| Highways   | 0                              | 4,270                          | 0                            | 4,270          | 4,863,930                                  |
| Debt Service:  |                                |                                |                              |                |  |
| Principal on Debt                                    | 0                              | 0                              | 0                            | 0              | 362,689                                    |
| Interest on Debt                                     | 0                              | 0                              | 0                            | 0              | 6,570                                      |
| Capital Projects                                     | 4,598,003                      | 743,417                        | 0                            | 5,341,420      | 6,763,611                                  |
| Capital Projects - Donated                           | 0                              | 0                              | 0                            | 0              | 344,760                                    |
| Total Expenditures                                   | \$ 4,612,213 \$                | 747,687 \$                     | 11,595 \$                    | 5,371,495 \$   | 14,158,335                                 |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (4,312,004) \$              | (747,681) \$                   | 571,261 \$                   | (4,488,424) \$ | (3,768,758)                                |
| <u>Other Financing Sources (Uses)</u>                |                                |                                |                              |                |  |
| Bonds Issued   | 6,420,000 \$                   | 0 \$                           | 0 \$                         | 6,420,000 \$   | 6,420,000                                  |
| Notes Issued   | 1,147,156                      | 766,440                        | 0                            | 1,913,596      | 1,913,596                                  |
| Capital Leases Issued                                | 0                              | 0                              | 0                            | 0              | 344,760                                    |

(Continued)

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

|  | Capital Projects Funds         |                                |                              | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|--------------------------------|--------------------------------|------------------------------|--|
|  | General<br>Capital<br>Projects | Highway<br>Capital<br>Projects | Other<br>Capital<br>Projects |  |
| Other Financing Sources (Uses) (Cont.) |                                |                                |                              |  |
| Premiums on Debt Issued                | \$ 116,374                     | \$ 0                           | \$ 0                         | \$ 116,374                                 |
| Insurance Recovery                     | 0                              | 0                              | 0                            | 1,882                                      |
| Transfers In                           | 0                              | 100,000                        | 0                            | 104,371                                    |
| Transfers Out                          | (40,000)                       | 0                              | 0                            | (1,268,250)                                |
| Total Other Financing Sources (Uses)   | \$ 7,643,530                   | \$ 866,440                     | \$ 0                         | \$ 8,509,970                               |
| Net Change in Fund Balances            | \$ 3,331,526                   | \$ 118,759                     | \$ 571,261                   | \$ 4,021,546                               |
| Fund Balance, July 1, 2007             | 7,028,799                      | 4,993                          | 0                            | 7,033,792                                  |
| Fund Balance, June 30, 2008            | \$ 10,360,325                  | \$ 123,752                     | \$ 571,261                   | \$ 11,055,338                              |
|  |                                |                                |                              | \$ 16,046,499                              |

Exhibit G-3

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Special Purpose Fund  
For the Year Ended June 30, 2008

|   | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
|   |                           |                                   |                                   |   | Original         | Final        |  |
| <u>Revenues</u>                             |                           |                                   |                                   |   |                  |              |  |
| Local Taxes                                 | \$ 2,250,000              | \$ 0                              | \$ 0                              | \$ 2,250,000  | \$ 2,250,000     | \$ 2,250,000 | \$ 0   |
| Other Local Revenues                        | 22,140                    | 0                                 | 0                                 | 22,140  | 16,000           | 16,000       | 6,140  |
| State of Tennessee                          | 25,385                    | 0                                 | 0                                 | 25,385  | 0                | 0            | 25,385   |
| Other Governments and Citizens Groups       | 152,650                   | 0                                 | 0                                 | 152,650   | 0                | 0            | 152,650  |
| Total Revenues                              | \$ 2,450,175              | \$ 0                              | \$ 0                              | \$ 2,450,175  | \$ 2,266,000     | \$ 2,266,000 | \$ 184,175   |
| <u>Expenditures</u>                         |                           |                                   |                                   |   |                  |              |  |
| <u>Finance</u>                              |                           |                                   |                                   |   |                  |              |  |
| Data Processing                             | \$ 402,529                | \$ (7,958)                        | \$ 22,020                         | \$ 416,591  | \$ 608,549       | \$ 608,549   | \$ 191,958   |
| Public Safety                               |                           |                                   |                                   |   |                  |              |  |
| Sheriff's Department                        | 22,105                    | 0                                 | 0                                 | 22,105  | 0                | 22,105       | 0  |
| Social, Cultural, and Recreational Services |                           |                                   |                                   |   |                  |              |  |
| Parks and Fair Boards                       | 19,923                    | 0                                 | 0                                 | 19,923  | 85,000           | 85,000       | 65,077   |
| <u>Other Operations</u>                     |                           |                                   |                                   |   |                  |              |  |
| Payments to Cities                          | 250,000                   | 0                                 | 0                                 | 250,000   | 250,000          | 250,000      | 0  |
| Miscellaneous                               | 25,883                    | (136)                             | 0                                 | 25,747  | 155,000          | 132,895      | 107,148  |
| <u>Highways</u>                             |                           |                                   |                                   |   |                  |              |  |
| Highway and Bridge Maintenance              | 0                         | 0                                 | 0                                 | 0   | 60,000           | 0            | 0  |
| <u>Principal on Debt</u>                    |                           |                                   |                                   |   |                  |              |  |
| Education                                   | 362,689                   | 0                                 | 0                                 | 362,689   | 0                | 362,689      | 0  |
| <u>Interest on Debt</u>                     |                           |                                   |                                   |   |                  |              |  |
| Education                                   | 6,570                     | 0                                 | 0                                 | 6,570   | 0                | 6,570        | 0  |
| <u>Capital Projects</u>                     |                           |                                   |                                   |   |                  |              |  |
| General Administration Projects             | 269,666                   | (268,401)                         | 24,764                            | 26,029  | 210,000          | 233,000      | 206,971  |

(Continued)

Exhibit G-3

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

|   | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
|   |                           |                                   |                                   |   | Original         | Final        |  |
| <u>Expenditures (Cont.)</u>                   |                           |                                   |                                   |   |                  |              |  |
| <u>Capital Projects - Donated</u>             |                           |                                   |                                   |   |                  |              |  |
| Capital Projects Donated to School Department | \$ 344,760 \$             | 0 \$                              | 0 \$                              | 344,760 \$  | 0 \$             | 344,760 \$   | 0  |
| Total Expenditures                            | \$ 1,704,125 \$           | (276,495) \$                      | 46,784 \$                         | 1,474,414 \$  | 1,368,549 \$     | 2,045,568 \$ | 571,154  |
| <u>Excess (Deficiency) of Revenues</u>        |                           |                                   |                                   |   |                  |              |  |
| Over Expenditures                             | \$ 746,050 \$             | 276,495 \$                        | (46,784) \$                       | 975,761 \$  | 897,451 \$       | 220,432 \$   | 755,329  |
| <u>Other Financing Sources (Uses)</u>         |                           |                                   |                                   |   |                  |              |  |
| Capital Leases Issued                         | \$ 344,760 \$             | 0 \$                              | 0 \$                              | 344,760 \$  | 0 \$             | 344,760 \$   | 0  |
| Transfers Out                                 | (1,228,250)               | 0                                 | 0                                 | (1,228,250)   | (1,168,250)      | (1,228,250)  | 0  |
| Total Other Financing Sources (Uses)          | \$ (883,490) \$           | 0 \$                              | 0 \$                              | (883,490) \$  | (1,168,250) \$   | (883,490) \$ | 0  |
| Net Change in Fund Balance                    | \$ (137,440) \$           | 276,495 \$                        | (46,784) \$                       | 92,271 \$   | (270,799) \$     | (663,058) \$ | 755,329  |
| Fund Balance, July 1, 2007                    | 780,403                   | (276,495)                         | 0                                 | 503,908   | 558,342          | 558,342      | (54,434)   |
| Fund Balance, June 30, 2008                   | \$ 642,963 \$             | 0 \$                              | (46,784) \$                       | 596,179 \$  | 287,543 \$       | (104,716) \$ | 700,895  |

Exhibit G-4

Maury 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, 2008

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |             | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|-------------|--|
|  |                           |                                   |   | Original         | Final       |  |
| <u>Revenues</u>  |                           |                                   |   |                  |             |  |
| Fines, Forfeitures, and Penalties                        | \$ 86,900                 | \$ 0                              | \$ 86,900   | \$ 55,000        | \$ 55,000   | \$ 31,900  |
| Other Local Revenues                                     | 200                       | 0                                 | 200   | 0                | 0           | 200  |
| State of Tennessee                                       | 1,979                     | 0                                 | 1,979   | 0                | 0           | 1,979  |
| Other Governments and Citizens Groups                    | 0                         | 0                                 | 0   | 200              | 200         | (200)  |
| Total Revenues   | \$ 89,079                 | \$ 0                              | \$ 89,079   | \$ 55,200        | \$ 55,200   | \$ 33,879  |
| <u>Expenditures</u>                                      |                           |                                   |   |                  |             |  |
| Public Safety  |                           |                                   |   |                  |             |  |
| Drug Enforcement   | \$ 85,878                 | (119)                             | \$ 85,759   | \$ 117,500       | \$ 117,500  | \$ 31,741  |
| Total Expenditures                                       | \$ 85,878                 | (119)                             | \$ 85,759   | \$ 117,500       | \$ 117,500  | \$ 31,741  |
| Excess (Deficiency) of Revenues<br>Over Expenditures     | \$ 3,201                  | 119                               | \$ 3,320  | (62,300)         | \$ (62,300) | \$ 65,620  |
| <u>Other Financing Sources (Uses)</u>                    |                           |                                   |   |                  |             |  |
| Transfers In   | \$ 3,600                  | 0                                 | \$ 3,600  | \$ 3,600         | \$ 3,600    | \$ 0   |
| Total Other Financing Sources (Uses)                     | \$ 3,600                  | 0                                 | \$ 3,600  | \$ 3,600         | \$ 3,600    | \$ 0   |
| Net Change in Fund Balance<br>Fund Balance, July 1, 2007 | \$ 6,801                  | 119                               | \$ 6,920  | (58,700)         | \$ (58,700) | \$ 65,620  |
|  | 134,287                   | (119)                             | 134,168   | 134,212          | 134,212     | (44)   |
| Fund Balance, June 30, 2008                              | \$ 141,088                | 0                                 | \$ 141,088  | \$ 75,512        | \$ 75,512   | \$ 65,576  |

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Adequate Facilities/Development Tax Fund  
For the Year Ended June 30, 2008

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
|  |                           |                                   |                                   |   | Original         | Final        |  |
| <u>Revenues</u>  |                           |                                   |                                   |   |                  |              |  |
| Local Taxes  | \$ 1,003,226              | \$ 0                              | \$ 0                              | \$ 1,003,226  | \$ 1,465,074     | \$ 1,465,074 | \$ (461,848)   |
| Other Governments and Citizens Groups                    | 43,500                    | 0                                 | 0                                 | 43,500  | 0                | 0            | 43,500   |
| Total Revenues   | \$ 1,046,726              | \$ 0                              | \$ 0                              | \$ 1,046,726  | \$ 1,465,074     | \$ 1,465,074 | \$ (418,348)   |
| <u>Expenditures</u>                                      |                           |                                   |                                   |   |                  |              |  |
| <u>Other Operations</u>                                  |                           |                                   |                                   |   |                  |              |  |
| Miscellaneous  | \$ 65                     | \$ 0                              | \$ 0                              | \$ 65   | \$ 0             | \$ 65        | \$ 0   |
| <u>Capital Projects</u>                                  |                           |                                   |                                   |   |                  |              |  |
| General Administration Projects                          | 16,580                    | (100,000)                         | 207,769                           | 124,349   | 160,000          | 158,149      | 33,800   |
| Public Safety Projects                                   | 118,998                   | 0                                 | 0                                 | 118,998   | 120,000          | 119,935      | 937  |
| Social, Cultural, and Recreation Projects                | 100,930                   | (98,429)                          | 29,350                            | 31,851  | 30,000           | 31,851       | 0  |
| Other General Government Projects                        | 100                       | 0                                 | 148,500                           | 148,600   | 133,000          | 133,000      | (15,600)   |
| Highway and Street Capital Projects                      | 742,136                   | (83,714)                          | 55,138                            | 713,560   | 750,000          | 750,000      | 36,440   |
| Education Capital Projects                               | 0                         | 0                                 | 0                                 | 0   | 210,000          | 210,000      | 210,000  |
| Total Expenditures                                       | \$ 978,809                | \$ (282,143)                      | \$ 440,757                        | \$ 1,137,423  | \$ 1,403,000     | \$ 1,403,000 | \$ 265,577   |
| Excess (Deficiency) of Revenues<br>Over Expenditures     | \$ 67,917                 | \$ 282,143                        | \$ (440,757)                      | \$ (90,697)   | \$ 62,074        | \$ 62,074    | \$ (152,771)   |
| Net Change in Fund Balance<br>Fund Balance, July 1, 2007 | \$ 67,917                 | \$ 282,143                        | \$ (440,757)                      | \$ (90,697)   | \$ 62,074        | \$ 62,074    | \$ (152,771)   |
|  | 1,591,667                 | (282,143)                         | 0                                 | 1,309,524   | 1,400,537        | 1,400,537    | (91,013)   |
| Fund Balance, June 30, 2008                              | \$ 1,659,584              | \$ 0                              | \$ (440,757)                      | \$ 1,218,827  | \$ 1,462,611     | \$ 1,462,611 | \$ (243,784)   |

Exhibit G-6

Maury 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, 2008

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) |                | Budgeted Amounts<br>Original | Final        | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|----------------|------------------------------|--------------|--|
|  |                           |                                   |                                   |   |                |                              |              |  |
| <u>Revenues</u>  |                           |                                   |                                   |   |                |                              |              |  |
| Local Taxes  | \$ 2,236,892              | \$ 0                              | \$ 0                              | \$ 2,236,892  | \$ 2,231,990   | \$ 2,231,990                 | \$ 4,902     |  |
| Other Local Revenues                                     | 241,044                   | 0                                 | 0                                 | 241,044   | 0              | 219,168                      | 21,876       |  |
| State of Tennessee                                       | 2,415,383                 | 0                                 | 0                                 | 2,415,383   | 2,763,945      | 2,763,945                    | (348,562)    |  |
| Federal Government                                       | 33,547                    | 0                                 | 0                                 | 33,547  | 171,725        | 205,272                      | (171,725)    |  |
| Total Revenues   | \$ 4,926,866              | \$ 0                              | \$ 0                              | \$ 4,926,866  | \$ 5,167,660   | \$ 5,420,375                 | \$ (493,509) |  |
| <u>Expenditures</u>                                      |                           |                                   |                                   |   |                |                              |              |  |
| <u>Highways</u>  |                           |                                   |                                   |   |                |                              |              |  |
| Administration   | \$ 212,527                | (633)                             | 0                                 | 211,894   | 214,320        | 215,778                      | 3,884        |  |
| Highway and Bridge Maintenance                           | 3,070,841                 | (27,029)                          | 35,972                            | 3,079,784   | 3,339,822      | 3,400,185                    | 320,401      |  |
| Operation and Maintenance of Equipment                   | 790,945                   | (19,205)                          | 1,180                             | 772,920   | 1,008,500      | 1,037,605                    | 264,685      |  |
| Other Charges  | 377,636                   | (400)                             | 1,520                             | 378,756   | 460,075        | 463,078                      | 84,322       |  |
| Employee Benefits  | 1,262                     | 0                                 | 0                                 | 1,262   | 8,500          | 8,500                        | 7,238        |  |
| Capital Outlay   | 406,449                   | (31,658)                          | 47,393                            | 422,184   | 1,092,828      | 1,465,663                    | 1,043,479    |  |
| <u>Capital Projects</u>                                  |                           |                                   |                                   |   |                |                              |              |  |
| Highway and Street Capital Projects                      | 173,781                   | 0                                 | 45,280                            | 219,061   | 373,000        | 373,000                      | 153,939      |  |
| Total Expenditures                                       | \$ 5,033,441              | \$ (78,925)                       | \$ 131,345                        | \$ 5,085,861  | \$ 6,497,045   | \$ 6,963,809                 | \$ 1,877,948 |  |
| Excess (Deficiency) of Revenues<br>Over Expenditures     | \$ (106,575)              | \$ 78,925                         | \$ (131,345)                      | \$ (158,995)  | \$ (1,329,385) | \$ (1,543,434)               | \$ 1,384,439 |  |
| <u>Other Financing Sources (Uses)</u>                    |                           |                                   |                                   |   |                |                              |              |  |
| Insurance Recovery                                       | \$ 1,882                  | \$ 0                              | \$ 0                              | \$ 1,882  | \$ 0           | \$ 1,093                     | \$ 789       |  |
| Transfers In   | 771                       | 0                                 | 0                                 | 771   | 0              | 0                            | 771          |  |
| Total Other Financing Sources (Uses)                     | \$ 2,653                  | \$ 0                              | \$ 0                              | \$ 2,653  | \$ 0           | \$ 1,093                     | \$ 1,560     |  |
| Net Change in Fund Balance<br>Fund Balance, July 1, 2007 | \$ (103,922)              | \$ 78,925                         | \$ (131,345)                      | \$ (156,342)  | \$ (1,329,385) | \$ (1,542,341)               | \$ 1,385,999 |  |
| Fund Balance, July 1, 2007                               | 2,467,123                 | (78,925)                          | 0                                 | 2,388,198   | 2,794,421      | 2,794,421                    | (406,223)    |  |
| Fund Balance, June 30, 2008                              | \$ 2,363,201              | \$ 0                              | \$ (131,345)                      | \$ 2,231,856  | \$ 1,465,036   | \$ 1,252,080                 | \$ 979,776   |  |

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# **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, long-term debt principal, interest, and related costs.

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## Exhibit H

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2008

|  | Actual               | Budgeted Amounts     |                      | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|----------------------|----------------------|----------------------|--|
|  |                      | Original             | Final                |  |
| <u>Revenues</u>                                      |                      |                      |                      |  |
| Local Taxes  | \$ 7,347,098         | \$ 6,944,480         | \$ 6,944,480         | \$ 402,618   |
| Other Local Revenues                                 | 1,778,755            | 1,000,000            | 1,000,000            | 778,755  |
| State of Tennessee                                   | 868,693              | 475,000              | 475,000              | 393,693  |
| Federal Government                                   | 410                  | 0                    | 0                    | 410  |
| Total Revenues                                       | <u>\$ 9,994,956</u>  | <u>\$ 8,419,480</u>  | <u>\$ 8,419,480</u>  | <u>\$ 1,575,476</u>  |
| <u>Expenditures</u>                                  |                      |                      |                      |  |
| <u>Principal on Debt</u>                             |                      |                      |                      |  |
| General Government                                   | \$ 918,558           | \$ 918,558           | \$ 918,558           | \$ 0   |
| Highways and Streets                                 | 349,258              | 349,258              | 349,258              | 0  |
| Education  | 4,029,406            | 4,029,406            | 4,029,406            | 0  |
| <u>Interest on Debt</u>                              |                      |                      |                      |  |
| General Government                                   | 589,019              | 589,021              | 589,021              | 2  |
| Highways and Streets                                 | 69,322               | 69,322               | 69,322               | 0  |
| Education  | 1,891,260            | 1,893,568            | 1,893,568            | 2,308  |
| <u>Other Debt Service</u>                            |                      |                      |                      |  |
| General Government                                   | 149,205              | 155,000              | 155,000              | 5,795  |
| Total Expenditures                                   | <u>\$ 7,996,028</u>  | <u>\$ 8,004,133</u>  | <u>\$ 8,004,133</u>  | <u>\$ 8,105</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 1,998,928</u>  | <u>\$ 415,347</u>    | <u>\$ 415,347</u>    | <u>\$ 1,583,581</u>  |
| Net Change in Fund Balance                           | \$ 1,998,928         | \$ 415,347           | \$ 415,347           | \$ 1,583,581   |
| Fund Balance, July 1, 2007                           | 11,242,888           | 11,231,891           | 11,231,891           | 10,997   |
| Fund Balance, June 30, 2008                          | <u>\$ 13,241,816</u> | <u>\$ 11,647,238</u> | <u>\$ 11,647,238</u> | <u>\$ 1,594,578</u>  |

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# Proprietary Funds

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or other governments, on a cost-reimbursed basis.

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Central Maintenance/Garage Fund – The Central Maintenance/Garage Fund is used to account for the county’s central vehicle maintenance program.

Employee Insurance - Prescriptions Fund – The Employee Insurance - Prescriptions Fund was used to account for the county’s self-insured prescription drugs program until it was closed during the year.

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Exhibit I-1

Maury County, Tennessee  
Combining Statement of Revenues, Expenses, and  
Changes in Net Assets  
Proprietary Funds  
For the Year Ended June 30, 2008

|                                       | Governmental Activities -<br>Internal Service Funds |  |                     |
|---------------------------------------|---|--|---------------------|
|                                       | Central<br>Maintenance/<br>Garage                   | Employee<br>Insurance -<br>Prescriptions | Total               |
| <u>Operating Revenues</u>             |   |  |                     |
| Charges for Current Services          | \$ 2,123,889  | \$ 0                                     | \$ 2,123,889        |
| Other Local Revenues                  | 1,580   | 0  | 1,580               |
| Total Operating Revenues              | <u>\$ 2,125,469</u>                                 | <u>\$ 0</u>                              | <u>\$ 2,125,469</u> |
| <u>Operating Expenses</u>             |   |  |                     |
| Other General Administration          | \$ 2,145,156  | \$ 0                                     | \$ 2,145,156        |
| Depreciation and Amortization Expense | 10,779  | 0  | 10,779              |
| Total Operating Expenses              | <u>\$ 2,155,935</u>                                 | <u>\$ 0</u>                              | <u>\$ 2,155,935</u> |
| Operating Income (Loss)               | <u>\$ (30,466)</u>                                  | <u>\$ 0</u>                              | <u>\$ (30,466)</u>  |
| Income (Loss) Before Transfers        | \$ (30,466)   | \$ 0                                     | \$ (30,466)         |
| Transfers In (Out)                    | 33,404  | (5,178)                                  | 28,226              |
| Change in Net Assets                  | \$ 2,938  | \$ (5,178)                               | \$ (2,240)          |
| Net Assets, July 1, 2007              | <u>207,201</u>                                      | <u>5,178</u>                             | <u>212,379</u>      |
| Nets Assets, June 30, 2008            | <u>\$ 210,139</u>                                   | <u>\$ 0</u>                              | <u>\$ 210,139</u>   |

Maury County, Tennessee  
Combining Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2008

|    | Governmental Activities - |               |             |    | Total       |
|----|---------------------------|---------------|-------------|----|-------------|
|    | Internal Service Funds    |               |             |    |             |
|    | Central                   | Employee      | Insurance - |    |             |
|    | Maintenance/<br>Garage    | Prescriptions |             |    |             |
| \$ | 2,066,817                 | \$            | 0           | \$ | 2,066,817   |
|    | 1,580                     |               | 0           |    | 1,580       |
|    | (2,149,759)               |               | 0           |    | (2,149,759) |
| \$ | (81,362)                  | \$            | 0           | \$ | (81,362)    |

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customers and Users  
 Other Cash Receipts (Payments)  
 Central Maintenance Garage Activity - Uses  
 Net Cash Provided By (Used In) Operating Activities

|    |          |    |   |    |          |
|----|----------|----|---|----|----------|
| \$ | (19,493) | \$ | 0 | \$ | (19,493) |
| \$ | (19,493) | \$ | 0 | \$ | (19,493) |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of Capital Assets  
 Net Cash Provided By (Used In) Capital and Related Financing Activities

|    |        |    |         |    |         |
|----|--------|----|---------|----|---------|
| \$ | 33,404 | \$ | 0       | \$ | 33,404  |
|    | 0      |    | (5,178) |    | (5,178) |
| \$ | 33,404 | \$ | (5,178) | \$ | 28,226  |

Net Increase (Decrease) in Cash  
 Cash, July 1, 2007

|    |          |    |         |    |          |
|----|----------|----|---------|----|----------|
| \$ | (67,451) | \$ | (5,178) | \$ | (72,629) |
|    | 88,295   |    | 5,178   |    | 93,473   |

Cash, June 30, 2008

|    |        |    |   |    |        |
|----|--------|----|---|----|--------|
| \$ | 20,844 | \$ | 0 | \$ | 20,844 |
|----|--------|----|---|----|--------|

RECONCILIATION OF OPERATING INCOME (LOSS)  
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating Income (Loss)  
 Adjustments to Reconcile Net Operating Income (Loss) to  
 Net Cash Provided By (Used In) Operating Activities:  
 Depreciation and Amortization Expense  
 (Increase) Decrease in Accounts Receivable  
 (Increase) Decrease in Prepaid Items  
 Increase (Decrease) in Accounts Payable  
 Increase (Decrease) in Payroll Deductions Payable

|    |          |    |   |    |          |
|----|----------|----|---|----|----------|
| \$ | (30,466) | \$ | 0 | \$ | (30,466) |
|    | 10,779   |    | 0 |    | 10,779   |
|    | (54,947) |    | 0 |    | (54,947) |
|    | (2,125)  |    | 0 |    | (2,125)  |
|    | (48)     |    | 0 |    | (48)     |
|    | (4,555)  |    | 0 |    | (4,555)  |

Net Cash Provided By (Used In) Operating Activities

|    |          |    |   |    |          |
|----|----------|----|---|----|----------|
| \$ | (81,362) | \$ | 0 | \$ | (81,362) |
|----|----------|----|---|----|----------|

# 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.

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Exhibit J-1

Maury County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2008

|                                     | <u>Agency Funds</u>      |   |                     |
|-------------------------------------|--------------------------|---|---------------------|
|                                     | Cities -<br>Sales<br>Tax | Constitu-<br>tional<br>Officers -<br>Agency | Total               |
| <u>ASSETS</u>                       |                          |   |                     |
| Cash                                | \$ 0                     | \$ 2,160,457                                | \$ 2,160,457        |
| Investments                         | 0                        | 37,490                                      | 37,490              |
| Due from Other Governments          | 1,619,182                | 0   | 1,619,182           |
| Total Assets                        | <u>\$ 1,619,182</u>      | <u>\$ 2,197,947</u>                         | <u>\$ 3,817,129</u> |
| <u>LIABILITIES</u>                  |                          |   |                     |
| Due to Other Taxing Units           | \$ 1,619,182             | \$ 0  | \$ 1,619,182        |
| Due to Litigants, Heirs, and Others | 0                        | 2,197,947                                   | 2,197,947           |
| Total Liabilities                   | <u>\$ 1,619,182</u>      | <u>\$ 2,197,947</u>                         | <u>\$ 3,817,129</u> |

## Exhibit J-2

Maury County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2008

|  | Beginning<br>Balance | Additions     | Deductions    | Ending<br>Balance |
|--|----------------------|---------------|---------------|-------------------|
| <u>Cities - Sales Tax Fund</u>               |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Equity in Pooled Cash and Investments        | \$ 0                 | \$ 8,974,295  | \$ 8,974,295  | \$ 0              |
| Due from Other Governments                   | 1,500,240            | 1,619,182     | 1,500,240     | 1,619,182         |
| Total Assets                                 | \$ 1,500,240         | \$ 10,593,477 | \$ 10,474,535 | \$ 1,619,182      |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Due to Other Taxing Units                    | \$ 1,500,240         | \$ 10,593,477 | \$ 10,474,535 | \$ 1,619,182      |
| Total Liabilities                            | \$ 1,500,240         | \$ 10,593,477 | \$ 10,474,535 | \$ 1,619,182      |
| <u>Constitutional Officers - Agency Fund</u> |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Cash   | \$ 2,479,183         | \$ 17,464,775 | \$ 17,783,501 | \$ 2,160,457      |
| Investments                                  | 36,511               | 979           | 0             | 37,490            |
| Total Assets                                 | \$ 2,515,694         | \$ 17,465,754 | \$ 17,783,501 | \$ 2,197,947      |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Due to Litigants, Heirs, and Others          | \$ 2,515,694         | \$ 17,465,754 | \$ 17,783,501 | \$ 2,197,947      |
| Total Liabilities                            | \$ 2,515,694         | \$ 17,465,754 | \$ 17,783,501 | \$ 2,197,947      |
| <u>Totals - All Agency Funds</u>             |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Equity in Pooled Cash and Investments        | \$ 0                 | \$ 8,974,295  | \$ 8,974,295  | \$ 0              |
| Cash   | 2,479,183            | 17,464,775    | 17,783,501    | 2,160,457         |
| Due from Other Governments                   | 1,500,240            | 1,619,182     | 1,500,240     | 1,619,182         |
| Investments                                  | 36,511               | 979           | 0             | 37,490            |
| Total Assets                                 | \$ 4,015,934         | \$ 28,059,231 | \$ 28,258,036 | \$ 3,817,129      |
| <u>Totals - All Agency Funds</u>             |                      |               |               |                   |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Due to Other Taxing Units                    | \$ 1,500,240         | \$ 10,593,477 | \$ 10,474,535 | \$ 1,619,182      |
| Due to Litigants, Heirs, and Others          | 2,515,694            | 17,465,754    | 17,783,501    | 2,197,947         |
| Total Liabilities                            | \$ 4,015,934         | \$ 28,059,231 | \$ 28,258,036 | \$ 3,817,129      |

# Maury County School Department

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

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

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

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

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

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Exhibit K-1

Maury County, Tennessee  
 Statement of Activities  
 Discretely Presented Maury County School Department  
 For the Year Ended June 30, 2008

| Functions/Programs   | Expenses      | Program Revenues           |   |   | Net (Expense)<br>Revenue and<br>Changes in<br>Net Assets<br>Total<br>Governmental<br>Activities |
|--|---------------|----------------------------|---|---|---|
|  |               | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions |   |
| Governmental Activities:                                     |               |                            |   |   |   |
| Instruction  | \$ 57,918,011 | \$ 164,417                 | \$ 5,903,677                                | \$ 263,002                                | \$ (51,586,915)   |
| Support Services   | 29,161,374    | 358,753                    | 137,766                                     | 26,909,458                                | (1,755,397)   |
| Operation of Non-Instructional Services                      | 5,100,400     | 2,434,213                  | 3,062,806                                   | 0   | 396,619   |
| Interest on Long-term Debt                                   | 84,598        | 0                          | 0   | 0   | (84,598)  |
| Total Governmental Activities                                | \$ 92,264,383 | \$ 2,957,383               | \$ 9,104,249                                | \$ 27,172,460                             | \$ (53,030,291)   |
| General Revenues:  |               |                            |   |   |   |
| Taxes:   |               |                            |   |   |   |
| Property Taxes Levied for General Purposes                   |               |                            |   |   | \$ 18,338,987   |
| Local Option Sales Taxes                                     |               |                            |   |   | 10,258,963  |
| Other Local Taxes  |               |                            |   |   | 10,632  |
| Grants and Contributions Not Restricted to Specific Programs |               |                            |   |   | 44,942,270  |
| Unrestricted Investment Earnings                             |               |                            |   |   | 35,935  |
| Miscellaneous  |               |                            |   |   | 203,252   |
| Total General Revenues                                       |               |                            |   |   | \$ 73,790,039   |
| Change in Net Assets   |               |                            |   |   | \$ 20,759,748   |
| Prior-period Adjustment                                      |               |                            |   |   | (1,769,176)   |
| Net Assets, July 1, 2007                                     |               |                            |   |   | 98,768,628  |
| Net Assets, June 30, 2008                                    |               |                            |   |   | \$ 117,759,200  |

Exhibit K-2

Maury County, Tennessee  
 Balance Sheet - Governmental Funds  
 Discretely Presented Maury County School Department  
 June 30, 2008

|  | Major Funds            |                            | Nonmajor                               | Total                |
|--|------------------------|----------------------------|--|----------------------|
|  | General Purpose School | Education Capital Projects | Funds<br>Other Govern-<br>mental Funds |                      |
| <u>ASSETS</u>  |                        |                            |  |                      |
| Cash   | \$ 0                   | \$ 0                       | \$ 6,909                               | \$ 6,909             |
| Equity in Pooled Cash and Investments                | 2,290,522              | 26,317,655                 | 1,218,045                              | 29,826,222           |
| Accounts Receivable                                  | 21,603                 | 47,203                     | 172                                    | 68,978               |
| Due from Other Governments                           | 2,963,299              | 0                          | 469,987                                | 3,433,286            |
| Due from Other Funds                                 | 127,030                | 0                          | 4,081                                  | 131,111              |
| Property Taxes Receivable                            | 18,650,791             | 0                          | 0                                      | 18,650,791           |
| Allowance for Uncollectible Property Taxes           | (536,876)              | 0                          | 0                                      | (536,876)            |
| <b>Total Assets</b>                                  | <b>\$ 23,516,369</b>   | <b>\$ 26,364,858</b>       | <b>\$ 1,699,194</b>                    | <b>\$ 51,580,421</b> |
| <u>LIABILITIES AND FUND BALANCES</u>                 |                        |                            |  |                      |
| <u>Liabilities</u>                                   |                        |                            |  |                      |
| Accounts Payable                                     | \$ 0                   | \$ 24,663                  | \$ 1,180                               | \$ 25,843            |
| Accrued Payroll                                      | 722                    | 0                          | 0                                      | 722                  |
| Contracts Payable                                    | 0                      | 962,718                    | 0                                      | 962,718              |
| Retainage Payable                                    | 0                      | 57,294                     | 0                                      | 57,294               |
| Due to Other Funds                                   | 4,081                  | 0                          | 127,030                                | 131,111              |
| Due to Primary Government                            | 0                      | 47,203                     | 0                                      | 47,203               |
| Due to State of Tennessee                            | 0                      | 0                          | 7,023                                  | 7,023                |
| Deferred Revenue - Current Property Taxes            | 17,440,004             | 0                          | 0                                      | 17,440,004           |
| Deferred Revenue - Delinquent Property Taxes         | 610,077                | 0                          | 0                                      | 610,077              |
| Other Deferred Revenues                              | 989,606                | 0                          | 0                                      | 989,606              |
| <b>Total Liabilities</b>                             | <b>\$ 19,044,490</b>   | <b>\$ 1,091,878</b>        | <b>\$ 135,233</b>                      | <b>\$ 20,271,601</b> |
| <u>Fund Balances</u>                                 |                        |                            |  |                      |
| Reserved for Encumbrances                            | \$ 118,484             | \$ 900,043                 | \$ 0                                   | \$ 1,018,527         |
| Reserved for Career Ladder - Extended Contract       | 44,163                 | 0                          | 0                                      | 44,163               |
| Reserved for Career Ladder Program                   | 31,844                 | 0                          | 0                                      | 31,844               |
| Reserved for Innovative Education Program Strategies | 0                      | 0                          | 98                                     | 98                   |
| Reserved for Special Education - Grants to States    | 0                      | 0                          | 253,224                                | 253,224              |
| Other Federal Reserves                               | 0                      | 0                          | 7,499                                  | 7,499                |
| Unreserved, Reported In:                             |                        |                            |  |                      |
| General Fund   | 4,277,388              | 0                          | 0                                      | 4,277,388            |
| Special Revenue Funds                                | 0                      | 0                          | 1,303,140                              | 1,303,140            |
| Capital Projects Funds                               | 0                      | 24,372,937                 | 0                                      | 24,372,937           |
| <b>Total Fund Balances</b>                           | <b>\$ 4,471,879</b>    | <b>\$ 25,272,980</b>       | <b>\$ 1,563,961</b>                    | <b>\$ 31,308,820</b> |
| <b>Total Liabilities and Fund Balances</b>           | <b>\$ 23,516,369</b>   | <b>\$ 26,364,858</b>       | <b>\$ 1,699,194</b>                    | <b>\$ 51,580,421</b> |

Maury County, Tennessee  
Discretely Presented Maury County School Department  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Assets  
June 30, 2008

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

|   |    |                    |                    |
|---|----|--------------------|--------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit K-2)  |    | \$                 | 31,308,820         |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.  |    |                    |                    |
| Add: land   | \$ | 2,910,813          |                    |
| Add: construction in progress   |    | 4,675,146          |                    |
| Add: building and improvements net of accumulated depreciation  |    | 79,883,333         |                    |
| Add: other capital assets net of accumulated depreciation   |    | <u>4,149,892</u>   | 91,619,184         |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.         |    |                    |                    |
| Less: notes payable   | \$ | (434,747)          |                    |
| Less: capital leases payable  |    | (1,401,112)        |                    |
| Less: compensated absences payable  |    | (3,649,715)        |                    |
| Less: accrued interest on notes payable and capital leases  |    | (50,269)           |                    |
| Less: other postemployment benefits obligation  |    | <u>(1,232,644)</u> | (6,768,487)        |
| (3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds. |    |                    | <u>1,599,683</u>   |
| Net assets of governmental activities (Exhibit A)   |    | \$                 | <u>117,759,200</u> |

Exhibit K-4

Maury County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2008

|   | <u>Major Funds</u>   |                      | <u>Nonmajor</u>      | <u>Total</u>          |
|---|----------------------|----------------------|----------------------|-----------------------|
|   | <u>General</u>       | <u>Education</u>     | <u>Funds</u>         |                       |
|   | <u>Purpose</u>       | <u>Capital</u>       | <u>Other</u>         | <u>Governmental</u>   |
|   | <u>School</u>        | <u>Projects</u>      | <u>Funds</u>         | <u>Funds</u>          |
| <u>Revenues</u>                             |                      |                      |                      |                       |
| Local Taxes                                 | \$ 28,618,638        | \$ 0                 | \$ 0                 | \$ 28,618,638         |
| Licenses and Permits                        | 5,843                | 0                    | 0                    | 5,843                 |
| Charges for Current Services                | 333,918              | 0                    | 2,433,873            | 2,767,791             |
| Other Local Revenues                        | 146,725              | 4,107                | 63,939               | 214,771               |
| State of Tennessee                          | 45,534,375           | 0                    | 59,007               | 45,593,382            |
| Federal Government                          | 467,034              | 0                    | 7,911,968            | 8,379,002             |
| Other Governments and Citizens Groups       | 0                    | 26,909,458           | 0                    | 26,909,458            |
| <b>Total Revenues</b>                       | <b>\$ 75,106,533</b> | <b>\$ 26,913,565</b> | <b>\$ 10,468,787</b> | <b>\$ 112,488,885</b> |
| <u>Expenditures</u>                         |                      |                      |                      |                       |
| Current:                                    |                      |                      |                      |                       |
| Instruction                                 | \$ 49,777,513        | \$ 0                 | \$ 3,948,992         | \$ 53,726,505         |
| Support Services                            | 25,803,188           | 0                    | 1,258,278            | 27,061,466            |
| Operation of Non-Instructional Services     | 0                    | 0                    | 5,412,552            | 5,412,552             |
| Capital Outlay                              | 34,528               | 0                    | 0                    | 34,528                |
| Debt Service:                               |                      |                      |                      |                       |
| Principal on Debt                           | 262,798              | 0                    | 0                    | 262,798               |
| Interest on Debt                            | 91,736               | 0                    | 0                    | 91,736                |
| Capital Projects                            | 0                    | 6,420,602            | 0                    | 6,420,602             |
| <b>Total Expenditures</b>                   | <b>\$ 75,969,763</b> | <b>\$ 6,420,602</b>  | <b>\$ 10,619,822</b> | <b>\$ 93,010,187</b>  |
| Excess (Deficiency) of Revenues             |                      |                      |                      |                       |
| Over Expenditures                           | \$ (863,230)         | \$ 20,492,963        | \$ (151,035)         | \$ 19,478,698         |
| <u>Other Financing Sources (Uses)</u>       |                      |                      |                      |                       |
| Insurance Recovery                          | \$ 92,675            | \$ 0                 | \$ 0                 | \$ 92,675             |
| Transfers In                                | 139,196              | 0                    | 0                    | 139,196               |
| Transfers Out                               | 0                    | 0                    | (139,196)            | (139,196)             |
| <b>Total Other Financing Sources (Uses)</b> | <b>\$ 231,871</b>    | <b>\$ 0</b>          | <b>\$ (139,196)</b>  | <b>\$ 92,675</b>      |
| Net Change in Fund Balances                 | \$ (631,359)         | \$ 20,492,963        | \$ (290,231)         | \$ 19,571,373         |
| Fund Balance, July 1, 2007                  | 5,103,238            | 4,780,017            | 1,854,192            | 11,737,447            |
| Fund Balance, June 30, 2008                 | \$ 4,471,879         | \$ 25,272,980        | \$ 1,563,961         | \$ 31,308,820         |

Maury County, Tennessee  
Discretely Presented Maury 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, 2008

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

|   |                    |                      |
|---|--------------------|----------------------|
| Net change in fund balances - total governmental funds (Exhibit K-4)  |                    | \$ 19,571,373        |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:                                  |                    |                      |
| Add: capital assets purchased in the current period   | \$ 5,569,552       |                      |
| Less: current year depreciation expense   | <u>(3,732,160)</u> | 1,837,392            |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.  |                    |                      |
| Add: assets donated and capitalized   | \$ 263,002         |                      |
| Add: gain on disposal of capital assets   | 93,758             |                      |
| Less: proceeds from disposal of capital assets  | <u>(96,238)</u>    | 260,522              |
| (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.  |                    |                      |
| Add: deferred delinquent property taxes and other deferred June 30, 2008  | \$ 1,599,683       |                      |
| Less: deferred delinquent property taxes and other deferred June 30, 2007   | <u>(1,569,752)</u> | 29,931               |
| (4) The issuance of long-term debt (e.g., notes, bonds, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. |                    |                      |
| Add: principal payments on notes  | \$ 65,253          |                      |
| Add: principal payments on capital leases   | <u>197,545</u>     | 262,798              |
| (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  | \$ 7,138           |                      |
| Change in compensated absences payable  | 23,238             |                      |
| Change in other postemployment benefits obligation  | <u>(1,232,644)</u> | <u>(1,202,268)</u>   |
| Change in net assets of governmental activities (Exhibit B)   |                    | <u>\$ 20,759,748</u> |

Exhibit K-6

Maury County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Maury County School Department  
June 30, 2008

|  | <u>Special Revenue Funds</u>  |                      | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|-------------------------------|----------------------|--|
|  | School<br>Federal<br>Projects | Central<br>Cafeteria |  |
| <u>ASSETS</u>  |                               |                      |  |
| Cash   | \$ 0                          | \$ 6,909             | \$ 6,909                                   |
| Equity in Pooled Cash and Investments                | 206,065                       | 1,011,980            | 1,218,045                                  |
| Accounts Receivable                                  | 172                           | 0                    | 172  |
| Due from Other Governments                           | 184,556                       | 285,431              | 469,987                                    |
| Due from Other Funds                                 | 4,081                         | 0                    | 4,081                                      |
| Total Assets   | <u>\$ 394,874</u>             | <u>\$ 1,304,320</u>  | <u>\$ 1,699,194</u>                        |
| <u>LIABILITIES AND FUND BALANCES</u>                 |                               |                      |  |
| <u>Liabilities</u>                                   |                               |                      |  |
| Accounts Payable                                     | \$ 0                          | \$ 1,180             | \$ 1,180                                   |
| Due to Other Funds                                   | 127,030                       | 0                    | 127,030                                    |
| Due to State of Tennessee                            | 7,023                         | 0                    | 7,023                                      |
| Total Liabilities                                    | <u>\$ 134,053</u>             | <u>\$ 1,180</u>      | <u>\$ 135,233</u>                          |
| <u>Fund Balances</u>                                 |                               |                      |  |
| Reserved for Innovative Education Program Strategies | \$ 98                         | \$ 0                 | \$ 98                                      |
| Reserved for Special Education - Grants to States    | 253,224                       | 0                    | 253,224                                    |
| Other Federal Reserves                               | 7,499                         | 0                    | 7,499                                      |
| Unreserved   | 0                             | 1,303,140            | 1,303,140                                  |
| Total Fund Balances                                  | <u>\$ 260,821</u>             | <u>\$ 1,303,140</u>  | <u>\$ 1,563,961</u>                        |
| Total Liabilities and Fund Balances                  | <u>\$ 394,874</u>             | <u>\$ 1,304,320</u>  | <u>\$ 1,699,194</u>                        |

Exhibit K-7

Maury County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2008

|   | <u>Special Revenue Funds</u> |                     | Total                |
|---|------------------------------|---------------------|----------------------|
|   | School                       | Central             | Nonmajor             |
|   | Federal                      | Cafeteria           | Governmental         |
|   | Projects                     |                     | Funds                |
| <u>Revenues</u>                         |                              |                     |                      |
| Charges for Current Services            | \$ 0                         | \$ 2,433,873        | \$ 2,433,873         |
| Other Local Revenues                    | 0                            | 63,939              | 63,939               |
| State of Tennessee                      | 0                            | 59,007              | 59,007               |
| Federal Government                      | 5,296,163                    | 2,615,805           | 7,911,968            |
| Total Revenues                          | <u>\$ 5,296,163</u>          | <u>\$ 5,172,624</u> | <u>\$ 10,468,787</u> |
| <u>Expenditures</u>                     |                              |                     |                      |
| Current:                                |                              |                     |                      |
| Instruction                             | \$ 3,948,992                 | \$ 0                | \$ 3,948,992         |
| Support Services                        | 1,203,278                    | 55,000              | 1,258,278            |
| Operation of Non-Instructional Services | 0                            | 5,412,552           | 5,412,552            |
| Total Expenditures                      | <u>\$ 5,152,270</u>          | <u>\$ 5,467,552</u> | <u>\$ 10,619,822</u> |
| Excess (Deficiency) of Revenues         |                              |                     |                      |
| Over Expenditures                       | \$ 143,893                   | \$ (294,928)        | \$ (151,035)         |
| <u>Other Financing Sources (Uses)</u>   |                              |                     |                      |
| Transfers Out                           | \$ (139,196)                 | \$ 0                | \$ (139,196)         |
| Total Other Financing Sources (Uses)    | <u>\$ (139,196)</u>          | <u>\$ 0</u>         | <u>\$ (139,196)</u>  |
| Net Change in Fund Balances             | \$ 4,697                     | \$ (294,928)        | \$ (290,231)         |
| Fund Balance, July 1, 2007              | 256,124                      | 1,598,068           | 1,854,192            |
| Fund Balance, June 30, 2008             | <u>\$ 260,821</u>            | <u>\$ 1,303,140</u> | <u>\$ 1,563,961</u>  |

Exhibit K-8

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Maury County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2008

|                                 | Actual<br>(GAAP<br>Basis) | Less:                    |                           | Add:          | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---------------------------------|---------------------------|--------------------------|---------------------------|---------------|---|------------------|--------------|--|
|                                 |                           | Encumbrances<br>7/1/2007 | Encumbrances<br>6/30/2008 |               |   | Original         | Final        |  |
| <u>Revenues</u>                 |                           |                          |                           |               |   |                  |              |  |
| Local Taxes                     | \$ 28,618,638             | \$ 0                     | \$ 0                      | \$ 28,618,638 | \$ 28,704,663   | \$ 28,704,663    | \$ (86,025)  |  |
| Licenses and Permits            | 5,843                     | 0                        | 0                         | 5,843         | 5,400   | 5,400            | 443          |  |
| Charges for Current Services    | 333,918                   | 0                        | 0                         | 333,918       | 345,000   | 345,000          | (11,082)     |  |
| Other Local Revenues            | 146,725                   | 0                        | 0                         | 146,725       | 10,000  | 105,343          | 41,382       |  |
| State of Tennessee              | 45,534,375                | 0                        | 0                         | 45,534,375    | 43,817,096  | 46,059,776       | (525,401)    |  |
| Federal Government              | 467,034                   | 0                        | 0                         | 467,034       | 75,000  | 176,498          | 290,536      |  |
| Total Revenues                  | \$ 75,106,533             | \$ 0                     | \$ 0                      | \$ 75,106,533 | \$ 72,957,159   | \$ 75,396,680    | \$ (290,147) |  |
| <u>Expenditures</u>             |                           |                          |                           |               |   |                  |              |  |
| <u>Instruction</u>              |                           |                          |                           |               |   |                  |              |  |
| Regular Instruction Program     | \$ 39,813,431             | \$ (41,594)              | \$ 9,176                  | \$ 39,781,013 | \$ 38,633,600   | \$ 40,043,285    | \$ 262,272   |  |
| Alternative Instruction Program | 405,584                   | 0                        | 0                         | 405,584       | 352,548   | 418,018          | 12,434       |  |
| Special Education Program       | 6,944,107                 | (19,126)                 | 865                       | 6,925,846     | 6,960,931   | 6,856,939        | (68,907)     |  |
| Vocational Education Program    | 2,614,391                 | (2,105)                  | 22,133                    | 2,634,419     | 2,694,036   | 2,709,036        | 74,617       |  |
| <u>Support Services</u>         |                           |                          |                           |               |   |                  |              |  |
| Attendance                      | 448,268                   | (145)                    | 26                        | 448,149       | 446,018   | 469,316          | 21,167       |  |
| Health Services                 | 385,043                   | (203)                    | 12,273                    | 397,113       | 313,127   | 403,484          | 6,371        |  |
| Other Student Support           | 1,688,926                 | (1,820)                  | 1,014                     | 1,688,120     | 1,689,275   | 1,700,088        | 11,968       |  |
| Regular Instruction Program     | 2,493,935                 | (3,459)                  | 6,283                     | 2,496,759     | 2,554,903   | 2,547,070        | 50,311       |  |
| Alternative Instruction Program | 160,967                   | 0                        | 57                        | 161,024       | 162,653   | 171,653          | 10,629       |  |
| Special Education Program       | 976,462                   | (3,437)                  | 180                       | 973,205       | 964,532   | 988,032          | 14,827       |  |
| Vocational Education Program    | 147,873                   | (517)                    | 2,823                     | 150,179       | 151,532   | 151,532          | 1,353        |  |
| Other Programs                  | 394,547                   | 0                        | 0                         | 394,547       | 0   | 394,547          | 0            |  |
| Board of Education              | 1,985,755                 | 0                        | 6                         | 1,985,761     | 2,029,730   | 2,059,301        | 73,540       |  |

(Continued)

Exhibit K-8

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Add:<br>Encumbrances<br>6/30/2008 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |                                   |   | Original         | Final          |  |
| <u>Expenditures (Cont.)</u>                          |                           |                                   |                                   |   |                  |                |  |
| <u>Support Services (Cont.)</u>                      |                           |                                   |                                   |   |                  |                |  |
| Director of Schools                                  | \$ 255,276 \$             | (2,201) \$                        | 3,062 \$                          | 256,137 \$  | 258,096 \$       | 258,765 \$     | 2,628  |
| Office of the Principal                              | 5,121,587                 | 0                                 | 222                               | 5,121,809   | 5,178,894        | 5,150,152      | 28,343   |
| Fiscal Services                                      | 514,551                   | (11,810)                          | 11,753                            | 514,494   | 532,341          | 519,341        | 4,847  |
| Human Services/Personnel                             | 248,526                   | 0                                 | 0                                 | 248,526   | 261,911          | 261,911        | 13,385   |
| Operation of Plant                                   | 5,233,508                 | (545)                             | 75                                | 5,233,038   | 5,158,848        | 5,233,848      | 810  |
| Maintenance of Plant                                 | 1,214,692                 | (7,046)                           | 4,900                             | 1,212,546   | 1,189,839        | 1,250,574      | 38,028   |
| Transportation                                       | 3,619,274                 | (1,777)                           | 2,583                             | 3,620,080   | 3,345,204        | 3,660,308      | 40,228   |
| Central and Other                                    | 913,998                   | (1,230)                           | 41,053                            | 953,821   | 850,606          | 1,012,841      | 59,020   |
| Capital Outlay                                       |                           |                                   |                                   |   |                  |                |  |
| Regular Capital Outlay                               | 34,528                    | 0                                 | 0                                 | 34,528  | 0                | 34,565         | 37   |
| Principal on Debt                                    |                           |                                   |                                   |   |                  |                |  |
| Education  | 262,798                   | 0                                 | 0                                 | 262,798   | 262,799          | 262,799        | 1  |
| Interest on Debt                                     |                           |                                   |                                   |   |                  |                |  |
| Education  | 91,736                    | 0                                 | 0                                 | 91,736  | 91,736           | 91,736         | 0  |
| Total Expenditures                                   | \$ 75,969,763 \$          | (97,015) \$                       | 118,484 \$                        | 75,991,232 \$   | 74,083,159 \$    | 76,649,141 \$  | 657,909  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (863,230) \$           | 97,015 \$                         | (118,484) \$                      | (884,699) \$  | (1,126,000) \$   | (1,252,461) \$ | 367,762  |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |                                   |   |                  |                |  |
| Insurance Recovery                                   | \$ 92,675 \$              | 0 \$                              | 0 \$                              | 92,675 \$   | 0 \$             | 82,228 \$      | 10,447   |
| Transfers In   | 139,196                   | 0                                 | 0                                 | 139,196   | 130,000          | 121,898        | 17,298   |
| Transfers Out  | 0                         | 0                                 | 0                                 | 0   | (4,000)          | (429)          | 429  |
| Total Other Financing Sources (Uses)                 | \$ 231,871 \$             | 0 \$                              | 0 \$                              | 231,871 \$  | 126,000 \$       | 203,697 \$     | 28,174   |
| Net Change in Fund Balance                           | \$ (631,359) \$           | 97,015 \$                         | (118,484) \$                      | (652,828) \$  | (1,000,000) \$   | (1,048,764) \$ | 395,936  |
| Fund Balance, July 1, 2007                           | 5,103,238                 | (97,015)                          | 0                                 | 5,006,223   | 4,881,236        | 4,881,236      | 124,987  |
| Fund Balance, June 30, 2008                          | \$ 4,471,879 \$           | 0 \$                              | (118,484) \$                      | 4,353,395 \$  | 3,881,236 \$     | 3,832,472 \$   | 520,923  |

Exhibit K-9

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Maury County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2008

|   | Actual       | Budgeted Amounts |              | Variance with Final Budget - Positive (Negative) |
|---|--------------|------------------|--------------|--|
|   |              | Original         | Final        |  |
| <u>Revenues</u>                                   |              |                  |              |  |
| Federal Government                                | \$ 5,296,163 | \$ 6,538,620     | \$ 6,835,672 | \$ (1,539,509)                                   |
| Total Revenues                                    | \$ 5,296,163 | \$ 6,538,620     | \$ 6,835,672 | \$ (1,539,509)                                   |
| <u>Expenditures</u>                               |              |                  |              |  |
| <u>Instruction</u>                                |              |                  |              |  |
| Regular Instruction Program                       | \$ 1,968,565 | \$ 2,332,562     | \$ 2,330,538 | \$ 361,973                                       |
| Special Education Program                         | 1,755,021    | 1,989,422        | 2,285,696    | 530,675  |
| Vocational Education Program                      | 225,406      | 221,126          | 226,167      | 761  |
| <u>Support Services</u>                           |              |                  |              |  |
| Other Student Support                             | 38,653       | 41,700           | 46,300       | 7,647  |
| Regular Instruction Program                       | 467,876      | 730,235          | 727,659      | 259,783  |
| Special Education Program                         | 294,650      | 417,435          | 410,035      | 115,385  |
| Vocational Education Program                      | 24,742       | 18,000           | 24,758       | 16   |
| Maintenance of Plant                              | 0            | 15,164           | 15,164       | 15,164   |
| Transportation                                    | 377,357      | 596,698          | 589,998      | 212,641  |
| Total Expenditures                                | \$ 5,152,270 | \$ 6,362,342     | \$ 6,656,315 | \$ 1,504,045                                     |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 143,893   | \$ 176,278       | \$ 179,357   | \$ (35,464)                                      |
| <u>Other Financing Sources (Uses)</u>             |              |                  |              |  |
| Transfers In                                      | \$ 0         | \$ 40,000        | \$ 40,000    | \$ (40,000)                                      |
| Transfers Out                                     | (139,196)    | (216,278)        | (219,357)    | 80,161   |
| Total Other Financing Sources (Uses)              | \$ (139,196) | \$ (176,278)     | \$ (179,357) | \$ 40,161  |
| Net Change in Fund Balance                        | \$ 4,697     | \$ 0             | \$ 0         | \$ 4,697   |
| Fund Balance, July 1, 2007                        | 256,124      | 64,328           | 64,328       | 191,796  |
| Fund Balance, June 30, 2008                       | \$ 260,821   | \$ 64,328        | \$ 64,328    | \$ 196,493                                       |

Exhibit K-10

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Maury County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2008

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2007 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|--------------|--|
|  |                           |                                   |   | Original         | Final        |  |
| <u>Revenues</u>  |                           |                                   |   |                  |              |  |
| Charges for Current Services                             | \$ 2,433,873              | \$ 0                              | \$ 2,433,873  | \$ 2,485,970     | \$ 2,485,970 | \$ (52,097)  |
| Other Local Revenues                                     | 63,939                    | 0                                 | 63,939  | 78,020           | 78,020       | (14,081)   |
| State of Tennessee                                       | 59,007                    | 0                                 | 59,007  | 58,000           | 58,000       | 1,007  |
| Federal Government                                       | 2,615,805                 | 0                                 | 2,615,805   | 2,507,518        | 2,507,518    | 108,287  |
| Total Revenues   | \$ 5,172,624              | \$ 0                              | \$ 5,172,624  | \$ 5,129,508     | \$ 5,129,508 | \$ 43,116  |
| <u>Expenditures</u>                                      |                           |                                   |   |                  |              |  |
| <u>Support Services</u>                                  |                           |                                   |   |                  |              |  |
| Board of Education                                       | \$ 55,000                 | \$ 0                              | \$ 55,000   | \$ 55,000        | \$ 55,000    | \$ 0   |
| <u>Operation of Non-Instructional Services</u>           |                           |                                   |   |                  |              |  |
| Food Service   | 5,412,552                 | (69,332)                          | 5,343,220   | 5,700,509        | 6,055,509    | 712,289  |
| Total Expenditures                                       | \$ 5,467,552              | \$ (69,332)                       | \$ 5,398,220  | \$ 5,755,509     | \$ 6,110,509 | \$ 712,289   |
| Excess (Deficiency) of Revenues<br>Over Expenditures     | \$ (294,928)              | \$ 69,332                         | \$ (225,596)  | \$ (626,001)     | \$ (981,001) | \$ 755,405   |
| Net Change in Fund Balance<br>Fund Balance, July 1, 2007 | \$ (294,928)              | \$ 69,332                         | \$ (225,596)  | \$ (626,001)     | \$ (981,001) | \$ 755,405   |
|  | 1,598,068                 | (69,332)                          | 1,528,736   | 1,528,456        | 1,528,456    | 280  |
| Fund Balance, June 30, 2008                              | \$ 1,303,140              | \$ 0                              | \$ 1,303,140  | \$ 902,455       | \$ 547,455   | \$ 755,685   |

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## MISCELLANEOUS SCHEDULES

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Exhibit L-1

Maury County, Tennessee  
Schedule of Changes in Long-term Notes, Capital Leases, and Bonds  
Primary Government and Discretely Presented Maury County School Department  
For the Year Ended June 30, 2008

| Description of Indebtedness   | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-07 | Issued During Period | Paid and/or Matured During Period | Outstanding 6-30-08 |
|---|--------------------------|---------------|---------------|--------------------|--------------------|----------------------|-----------------------------------|---------------------|
| <u>PRIMARY GOVERNMENT</u>   |                          |               |               |                    |                    |                      |                                   |                     |
| <u>NOTES PAYABLE</u>  |                          |               |               |                    |                    |                      |                                   |                     |
| <u>Payable through General Debt Service Fund</u>  |                          |               |               |                    |                    |                      |                                   |                     |
| County Buildings, Equipment, Vehicles, School Renovations   | \$ 2,000,000             | 3.69 %        | 12-28-05      | 12-28-08           | \$ 562,780         | \$ 0                 | \$ 222,222                        | \$ 340,558          |
| Jail and Fire Station Buildings, Equipment, Vehicles, School Buildings, School Buses, and Refunding | 15,185,000               | 3.64          | 12-19-06      | 4-1-17             | 15,185,000         | 0                    | 470,000                           | 14,715,000          |
| Various Construction Projects and Equipment   | 4,257,000                | 3.49          | 10-9-07       | 4-1-11             | 0                  | 4,257,000            | 0                                 | 4,257,000           |
| Construction of Middle School   | 2,000,000                | 2.78          | 2-28-08       | 4-1-11             | 0                  | 2,000,000            | 0                                 | 2,000,000           |
| Total Notes Payable   |                          |               |               |                    | \$ 15,747,780      | \$ 6,257,000         | \$ 692,222                        | \$ 21,312,558       |
| <u>CAPITAL LEASES PAYABLE</u>   |                          |               |               |                    |                    |                      |                                   |                     |
| <u>Payable through Special Purpose Fund</u>   |                          |               |               |                    |                    |                      |                                   |                     |
| School Computers  | 355,632                  | 5.549         | 6-1-06        | 6-1-08             | \$ 118,430         | \$ 0                 | \$ 118,430                        | \$ 0                |
| School Computers  | 355,638                  | 4.9           | 3-20-07       | 10-1-09            | 355,638            | 0                    | 124,256                           | 231,382             |
| School Computers  | 344,760                  | 4.5           | 4-17-08       | 5-5-10             | 0                  | 344,760              | 120,003                           | 224,757             |
| Total Capital Leases Payable  |                          |               |               |                    | \$ 474,068         | \$ 344,760           | \$ 362,689                        | \$ 456,139          |
| <u>BONDS PAYABLE</u>  |                          |               |               |                    |                    |                      |                                   |                     |
| <u>Payable through General Debt Service Fund</u>  |                          |               |               |                    |                    |                      |                                   |                     |
| Refunding Bond  | 21,420,000               | 4 to 5        | 3-1-04        | 4-1-11             | \$ 15,520,000      | \$ 0                 | \$ 4,000,000                      | \$ 11,520,000       |
| School and Public Improvement   | 16,000,000               | 3 to 5        | 11-1-04       | 4-1-20             | 15,800,000         | 0                    | 100,000                           | 15,700,000          |
| School Buses and Improvements   | 14,000,000               | 3.1 to 5      | 9-1-05        | 4-1-20             | 13,670,000         | 0                    | 505,000                           | 13,165,000          |
| Criminal Justice Center and School Construction   | 29,000,000               | 3.5 to 5      | 6-12-08       | 4-1-28             | 0                  | 29,000,000           | 0                                 | 29,000,000          |
| Total Bonds Payable   |                          |               |               |                    | \$ 44,990,000      | \$ 29,000,000        | \$ 4,605,000                      | \$ 69,385,000       |

(Continued)

Exhibit L-1

Maury County, Tennessee  
Schedule of Changes in Long-term Notes, Capital Leases, and Bonds (Cont.)  
Primary Government and Discretely Presented Maury County School Department (Cont.)

| Description of Indebtedness                                | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-07 | Issued During Period | Matured During Period | Outstanding 6-30-08 |
|--|--------------------------|---------------|---------------|--------------------|--------------------|----------------------|-----------------------|---------------------|
| <u>DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT</u> |                          |               |               |                    |                    |                      |                       |                     |
| <u>NOTES PAYABLE</u>                                       |                          |               |               |                    |                    |                      |                       |                     |
| Payable through General Purpose School Fund                |                          |               |               |                    |                    |                      |                       |                     |
| Energy Efficiency Improvements (1)                         | \$ 500,000               | 3 %           | 2-12-07       | 2-1-14             | \$ 500,000         | 0 \$                 | 65,253 \$             | 434,747             |
| Total Notes Payable  |                          |               |               |                    | \$ 500,000         | 0 \$                 | 65,253 \$             | 434,747             |
| <u>CAPITAL LEASES PAYABLE</u>                              |                          |               |               |                    |                    |                      |                       |                     |
| Payable through General Purpose School Fund                |                          |               |               |                    |                    |                      |                       |                     |
| Lighting Equipment   | 1,598,657                | 4.8           | 11-1-06       | 11-1-13            | \$ 1,598,657       | 0 \$                 | 197,545 \$            | 1,401,112           |
| Total Capital Leases Payable                               |                          |               |               |                    | \$ 1,598,657       | 0 \$                 | 197,545 \$            | 1,401,112           |

(1) The Energy Efficiency Improvements note was originally planned to be retired by the primary government; however, the debt is being retired by the School Department.

Exhibit L-2

Maury County, Tennessee  
Schedule of Long-term Debt Requirements by Year  
Primary Government and Discretely Presented  
Maury County School Department

PRIMARY GOVERNMENT

| Year<br>Ending<br>June 30 | Notes<br>Principal | Notes<br>Interest | Total<br>Note<br>Requirements |
|---------------------------|--------------------|-------------------|-------------------------------|
| 2009                      | \$ 2,449,558       | \$ 782,893        | \$ 3,232,451                  |
| 2010                      | 2,104,000          | 689,196           | 2,793,196                     |
| 2011                      | 3,769,000          | 615,019           | 4,384,019                     |
| 2012                      | 1,955,000          | 490,405           | 2,445,405                     |
| 2013                      | 2,030,000          | 412,205           | 2,442,205                     |
| 2014                      | 2,105,000          | 331,005           | 2,436,005                     |
| 2015                      | 2,195,000          | 246,805           | 2,441,805                     |
| 2016                      | 2,305,000          | 169,980           | 2,474,980                     |
| 2017                      | 2,400,000          | 87,000            | 2,487,000                     |
| Total                     | \$ 21,312,558      | \$ 3,824,508      | \$ 25,137,066                 |

| Year<br>Ending<br>June 30 | Capital<br>Leases<br>Principal | Capital<br>Leases<br>Interest | Total<br>Capital<br>Lease<br>Requirements |
|---------------------------|--------------------------------|-------------------------------|---|
| 2009                      | \$ 222,837                     | \$ 21,423                     | \$ 244,260                                |
| 2010                      | 233,302                        | 10,958                        | 244,260                                   |
| Total                     | \$ 456,139                     | \$ 32,381                     | \$ 488,520                                |

| Year<br>Ending<br>June 30 | Bonds<br>Principal | Bonds<br>Interest | Total<br>Bond<br>Requirements |
|---------------------------|--------------------|-------------------|-------------------------------|
| 2009                      | \$ 4,645,000       | \$ 2,627,747      | \$ 7,272,747                  |
| 2010                      | 5,005,000          | 2,638,357         | 7,643,357                     |
| 2011                      | 5,235,000          | 2,407,853         | 7,642,853                     |
| 2012                      | 3,185,000          | 2,170,447         | 5,355,447                     |
| 2013                      | 3,380,000          | 2,061,998         | 5,441,998                     |
| 2014                      | 3,575,000          | 1,921,060         | 5,496,060                     |
| 2015                      | 3,985,000          | 1,788,035         | 5,773,035                     |
| 2016                      | 3,800,000          | 1,641,475         | 5,441,475                     |
| 2017                      | 3,965,000          | 1,475,475         | 5,440,475                     |
| 2018                      | 5,005,000          | 1,306,875         | 6,311,875                     |

(Continued)

Exhibit L-2

Maury County, Tennessee  
Schedule of Long-term Debt Requirements by Year  
Primary Government and Discretely Presented  
Maury County School Department (Cont.)

PRIMARY GOVERNMENT (Cont.)

| Year<br>Ending<br>June 30 | Bonds (Cont.)<br>Principal | Bonds<br>Interest | Total<br>Bond<br>Requirements |
|---------------------------|----------------------------|-------------------|-------------------------------|
| 2019                      | \$ 5,120,000               | \$ 1,117,425      | \$ 6,237,425                  |
| 2020                      | 5,235,000                  | 918,000           | 6,153,000                     |
| 2021                      | 2,200,000                  | 706,125           | 2,906,125                     |
| 2022                      | 2,150,000                  | 618,125           | 2,768,125                     |
| 2023                      | 2,150,000                  | 532,125           | 2,682,125                     |
| 2024                      | 2,150,000                  | 446,125           | 2,596,125                     |
| 2025                      | 2,150,000                  | 360,125           | 2,510,125                     |
| 2026                      | 2,150,000                  | 271,437           | 2,421,437                     |
| 2027                      | 2,150,000                  | 182,750           | 2,332,750                     |
| 2028                      | 2,150,000                  | 91,375            | 2,241,375                     |
| Total                     | \$ 69,385,000              | \$ 25,282,934     | \$ 94,667,934                 |

DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT

| Year<br>Ending<br>June 30 | Notes<br>Principal | Notes<br>Interest | Total<br>Note<br>Requirements |
|---------------------------|--------------------|-------------------|-------------------------------|
| 2009                      | \$ 67,211          | \$ 13,042         | \$ 80,253                     |
| 2010                      | 69,227             | 11,026            | 80,253                        |
| 2011                      | 71,304             | 8,949             | 80,253                        |
| 2012                      | 73,443             | 6,810             | 80,253                        |
| 2013                      | 75,646             | 4,607             | 80,253                        |
| 2014                      | 77,916             | 2,337             | 80,253                        |
| Total                     | \$ 434,747         | \$ 46,771         | \$ 481,518                    |

| Year<br>Ending<br>June 30 | Capital<br>Leases<br>Principal | Capital<br>Leases<br>Interest | Total<br>Capital<br>Lease<br>Requirements |
|---------------------------|--------------------------------|-------------------------------|---|
| 2009                      | \$ 207,027                     | \$ 67,253                     | \$ 274,280                                |
| 2010                      | 216,964                        | 57,316                        | 274,280                                   |
| 2011                      | 227,379                        | 46,902                        | 274,281                                   |
| 2012                      | 238,293                        | 35,988                        | 274,281                                   |
| 2013                      | 249,731                        | 24,549                        | 274,280                                   |
| 2014                      | 261,718                        | 12,562                        | 274,280                                   |
| Total                     | \$ 1,401,112                   | \$ 244,570                    | \$ 1,645,682                              |

Exhibit L-3

Maury County, Tennessee  
Schedule of Investments  
June 30, 2008

| <u>Fund and Type</u>                         | <u>Date<br/>of<br/>Purchase</u> | <u>Date<br/>of<br/>Maturity</u> | <u>Interest<br/>Rates</u> | <u>Amount</u>    |
|--|---------------------------------|---------------------------------|---------------------------|------------------|
| <u>Constitutional Officers - Agency Fund</u> |                                 |                                 |                           |                  |
| <u>Clerk and Master</u>                      |                                 |                                 |                           |                  |
| Merrill Lynch - NOW Account                  | Various                         | None                            | Varies                    | <u>\$ 37,490</u> |

Exhibit L-4

Maury County, Tennessee  
Schedule of Notes Receivable  
June 30, 2008

| <u>Description</u>   | <u>Debtor</u>           | <u>Original<br/>Amount<br/>of Notes</u> | <u>Date<br/>of<br/>Issue</u> | <u>Date<br/>of<br/>Maturity</u> | <u>Interest<br/>Rate</u> | <u>Balance</u>  |
|----------------------|-------------------------|---|------------------------------|---------------------------------|--------------------------|-----------------|
| Special Purpose Fund | Maury County Arts Guild | \$ 45,268                               | 6-14-1996                    | 12-14-08                        | 0 %                      | \$ <u>1,768</u> |

Exhibit L-5

Maury County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Maury County School Department  
For the Year Ended June 30, 2008

| <u>From Fund</u>  | <u>To Fund</u>             | <u>Purpose</u>                  | <u>Amount</u>       |
|---|----------------------------|---------------------------------|---------------------|
| <u>PRIMARY GOVERNMENT</u>   |                            |                                 |                     |
| General   | Drug Control               | Allocation of phone commissions | \$ 3,600            |
| Special Purpose   | General                    | Industrial development          | 160,000             |
| Special Purpose   | General                    | Operations                      | 900,000             |
| Special Purpose   | General                    | Library operations              | 75,000              |
| Special Purpose   | Central Maintenance/Garage | Operations                      | 33,250              |
| Special Purpose   | Highway Capital Projects   | Capital projects                | 60,000              |
| General Capital Projects  | Highway Capital Projects   | "                               | 40,000              |
| Employee Insurance - Prescriptions                                  | Solid Waste Disposal       | To close fund                   | 206                 |
| Employee Insurance - Prescriptions                                  | Central Maintenance/Garage | "                               | 154                 |
| Employee Insurance - Prescriptions                                  | Highway/Public Works       | "                               | 771                 |
| Employee Insurance - Prescriptions                                  | General                    | "                               | 4,047               |
| Total Transfers Primary Government                                  |                            |                                 | <u>\$ 1,277,028</u> |
| <u>DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT</u>          |                            |                                 |                     |
| School Federal Projects   | General Purpose School     | Indirect costs                  | \$ 139,196          |
| Total Transfers Discretely Presented Maury County School Department |                            |                                 | <u>\$ 139,196</u>   |

Maury County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Maury County School Department  
For the Year Ended June 30, 2008

| Official   | Authorization for Salary                                | Salary Paid During Period | Bond      | Surety                          |
|--|---|---------------------------|-----------|---------------------------------|
| County Mayor   | Section 8-24-102, <u>TCA</u>                            | \$ 82,698                 | \$ 50,000 | Cincinnati Insurance Company    |
| Road Superintendent                                  | Section 8-24-102, <u>TCA</u>                            | 75,732                    | 100,000   | RLI Insurance Company           |
| Director of Schools                                  | State Board of Education and Local Board of Education   | 120,994 (1)               | (8)       |                                 |
| Trustee  | Section 8-24-102, <u>TCA</u>                            | 68,850                    | 2,563,697 | Cincinnati Insurance Company    |
| Assessor of Property                                 | Section 8-24-102, <u>TCA</u>                            | 69,600 (2)                | 10,000    | RLI Insurance Company           |
| County Clerk   | Section 8-24-102, <u>TCA</u>                            | 68,850                    | 50,000    | Cincinnati Insurance Company    |
| Circuit and General Sessions Courts Clerk and Master | Section 8-24-102, <u>TCA</u> , and Chancery Court Judge | 68,850                    | 50,000    | "                               |
| Register   | Section 8-24-102, <u>TCA</u>                            | 68,850 (3)                | 50,000    | RLI Insurance Company           |
| Sheriff  | Section 8-24-102, <u>TCA</u> , and County Commission    | 68,850                    | 25,000    | "                               |
| Director of Accounts and Budgets:                    |   | 75,732 (4)                | 25,000    | Cincinnati Insurance Company    |
| Christy Mash (7-1-07 through 4-15-08)                | Chapter 233, Private Acts of 1963, as amended           | 76,584 (5)                | 25,000    | RLI Insurance Company           |
| Buddy Harlan, Interim (4-16-08 through 6-30-08)      | Chapter 233, Private Acts of 1963, as amended           | 17,037 (6)                | 25,000    | "                               |
| Director of Human Resources                          | Chapter 91, Private Acts of 2004                        | 62,633 (7)                | (9)       |                                 |
| <u>Other Bonds</u>                                   |   |                           |           |                                 |
| Public Employee Dishonesty                           |   |                           | 150,000   | Local Government Insurance Pool |
| School Employee Blanket Bond                         |   |                           | 50,000    | Indiana Insurance Company       |

- (1) Includes \$1,000 chief executive officer training supplement.
- (2) Includes \$750 state board of equalization salary supplement.
- (3) Does not include \$2,511 special commissioner fees.
- (4) Does not include \$3,024 for serving as workhouse superintendent and \$600 for a law enforcement training supplement for the period.
- (5) Includes \$350 longevity, \$5,360 vacation pay, and \$9,060 severance.
- (6) Includes \$4,277 of compensatory time paid due to change of status from hourly to salary.
- (7) Includes \$1,111 of compensatory time paid due to change of status from hourly to salary.
- (8) Covered under the school's blanket bond.
- (9) Covered under the county's blanket bond.

Exhibit L-7

Maury County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2008

|  | Special Revenue Funds |                     |                 |   |                             |   |                     | Highway /<br>Public<br>Works |
|--|-----------------------|---------------------|-----------------|---|-----------------------------|---|---------------------|------------------------------|
|  | General               | Special<br>Purpose  | Drug<br>Control | Adequate<br>Facilities/<br>Development<br>Tax | Other<br>Special<br>Revenue | Constitu-<br>tional<br>Officers -<br>Fees |                     |                              |
| <u>Local Taxes</u>                               |                       |                     |                 |   |                             |   |                     |                              |
| <u>County Property Taxes</u>                     |                       |                     |                 |   |                             |   |                     |                              |
| Current Property Tax                             | \$ 9,306,917          | \$ 0                | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 1,959,400        |                              |
| Trustee's Collections - Prior Year               | 251,832               | 0                   | 0               | 0   | 0                           | 0   | 56,411              |                              |
| Trustee's Collections - Bankruptcy               | 5,592                 | 0                   | 0               | 0   | 0                           | 0   | 1,247               |                              |
| Circuit/Clerk & Master Collections - Prior Years | 166,845               | 0                   | 0               | 0   | 0                           | 0   | 35,125              |                              |
| Interest and Penalty                             | 68,702                | 0                   | 0               | 0   | 0                           | 0   | 14,997              |                              |
| Pick-up Taxes                                    | 73,137                | 0                   | 0               | 0   | 0                           | 0   | 15,435              |                              |
| Payments in-Lieu-of Taxes - T.V.A.               | 0                     | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Payments in-Lieu-of Taxes - Local Utilities      | 0                     | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Payments in-Lieu-of Taxes - Other                | 0                     | 2,250,000           | 0               | 0   | 0                           | 0   | 0                   |                              |
| <u>County Local Option Taxes</u>                 |                       |                     |                 |   |                             |   |                     |                              |
| Local Option Sales Tax                           | 435,252               | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Hotel/Motel Tax                                  | 418,500               | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Wheel Tax  | 0                     | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Litigation Tax - General                         | 445,747               | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Litigation Tax - Jail, Workhouse, or Courthouse  | 0                     | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Business Tax                                     | 863,140               | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Mineral Severance Tax                            | 0                     | 0                   | 0               | 0   | 0                           | 0   | 154,277             |                              |
| Adequate Facilities/Development Tax              | 0                     | 0                   | 0               | 1,003,226                                     | 0                           | 0   | 0                   |                              |
| <u>Statutory Local Taxes</u>                     |                       |                     |                 |   |                             |   |                     |                              |
| Bank Excise Tax                                  | 0                     | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Wholesale Beer Tax                               | 287,262               | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Interstate Telecommunications Tax                | 1,751                 | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| <b>Total Local Taxes</b>                         | <b>\$ 12,324,677</b>  | <b>\$ 2,250,000</b> | <b>\$ 0</b>     | <b>\$ 1,003,226</b>                           | <b>\$ 0</b>                 | <b>\$ 0</b>                               | <b>\$ 2,236,892</b> |                              |
| <u>Licenses and Permits</u>                      |                       |                     |                 |   |                             |   |                     |                              |
| <u>Licenses</u>                                  |                       |                     |                 |   |                             |   |                     |                              |
| Cable TV Franchise                               | \$ 118,706            | \$ 0                | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0                |                              |
| <u>Permits</u>                                   |                       |                     |                 |   |                             |   |                     |                              |
| Beer Permits                                     | 1,549                 | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |
| Building Permits                                 | 198,789               | 0                   | 0               | 0   | 0                           | 0   | 0                   |                              |

(Continued)

Exhibit L-7

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

|  | Special Revenue Funds |                    |                 |   |                             |   | Highway /<br>Public<br>Works |
|--|-----------------------|--------------------|-----------------|---|-----------------------------|---|------------------------------|
|  | General               | Special<br>Purpose | Drug<br>Control | Adequate<br>Facilities/<br>Development<br>Tax | Other<br>Special<br>Revenue | Constitu-<br>tional<br>Officers -<br>Fees |                              |
| <u>Licenses and Permits (Cont.)</u>            |                       |                    |                 |   |                             |   |                              |
| <u>Permits (Cont.)</u>                         |                       |                    |                 |   |                             |   |                              |
| Other Permits                                  | \$ 11,638             | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0                         |
| Total Licenses and Permits                     | \$ 330,682            | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0                         |
| <u>Fines, Forfeitures, and Penalties</u>       |                       |                    |                 |   |                             |   |                              |
| <u>Circuit Court</u>                           |                       |                    |                 |   |                             |   |                              |
| Fines  | \$ 16,431             | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0                         |
| Officers Costs                                 | 8,490                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Drug Control Fines                             | 0                     | 0                  | 7,856           | 0   | 0                           | 0   | 0                            |
| Drug Court Fees                                | 30,430                | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| DUI Treatment Fines                            | 4,496                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Data Entry Fee - Circuit Court                 | 1,710                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Courtroom Security Fee                         | 517                   | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| <u>General Sessions Court</u>                  |                       |                    |                 |   |                             |   |                              |
| Fines  | 113,001               | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Fines for Littering                            | 2,182                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Officers Costs                                 | 110,720               | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Game and Fish Fines                            | 3,322                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Drug Control Fines                             | 2,166                 | 0                  | 14,112          | 0   | 0                           | 0   | 0                            |
| DUI Treatment Fines                            | 18,204                | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Data Entry Fee - General Sessions Court        | 53,806                | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| <u>Chancery Court</u>                          |                       |                    |                 |   |                             |   |                              |
| Officers Costs                                 | 9,758                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| Data Entry Fee - Chancery Court                | 4,106                 | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| <u>Other Courts - In-county</u>                |                       |                    |                 |   |                             |   |                              |
| Fines  | 10,428                | 0                  | 0               | 0   | 0                           | 0   | 0                            |
| <u>Other Fines, Forfeitures, and Penalties</u> |                       |                    |                 |   |                             |   |                              |
| Proceeds from Confiscated Property             | 0                     | 0                  | 64,932          | 0   | 0                           | 0   | 0                            |
| Total Fines, Forfeitures, and Penalties        | \$ 389,767            | \$ 0               | \$ 86,900       | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0                         |

(Continued)

Exhibit L-7

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

|   | Special Revenue Funds |                    |                 |   |                             |   |            | Highway /<br>Public<br>Works |
|---|-----------------------|--------------------|-----------------|---|-----------------------------|---|------------|------------------------------|
|   | General               | Special<br>Purpose | Drug<br>Control | Adequate<br>Facilities/<br>Development<br>Tax | Other<br>Special<br>Revenue | Constitu-<br>tional<br>Officers -<br>Fees |            |                              |
| <u>Charges for Current Services</u>           |                       |                    |                 |   |                             |   |            |                              |
| <u>General Service Charges</u>                |                       |                    |                 |   |                             |   |            |                              |
| Patient Charges                               | 221 \$                | 0 \$               | 0 \$            | 0 \$  | 0 \$                        | 0 \$                                      | 0 \$       | 0                            |
| Work Release Charges for Board<br>Fees        | 27,600                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Subdivision Lot Fees                          | 74,332                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Recreation Fees                               | 25,580                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Copy Fees                                     | 5,504                 | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Library Fees                                  | 17,886                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Telephone Commissions                         | 20,694                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Vending Machine Collections                   | 1,374                 | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Tourism Fees                                  | 23,079                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Constitutional Officers' Fees and Commissions | 0                     | 0                  | 0               | 0   | 0                           | 0   | 802,103    | 0                            |
| Data Processing Fee - Register                | 36,870                | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Data Processing Fee - Sheriff                 | 7,017                 | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Sexual Offender Registration Fees - Sheriff   | 1,780                 | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Total Charges for Current Services            | 241,937 \$            | 0 \$               | 0 \$            | 0 \$  | 0 \$                        | 0 \$                                      | 802,103 \$ | 0                            |
| <u>Other Local Revenues</u>                   |                       |                    |                 |   |                             |   |            |                              |
| <u>Recurring Items</u>                        |                       |                    |                 |   |                             |   |            |                              |
| Investment Income                             | 0 \$                  | 18,500 \$          | 0 \$            | 0 \$  | 0 \$                        | 0 \$                                      | 0 \$       | 0                            |
| Lease/Rentals                                 | 107,509               | 0                  | 0               | 0   | 0                           | 0   | 0          | 0                            |
| Sale of Materials and Supplies                | 0                     | 0                  | 0               | 0   | 32                          | 0   | 0          | 5,214                        |
| Sale of Animals/Livestock                     | 0                     | 0                  | 0               | 0   | 51,106                      | 0   | 0          | 0                            |
| Miscellaneous Refunds                         | 618                   | 0                  | 0               | 0   | 280                         | 0   | 0          | 324                          |
| <u>Nonrecurring Items</u>                     |                       |                    |                 |   |                             |   |            |                              |
| Sale of Equipment                             | 0                     | 3,640              | 0               | 0   | 0                           | 0   | 0          | 206,906                      |
| Contributions and Gifts                       | 4,767                 | 0                  | 0               | 0   | 135,941                     | 0   | 0          | 0                            |
| Performance Bond Forfeitures                  | 0                     | 0                  | 0               | 0   | 0                           | 0   | 0          | 28,600                       |
| <u>Other Local Revenues</u>                   |                       |                    |                 |   |                             |   |            |                              |
| Other Local Revenues                          | 339,009               | 0                  | 200             | 0   | 0                           | 0   | 0          | 0                            |
| Total Other Local Revenues                    | 451,903 \$            | 22,140 \$          | 200 \$          | 0 \$  | 187,359 \$                  | 0 \$                                      | 0 \$       | 241,044                      |

(Continued)

Exhibit L-7

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

|  | Special Revenue Funds |                    |                 |   |                             |   |      | Highway /<br>Public<br>Works |
|--|-----------------------|--------------------|-----------------|---|-----------------------------|---|------|------------------------------|
|  | General               | Special<br>Purpose | Drug<br>Control | Adequate<br>Facilities/<br>Development<br>Tax | Other<br>Special<br>Revenue | Constitu-<br>tional<br>Officers -<br>Fees |      |                              |
| <u>Fees Received from County Officials</u> |                       |                    |                 |   |                             |   |      |                              |
| <u>Excess Fees</u>                         |                       |                    |                 |   |                             |   |      |                              |
| County Clerk                               | \$ 243,543            | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0 | \$ 0                         |
| Clerk and Master                           | 43,767                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| <u>Fees in-Lieu-of Salary</u>              |                       |                    |                 |   |                             |   |      |                              |
| Circuit Court Clerk                        | 921,025               | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Register                                   | 463,426               | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Sheriff                                    | 43,694                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Trustee                                    | 1,210,516             | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Total Fees Received from County Officials  | \$ 2,925,971          | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0 | \$ 0                         |
| <u>State of Tennessee</u>                  |                       |                    |                 |   |                             |   |      |                              |
| <u>General Government Grants</u>           |                       |                    |                 |   |                             |   |      |                              |
| Juvenile Services Program                  | \$ 14,000             | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0 | \$ 0                         |
| State Reappraisal Grant                    | 23,609                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| <u>Public Safety Grants</u>                |                       |                    |                 |   |                             |   |      |                              |
| Law Enforcement Training Programs          | 44,400                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| <u>Health and Welfare Grants</u>           |                       |                    |                 |   |                             |   |      |                              |
| Other Health and Welfare Grants            | 567,846               | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| <u>Other State Revenues</u>                |                       |                    |                 |   |                             |   |      |                              |
| Income Tax                                 | 252,331               | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Beer Tax                                   | 19,312                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Alcoholic Beverage Tax                     | 91,389                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| State Revenue Sharing - T.V.A.             | 0                     | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Board of Jurors                            | 445                   | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Contracted Prisoner Boarding               | 711,690               | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Gasoline and Motor Fuel Tax                | 0                     | 0                  | 0               | 0   | 0                           | 0   | 0    | 2,290,207                    |
| Petroleum Special Tax                      | 0                     | 0                  | 0               | 0   | 0                           | 0   | 0    | 55,814                       |
| Registrar's Salary Supplement              | 20,475                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Other State Grants                         | 21,750                | 0                  | 0               | 0   | 0                           | 0   | 0    | 0                            |
| Other State Revenues                       | 54,347                | 25,385             | 1,979           | 0   | 0                           | 0   | 0    | 69,362                       |
| Total State of Tennessee                   | \$ 1,821,594          | \$ 25,385          | \$ 1,979        | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0 | \$ 2,415,383                 |

(Continued)

Exhibit L-7

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

|  | Special Revenue Funds |                    |                 |   |                             |   |              | Highway /<br>Public<br>Works |
|--|-----------------------|--------------------|-----------------|---|-----------------------------|---|--------------|------------------------------|
|  | General               | Special<br>Purpose | Drug<br>Control | Adequate<br>Facilities/<br>Development<br>Tax | Other<br>Special<br>Revenue | Constitu-<br>tional<br>Officers -<br>Fees |              |                              |
| <u>Federal Government</u>                    |                       |                    |                 |   |                             |   |              |                              |
| <u>Federal Through State</u>                 |                       |                    |                 |   |                             |   |              |                              |
| Community Development                        | \$ 0                  | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0         | \$ 0                         |
| Homeland Security Grants                     | 115,732               | 0                  | 0               | 0   | 0                           | 0   | 0            | 0                            |
| Law Enforcement Grants                       | 1,089                 | 0                  | 0               | 0   | 0                           | 0   | 0            | 0                            |
| Other Federal through State                  | 317,325               | 0                  | 0               | 0   | 0                           | 0   | 0            | 0                            |
| <u>Direct Federal Revenue</u>                | 40,719                | 0                  | 0               | 0   | 0                           | 0   | 0            | 33,547                       |
| Other Direct Federal Revenue                 | 474,865               | 0                  | 0               | 0   | 0                           | 0   | 0            | 33,547                       |
| Total Federal Government                     | \$ 474,865            | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0         | \$ 33,547                    |
| <u>Other Governments and Citizens Groups</u> |                       |                    |                 |   |                             |   |              |                              |
| <u>Other Governments</u>                     |                       |                    |                 |   |                             |   |              |                              |
| Prisoner Board                               | \$ 42,124             | \$ 0               | \$ 0            | \$ 0  | \$ 0                        | \$ 0                                      | \$ 0         | \$ 0                         |
| Contributions                                | 0                     | 152,650            | 0               | 43,500  | 0                           | 0   | 0            | 0                            |
| <u>Citizens Groups</u>                       |                       |                    |                 |   |                             |   |              |                              |
| Donations                                    | 51,390                | 0                  | 0               | 0   | 0                           | 0   | 0            | 0                            |
| <u>Other</u>                                 | 0                     | 0                  | 0               | 0   | 4,198                       | 0   | 0            | 0                            |
| Other  | 93,514                | 152,650            | 0               | 43,500  | 4,198                       | 0   | 0            | 0                            |
| Total Other Governments and Citizens Groups  | \$ 19,054,910         | \$ 2,450,175       | \$ 89,079       | \$ 1,046,726                                  | \$ 191,557                  | \$ 802,103                                | \$ 4,926,866 | \$ 0                         |
| Total  |                       |                    |                 |   |                             |   |              |                              |

(Continued)

Exhibit L-7

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

|  | Debt         |      | Capital Projects Funds |          |         |          | Total   |               |
|--|--------------|------|------------------------|----------|---------|----------|---------|---------------|
|  | Service      |      | General                |          | Highway |          |         |               |
|  | General      | Debt | Capital                | Projects | Capital | Projects |         |               |
| <u>Local Taxes</u>                               |              |      |                        |          |         |          |         |               |
| <u>County Property Taxes</u>                     |              |      |                        |          |         |          |         |               |
| Current Property Tax                             | \$ 4,478,498 | \$   | 0                      | \$       | 0       | \$       | 559,637 | \$ 16,304,452 |
| Trustee's Collections - Prior Year               | 120,882      |      | 0                      |          | 0       |          | 0       | 429,125       |
| Trustee's Collections - Bankruptcy               | 2,716        |      | 0                      |          | 0       |          | 44      | 9,599         |
| Circuit/Clerk & Master Collections - Prior Years | 80,286       |      | 0                      |          | 0       |          | 10,036  | 292,292       |
| Interest and Penalty                             | 33,013       |      | 0                      |          | 0       |          | 1,744   | 118,456       |
| Pick-up Taxes                                    | 35,190       |      | 0                      |          | 0       |          | 4,231   | 127,993       |
| Payments in-Lieu-of Taxes - T.V.A.               | 9,360        |      | 0                      |          | 0       |          | 0       | 9,360         |
| Payments in-Lieu-of Taxes - Local Utilities      | 284,760      |      | 0                      |          | 0       |          | 0       | 284,760       |
| Payments in-Lieu-of Taxes - Other                | 180,919      |      | 0                      |          | 0       |          | 0       | 2,430,919     |
| <u>County Local Option Taxes</u>                 |              |      |                        |          |         |          |         |               |
| Local Option Sales Tax                           | 0            |      | 0                      |          | 0       |          | 0       | 435,252       |
| Hotel/Motel Tax                                  | 0            |      | 0                      |          | 0       |          | 0       | 418,500       |
| Wheel Tax  | 1,853,813    |      | 0                      |          | 0       |          | 0       | 1,853,813     |
| Litigation Tax - General                         | 76,893       |      | 0                      |          | 0       |          | 0       | 522,640       |
| Litigation Tax - Jail, Workhouse, or Courthouse  | 12,854       |      | 0                      |          | 0       |          | 0       | 12,854        |
| Business Tax                                     | 0            |      | 0                      |          | 0       |          | 0       | 863,140       |
| Mineral Severance Tax                            | 0            |      | 0                      |          | 0       |          | 0       | 154,277       |
| Adequate Facilities/Development Tax              | 0            |      | 0                      |          | 0       |          | 0       | 1,003,226     |
| <u>Statutory Local Taxes</u>                     |              |      |                        |          |         |          |         |               |
| Bank Excise Tax                                  | 177,914      |      | 0                      |          | 0       |          | 0       | 177,914       |
| Wholesale Beer Tax                               | 0            |      | 0                      |          | 0       |          | 0       | 287,262       |
| Interstate Telecommunications Tax                | 0            |      | 0                      |          | 0       |          | 0       | 1,751         |
| Total Local Taxes                                | \$ 7,347,098 | \$   | 0                      | \$       | 0       | \$       | 575,692 | \$ 25,737,585 |
| <u>Licenses and Permits</u>                      |              |      |                        |          |         |          |         |               |
| <u>Licenses</u>                                  |              |      |                        |          |         |          |         |               |
| Cable TV Franchise                               | \$           | 0    | \$                     | 0        | \$      | 0        | 0       | \$ 118,706    |
| <u>Permits</u>                                   |              |      |                        |          |         |          |         |               |
| Beer Permits                                     | 0            |      | 0                      |          | 0       |          | 0       | 1,549         |
| Building Permits                                 | 0            |      | 0                      |          | 0       |          | 0       | 198,789       |

(Continued)

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

|  | Debt Service         |       | Capital Projects Funds   |                          |                        |         | Total |
|--|----------------------|-------|--------------------------|--------------------------|------------------------|---------|-------|
|  | General Debt Service | Other | General Capital Projects | Highway Capital Projects | Other Capital Projects |         |       |
| <u>Licenses and Permits (Cont.)</u>            |                      |       |                          |                          |                        |         |       |
| <u>Permits (Cont.)</u>                         |                      |       |                          |                          |                        |         |       |
| Other Permits                                  | 0 \$                 | 0 \$  | 0 \$                     | 0 \$                     | 0 \$                   | 11,638  |       |
| Total Licenses and Permits                     | 0 \$                 | 0 \$  | 0 \$                     | 0 \$                     | 0 \$                   | 330,682 |       |
| <u>Fines, Forfeitures, and Penalties</u>       |                      |       |                          |                          |                        |         |       |
| <u>Circuit Court</u>                           |                      |       |                          |                          |                        |         |       |
| Fines  | 0 \$                 | 0 \$  | 0 \$                     | 0 \$                     | 0 \$                   | 16,431  |       |
| Officers Costs                                 | 0                    | 0     | 0                        | 0                        | 0                      | 8,490   |       |
| Drug Control Fines                             | 0                    | 0     | 0                        | 0                        | 0                      | 7,856   |       |
| Drug Court Fees                                | 0                    | 0     | 0                        | 0                        | 0                      | 30,430  |       |
| DUI Treatment Fines                            | 0                    | 0     | 0                        | 0                        | 0                      | 4,496   |       |
| Data Entry Fee - Circuit Court                 | 0                    | 0     | 0                        | 0                        | 0                      | 1,710   |       |
| Courtroom Security Fee                         | 0                    | 0     | 0                        | 0                        | 0                      | 517     |       |
| <u>General Sessions Court</u>                  |                      |       |                          |                          |                        |         |       |
| Fines  | 0                    | 0     | 0                        | 0                        | 0                      | 113,001 |       |
| Fines for Littering                            | 0                    | 0     | 0                        | 0                        | 0                      | 2,182   |       |
| Officers Costs                                 | 0                    | 0     | 0                        | 0                        | 0                      | 110,720 |       |
| Game and Fish Fines                            | 0                    | 0     | 0                        | 0                        | 0                      | 3,322   |       |
| Drug Control Fines                             | 0                    | 0     | 0                        | 0                        | 0                      | 16,278  |       |
| DUI Treatment Fines                            | 0                    | 0     | 0                        | 0                        | 0                      | 18,204  |       |
| Data Entry Fee - General Sessions Court        | 0                    | 0     | 0                        | 0                        | 0                      | 53,806  |       |
| <u>Chancery Court</u>                          |                      |       |                          |                          |                        |         |       |
| Officers Costs                                 | 0                    | 0     | 0                        | 0                        | 0                      | 9,758   |       |
| Data Entry Fee - Chancery Court                | 0                    | 0     | 0                        | 0                        | 0                      | 4,106   |       |
| <u>Other Courts - In-county</u>                |                      |       |                          |                          |                        |         |       |
| Fines  | 0                    | 0     | 0                        | 0                        | 0                      | 10,428  |       |
| <u>Other Fines, Forfeitures, and Penalties</u> |                      |       |                          |                          |                        |         |       |
| Proceeds from Confiscated Property             | 0                    | 0     | 0                        | 0                        | 0                      | 64,932  |       |
| Total Fines, Forfeitures, and Penalties        | 0 \$                 | 0 \$  | 0 \$                     | 0 \$                     | 0 \$                   | 476,667 |       |

(Continued)

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

|   | Debt Service Fund    |                      | Capital Projects Funds   |                          |                        |              | Total |
|---|----------------------|----------------------|--------------------------|--------------------------|------------------------|--------------|-------|
|   | General Debt Service | General Debt Service | General Capital Projects | Highway Capital Projects | Other Capital Projects |              |       |
| <u>Charges for Current Services</u>           |                      |                      |                          |                          |                        |              |       |
| <u>General Service Charges</u>                |                      |                      |                          |                          |                        |              |       |
| Patient Charges                               | \$ 0                 | \$ 0                 | \$ 0                     | \$ 0                     | \$ 0                   | 221          |       |
| Work Release Charges for Board Fees           | 0                    | 0                    | 0                        | 0                        | 0                      | 27,600       |       |
| Subdivision Lot Fees                          | 0                    | 0                    | 0                        | 0                        | 0                      | 74,332       |       |
| Recreation Fees                               | 0                    | 0                    | 0                        | 0                        | 0                      | 25,580       |       |
| Copy Fees                                     | 0                    | 0                    | 0                        | 0                        | 0                      | 5,504        |       |
| Library Fees                                  | 0                    | 0                    | 0                        | 0                        | 0                      | 17,886       |       |
| Telephone Commissions                         | 0                    | 0                    | 0                        | 0                        | 0                      | 20,694       |       |
| Vending Machine Collections                   | 0                    | 0                    | 0                        | 0                        | 0                      | 1,374        |       |
| Tourism Fees                                  | 0                    | 0                    | 0                        | 0                        | 0                      | 23,079       |       |
| Constitutional Officers' Fees and Commissions | 0                    | 0                    | 0                        | 0                        | 0                      | 802,103      |       |
| Data Processing Fee - Register                | 0                    | 0                    | 0                        | 0                        | 0                      | 36,870       |       |
| Data Processing Fee - Sheriff                 | 0                    | 0                    | 0                        | 0                        | 0                      | 7,017        |       |
| Sexual Offender Registration Fees - Sheriff   | 0                    | 0                    | 0                        | 0                        | 0                      | 1,780        |       |
| Total Charges for Current Services            | \$ 0                 | \$ 0                 | \$ 0                     | \$ 0                     | \$ 0                   | \$ 1,044,040 |       |
| <u>Other Local Revenues</u>                   |                      |                      |                          |                          |                        |              |       |
| <u>Recurring Items</u>                        |                      |                      |                          |                          |                        |              |       |
| Investment Income                             | \$ 1,778,637         | \$ 49                | \$ 0                     | \$ 0                     | \$ 0                   | 1,797,186    |       |
| Lease/Rentals                                 | 0                    | 0                    | 0                        | 0                        | 0                      | 107,509      |       |
| Sale of Materials and Supplies                | 0                    | 0                    | 0                        | 0                        | 0                      | 5,246        |       |
| Sale of Animals/Livestock                     | 0                    | 0                    | 0                        | 0                        | 0                      | 51,106       |       |
| Miscellaneous Refunds                         | 118                  | 0                    | 0                        | 6                        | 0                      | 1,346        |       |
| <u>Nonrecurring Items</u>                     |                      |                      |                          |                          |                        |              |       |
| Sale of Equipment                             | 0                    | 0                    | 0                        | 0                        | 7,164                  | 217,710      |       |
| Contributions and Gifts                       | 0                    | 0                    | 0                        | 0                        | 0                      | 140,708      |       |
| Performance Bond Forfeitures                  | 0                    | 0                    | 0                        | 0                        | 0                      | 28,600       |       |
| <u>Other Local Revenues</u>                   |                      |                      |                          |                          |                        |              |       |
| Other Local Revenues                          | 0                    | 160                  | 209                      | 6                        | 7,164                  | 339,369      |       |
| Total Other Local Revenues                    | \$ 1,778,755         | \$ 209               | \$ 6                     | \$ 7,164                 | \$ 2,688,780           |              |       |

(Continued)

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

|  | Debt Service         |                      | Capital Projects Funds   |                          |                        |              | Total |
|--|----------------------|----------------------|--------------------------|--------------------------|------------------------|--------------|-------|
|  | General Debt Service | General Debt Service | General Capital Projects | Highway Capital Projects | Other Capital Projects |              |       |
| <u>Fees Received from County Officials</u> |                      |                      |                          |                          |                        |              |       |
| <u>Excess Fees</u>                         |                      |                      |                          |                          |                        |              |       |
| County Clerk                               | \$ 0                 | \$ 0                 | \$ 0                     | \$ 0                     | \$ 0                   | \$ 243,543   |       |
| Clerk and Master                           | 0                    | 0                    | 0                        | 0                        | 0                      | 43,767       |       |
| <u>Fees in-Lieu-of Salary</u>              |                      |                      |                          |                          |                        |              |       |
| Circuit Court Clerk                        | 0                    | 0                    | 0                        | 0                        | 0                      | 921,025      |       |
| Register                                   | 0                    | 0                    | 0                        | 0                        | 0                      | 463,426      |       |
| Sheriff                                    | 0                    | 0                    | 0                        | 0                        | 0                      | 43,694       |       |
| Trustee                                    | 0                    | 0                    | 0                        | 0                        | 0                      | 1,210,516    |       |
| Total Fees Received from County Officials  | \$ 0                 | \$ 0                 | \$ 0                     | \$ 0                     | \$ 0                   | \$ 2,925,971 |       |
| <u>State of Tennessee</u>                  |                      |                      |                          |                          |                        |              |       |
| <u>General Government Grants</u>           |                      |                      |                          |                          |                        |              |       |
| Juvenile Services Program                  | \$ 0                 | \$ 0                 | \$ 0                     | \$ 0                     | \$ 0                   | \$ 14,000    |       |
| State Reappraisal Grant                    | 0                    | 0                    | 0                        | 0                        | 0                      | 23,609       |       |
| <u>Public Safety Grants</u>                |                      |                      |                          |                          |                        |              |       |
| Law Enforcement Training Programs          | 0                    | 0                    | 0                        | 0                        | 0                      | 44,400       |       |
| <u>Health and Welfare Grants</u>           |                      |                      |                          |                          |                        |              |       |
| Other Health and Welfare Grants            | 0                    | 0                    | 0                        | 0                        | 0                      | 567,846      |       |
| <u>Other State Revenues</u>                |                      |                      |                          |                          |                        |              |       |
| Income Tax                                 | 0                    | 0                    | 0                        | 0                        | 0                      | 252,331      |       |
| Beer Tax                                   | 0                    | 0                    | 0                        | 0                        | 0                      | 19,312       |       |
| Alcoholic Beverage Tax                     | 0                    | 0                    | 0                        | 0                        | 0                      | 91,389       |       |
| State Revenue Sharing - T.V.A.             | 868,693              | 0                    | 0                        | 0                        | 0                      | 868,693      |       |
| Board of Jurors                            | 0                    | 0                    | 0                        | 0                        | 0                      | 445          |       |
| Contracted Prisoner Boarding               | 0                    | 0                    | 0                        | 0                        | 0                      | 711,690      |       |
| Gasoline and Motor Fuel Tax                | 0                    | 0                    | 0                        | 0                        | 0                      | 2,290,207    |       |
| Petroleum Special Tax                      | 0                    | 0                    | 0                        | 0                        | 0                      | 55,814       |       |
| Registrar's Salary Supplement              | 0                    | 0                    | 0                        | 0                        | 0                      | 20,475       |       |
| Other State Grants                         | 0                    | 0                    | 0                        | 0                        | 0                      | 21,750       |       |
| Other State Revenues                       | 0                    | 0                    | 0                        | 0                        | 0                      | 151,073      |       |
| Total State of Tennessee                   | \$ 868,693           | \$ 0                 | \$ 0                     | \$ 0                     | \$ 0                   | \$ 5,133,034 |       |

(Continued)

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

|   | Debt<br>Service<br>Fund | Capital Projects Funds |                                |                                |                              | Total      |
|---|-------------------------|------------------------|--------------------------------|--------------------------------|------------------------------|------------|
|   |                         | General                | General<br>Capital<br>Projects | Highway<br>Capital<br>Projects | Other<br>Capital<br>Projects |            |
| Federal Government                          |                         |                        |                                |                                |                              |            |
| Federal Through State                       |                         |                        |                                |                                |                              |            |
| Community Development                       | \$ 0                    | \$ 300,000             | \$ 0                           | \$ 0                           | \$ 0                         | \$ 300,000 |
| Homeland Security Grants                    | 0                       | 0                      | 0                              | 0                              | 0                            | 115,732    |
| Law Enforcement Grants                      | 0                       | 0                      | 0                              | 0                              | 0                            | 1,089      |
| Other Federal through State                 | 0                       | 0                      | 0                              | 0                              | 0                            | 317,325    |
| Direct Federal Revenue                      | 410                     | 0                      | 0                              | 0                              | 0                            | 74,676     |
| Other Direct Federal Revenue                | 410                     | 300,000                | 0                              | 0                              | 0                            | 808,822    |
| Total Federal Government                    | \$ 410                  | \$ 300,000             | \$ 0                           | \$ 0                           | \$ 0                         | \$ 808,822 |
| Other Governments and Citizens Groups       |                         |                        |                                |                                |                              |            |
| Other Governments                           |                         |                        |                                |                                |                              |            |
| Prisoner Board                              | \$ 0                    | \$ 0                   | \$ 0                           | \$ 0                           | \$ 0                         | \$ 42,124  |
| Contributions                               | 0                       | 0                      | 0                              | 0                              | 0                            | 196,150    |
| Citizens Groups                             |                         |                        |                                |                                |                              |            |
| Donations                                   | 0                       | 0                      | 0                              | 0                              | 0                            | 51,390     |
| Other                                       | 0                       | 0                      | 0                              | 0                              | 0                            | 4,198      |
| Total Other Governments and Citizens Groups | \$ 0                    | \$ 0                   | \$ 0                           | \$ 0                           | \$ 0                         | \$ 293,862 |
| Total                                       | \$ 9,994,956            | \$ 300,209             | \$ 6                           | \$ 582,856                     | \$ 39,439,443                |            |

Exhibit L-8

Maury County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 Discretely Presented Maury County School Department  
 For the Year Ended June 30, 2008

|  | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Education<br>Capital<br>Projects | Total                |
|--|------------------------------|-------------------------------|----------------------|----------------------------------|----------------------|
| <u>Local Taxes</u>                                   |                              |                               |                      |                                  |                      |
| <u>County Property Taxes</u>                         |                              |                               |                      |                                  |                      |
| Current Property Tax                                 | \$ 17,145,769                | \$ 0                          | \$ 0                 | \$ 0                             | \$ 17,145,769        |
| Trustee's Collections - Prior Year                   | 533,891                      | 0                             | 0                    | 0                                | 533,891              |
| Trustee's Collections - Bankruptcy                   | 12,749                       | 0                             | 0                    | 0                                | 12,749               |
| Circuit/Clerk & Master Collections - Prior Years     | 307,345                      | 0                             | 0                    | 0                                | 307,345              |
| Interest and Penalty                                 | 142,860                      | 0                             | 0                    | 0                                | 142,860              |
| Pick-up Taxes  | 136,082                      | 0                             | 0                    | 0                                | 136,082              |
| <u>County Local Option Taxes</u>                     |                              |                               |                      |                                  |                      |
| Local Option Sales Tax                               | 10,329,310                   | 0                             | 0                    | 0                                | 10,329,310           |
| <u>Statutory Local Taxes</u>                         |                              |                               |                      |                                  |                      |
| Interstate Telecommunications Tax                    | 10,632                       | 0                             | 0                    | 0                                | 10,632               |
| Total Local Taxes                                    | <u>\$ 28,618,638</u>         | <u>\$ 0</u>                   | <u>\$ 0</u>          | <u>\$ 0</u>                      | <u>\$ 28,618,638</u> |
| <u>Licenses and Permits</u>                          |                              |                               |                      |                                  |                      |
| <u>Licenses</u>                                      |                              |                               |                      |                                  |                      |
| Marriage Licenses                                    | \$ 5,843                     | \$ 0                          | \$ 0                 | \$ 0                             | \$ 5,843             |
| Total Licenses and Permits                           | <u>\$ 5,843</u>              | <u>\$ 0</u>                   | <u>\$ 0</u>          | <u>\$ 0</u>                      | <u>\$ 5,843</u>      |
| <u>Charges for Current Services</u>                  |                              |                               |                      |                                  |                      |
| <u>Fees</u>  |                              |                               |                      |                                  |                      |
| Vending Machine Collections                          | \$ 340                       | \$ 0                          | \$ 0                 | \$ 0                             | \$ 340               |
| <u>Education Charges</u>                             |                              |                               |                      |                                  |                      |
| Tuition - Regular Day Students                       | 40,297                       | 0                             | 0                    | 0                                | 40,297               |
| Tuition - Other                                      | 144                          | 0                             | 0                    | 0                                | 144                  |
| Lunch Payments - Children                            | 0                            | 0                             | 1,301,097            | 0                                | 1,301,097            |
| Lunch Payments - Adults                              | 0                            | 0                             | 142,153              | 0                                | 142,153              |
| Income from Breakfast                                | 0                            | 0                             | 168,053              | 0                                | 168,053              |
| A la carte Sales                                     | 0                            | 0                             | 741,766              | 0                                | 741,766              |
| Receipts from Individual Schools                     | 293,137                      | 0                             | 0                    | 0                                | 293,137              |
| <u>Other Charges for Services</u>                    |                              |                               |                      |                                  |                      |
| Other Charges for Services                           | 0                            | 0                             | 80,804               | 0                                | 80,804               |
| Total Charges for Current Services                   | <u>\$ 333,918</u>            | <u>\$ 0</u>                   | <u>\$ 2,433,873</u>  | <u>\$ 0</u>                      | <u>\$ 2,767,791</u>  |
| <u>Other Local Revenues</u>                          |                              |                               |                      |                                  |                      |
| <u>Recurring Items</u>                               |                              |                               |                      |                                  |                      |
| Investment Income                                    | \$ 0                         | \$ 0                          | \$ 35,935            | \$ 0                             | \$ 35,935            |
| Lease/Rentals  | 831                          | 0                             | 0                    | 0                                | 831                  |
| Sale of Materials and Supplies                       | 3,507                        | 0                             | 0                    | 0                                | 3,507                |
| Refund of Telecommunication & Internet Fees (E-Rate) | 61,278                       | 0                             | 0                    | 0                                | 61,278               |
| Miscellaneous Refunds                                | 18,876                       | 0                             | 28,004               | 4,107                            | 50,987               |
| <u>Nonrecurring Items</u>                            |                              |                               |                      |                                  |                      |
| Sale of Equipment                                    | 22,973                       | 0                             | 0                    | 0                                | 22,973               |
| Sale of Property                                     | 34,065                       | 0                             | 0                    | 0                                | 34,065               |
| Damages Recovered from Individuals                   | 5,032                        | 0                             | 0                    | 0                                | 5,032                |
| Contributions and Gifts                              | 163                          | 0                             | 0                    | 0                                | 163                  |
| Total Other Local Revenues                           | <u>\$ 146,725</u>            | <u>\$ 0</u>                   | <u>\$ 63,939</u>     | <u>\$ 4,107</u>                  | <u>\$ 214,771</u>    |

(Continued)

Exhibit L-8

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

|  | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Education<br>Capital<br>Projects | Total          |
|--|------------------------------|-------------------------------|----------------------|----------------------------------|----------------|
| <u>State of Tennessee</u>                        |                              |                               |                      |                                  |                |
| <u>General Government Grants</u>                 |                              |                               |                      |                                  |                |
| On-Behalf Contributions for OPEB                 | \$ 394,547                   | \$ 0                          | \$ 0                 | \$ 0                             | \$ 394,547     |
| <u>State Education Funds</u>                     |                              |                               |                      |                                  |                |
| Basic Education Program                          | 42,943,000                   | 0                             | 0                    | 0                                | 42,943,000     |
| School Food Service                              | 0                            | 0                             | 59,007               | 0                                | 59,007         |
| Other State Education Funds                      | 1,140,463                    | 0                             | 0                    | 0                                | 1,140,463      |
| Career Ladder Program                            | 586,837                      | 0                             | 0                    | 0                                | 586,837        |
| Career Ladder - Extended Contract                | 238,686                      | 0                             | 0                    | 0                                | 238,686        |
| <u>Other State Revenues</u>                      |                              |                               |                      |                                  |                |
| Mixed Drink Tax                                  | 76,643                       | 0                             | 0                    | 0                                | 76,643         |
| Other State Grants                               | 58,078                       | 0                             | 0                    | 0                                | 58,078         |
| Other State Revenues                             | 96,121                       | 0                             | 0                    | 0                                | 96,121         |
| Total State of Tennessee                         | \$ 45,534,375                | \$ 0                          | \$ 59,007            | \$ 0                             | \$ 45,593,382  |
| <u>Federal Government</u>                        |                              |                               |                      |                                  |                |
| <u>Federal Through State</u>                     |                              |                               |                      |                                  |                |
| USDA School Lunch Program                        | \$ 0                         | \$ 0                          | \$ 2,003,686         | \$ 0                             | \$ 2,003,686   |
| Breakfast  | 0                            | 0                             | 609,273              | 0                                | 609,273        |
| USDA - Other                                     | 0                            | 0                             | 2,846                | 0                                | 2,846          |
| Vocational Education - Basic Grants to States    | 0                            | 266,309                       | 0                    | 0                                | 266,309        |
| Other Vocational                                 | 49,736                       | 0                             | 0                    | 0                                | 49,736         |
| Title I Grants to Local Education Agencies       | 0                            | 1,898,000                     | 0                    | 0                                | 1,898,000      |
| Innovative Education Program Strategies          | 0                            | 18,621                        | 0                    | 0                                | 18,621         |
| Special Education - Grants to States             | 23,807                       | 2,395,144                     | 0                    | 0                                | 2,418,951      |
| Special Education Preschool Grants               | 0                            | 94,489                        | 0                    | 0                                | 94,489         |
| English Language Acquisition Grants              | 0                            | 36,650                        | 0                    | 0                                | 36,650         |
| Eisenhower Professional Development State Grants | 0                            | 560,750                       | 0                    | 0                                | 560,750        |
| Other Federal through State                      | 267,235                      | 26,200                        | 0                    | 0                                | 293,435        |
| <u>Direct Federal Revenue</u>                    |                              |                               |                      |                                  |                |
| ROTC Reimbursement                               | 123,976                      | 0                             | 0                    | 0                                | 123,976        |
| Other Direct Federal Revenue                     | 2,280                        | 0                             | 0                    | 0                                | 2,280          |
| Total Federal Government                         | \$ 467,034                   | \$ 5,296,163                  | \$ 2,615,805         | \$ 0                             | \$ 8,379,002   |
| <u>Other Governments and Citizens Groups</u>     |                              |                               |                      |                                  |                |
| <u>Other Governments</u>                         |                              |                               |                      |                                  |                |
| Contributions                                    | \$ 0                         | \$ 0                          | \$ 0                 | \$ 26,909,458                    | \$ 26,909,458  |
| Total Other Governments and Citizens Groups      | \$ 0                         | \$ 0                          | \$ 0                 | \$ 26,909,458                    | \$ 26,909,458  |
| Total  | \$ 75,106,533                | \$ 5,296,163                  | \$ 5,172,624         | \$ 26,913,565                    | \$ 112,488,885 |

Exhibit L-9

Maury County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2008

General Fund

General Government

County Commission

|   |    |        |           |
|---|----|--------|-----------|
| Board and Committee Members Fees          | \$ | 62,350 |           |
| Social Security                           |    | 3,866  |           |
| Employer Medicare                         |    | 904    |           |
| Legal Notices, Recording, and Court Costs |    | 1,100  |           |
| Travel                                    |    | 395    |           |
| Food Supplies                             |    | 629    |           |
| Office Supplies                           |    | 270    |           |
| Other Charges                             |    | 160    |           |
| Total County Commission                   |    |        | \$ 69,674 |

Board of Equalization

|                                  |    |     |     |
|----------------------------------|----|-----|-----|
| Board and Committee Members Fees | \$ | 770 |     |
| Social Security                  |    | 45  |     |
| Employer Medicare                |    | 10  |     |
| Total Board of Equalization      |    |     | 825 |

Other Boards and Committees

|   |    |       |       |
|---|----|-------|-------|
| Other Per Diem and Fees                   | \$ | 450   |       |
| Social Security                           |    | 28    |       |
| Employer Medicare                         |    | 7     |       |
| Advertising                               |    | 72    |       |
| Legal Notices, Recording, and Court Costs |    | 2,917 |       |
| Postal Charges                            |    | 82    |       |
| Office Supplies                           |    | 67    |       |
| Periodicals                               |    | 473   |       |
| Other Supplies and Materials              |    | 1,974 |       |
| Other Charges                             |    | 189   |       |
| Total Other Boards and Committees         |    |       | 6,259 |

County Mayor/Executive

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 82,698 |  |
| Assistant(s)                           |    | 34,707 |  |
| Clerical Personnel                     |    | 33,015 |  |
| Longevity Pay                          |    | 650    |  |
| Social Security                        |    | 9,399  |  |
| State Retirement                       |    | 13,506 |  |
| Life Insurance                         |    | 198    |  |
| Medical Insurance                      |    | 15,165 |  |
| Dental Insurance                       |    | 623    |  |
| Disability Insurance                   |    | 718    |  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

|                                 |    |       |            |
|---------------------------------|----|-------|------------|
| Unemployment Compensation       | \$ | 112   |            |
| Employer Medicare               |    | 2,198 |            |
| Communication                   |    | 288   |            |
| Dues and Memberships            |    | 2,000 |            |
| Maintenance Agreements          |    | 743   |            |
| Postal Charges                  |    | 26    |            |
| Printing, Stationery, and Forms |    | 538   |            |
| Travel                          |    | 1,004 |            |
| Office Supplies                 |    | 848   |            |
| Periodicals                     |    | 745   |            |
| Total County Mayor/Executive    |    |       | \$ 199,181 |

Personnel Office

|   |    |        |         |
|---|----|--------|---------|
| County Official/Administrative Officer    | \$ | 62,633 |         |
| Clerical Personnel                        |    | 91,885 |         |
| Longevity Pay                             |    | 950    |         |
| Social Security                           |    | 9,229  |         |
| State Retirement                          |    | 13,799 |         |
| Life Insurance                            |    | 238    |         |
| Medical Insurance                         |    | 20,127 |         |
| Dental Insurance                          |    | 835    |         |
| Disability Insurance                      |    | 744    |         |
| Unemployment Compensation                 |    | 224    |         |
| Employer Medicare                         |    | 2,158  |         |
| Communication                             |    | 60     |         |
| Dues and Memberships                      |    | 340    |         |
| Legal Notices, Recording, and Court Costs |    | 2,897  |         |
| Maintenance Agreements                    |    | 992    |         |
| Postal Charges                            |    | 741    |         |
| Printing, Stationery, and Forms           |    | 80     |         |
| Travel                                    |    | 2,001  |         |
| Other Contracted Services                 |    | 378    |         |
| Office Supplies                           |    | 1,630  |         |
| Periodicals                               |    | 307    |         |
| Other Charges                             |    | 615    |         |
| Total Personnel Office                    |    |        | 212,863 |

County Attorney

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 52,167 |  |
| Longevity Pay                          |    | 1,000  |  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

General Government (Cont.)

County Attorney (Cont.)

|                           |    |       |           |
|---------------------------|----|-------|-----------|
| Social Security           | \$ | 3,296 |           |
| State Retirement          |    | 4,299 |           |
| Life Insurance            |    | 64    |           |
| Medical Insurance         |    | 5,055 |           |
| Dental Insurance          |    | 208   |           |
| Disability Insurance      |    | 234   |           |
| Unemployment Compensation |    | 56    |           |
| Employer Medicare         |    | 771   |           |
| Total County Attorney     |    |       | \$ 67,150 |

Election Commission

|   |    |        |
|---|----|--------|
| County Official/Administrative Officer      | \$ | 61,968 |
| Clerical Personnel                          |    | 57,462 |
| Part-time Personnel                         |    | 12,377 |
| Longevity Pay                               |    | 1,300  |
| Other Salaries and Wages                    |    | 1,543  |
| Election Commission                         |    | 3,420  |
| Election Workers                            |    | 33,580 |
| Social Security                             |    | 8,353  |
| State Retirement                            |    | 10,931 |
| Life Insurance                              |    | 189    |
| Medical Insurance                           |    | 15,165 |
| Dental Insurance                            |    | 623    |
| Disability Insurance                        |    | 557    |
| Unemployment Compensation                   |    | 171    |
| Employer Medicare                           |    | 1,953  |
| Communication                               |    | 383    |
| Contracts with Public Carriers              |    | 2,000  |
| Data Processing Services                    |    | 3,600  |
| Dues and Memberships                        |    | 250    |
| Legal Notices, Recording, and Court Costs   |    | 3,981  |
| Maintenance Agreements                      |    | 3,044  |
| Maintenance and Repair Services - Buildings |    | 485    |
| Maintenance and Repair Services - Equipment |    | 7,965  |
| Pest Control                                |    | 128    |
| Postal Charges                              |    | 6,295  |
| Printing, Stationery, and Forms             |    | 5,006  |
| Rentals                                     |    | 955    |
| Travel                                      |    | 1,542  |
| Data Processing Supplies                    |    | 583    |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

|                           |    |       |            |
|---------------------------|----|-------|------------|
| Electricity               | \$ | 3,453 |            |
| Natural Gas               |    | 1,436 |            |
| Office Supplies           |    | 779   |            |
| Data Processing Equipment |    | 1,773 |            |
| Furniture and Fixtures    |    | 2,128 |            |
| Total Election Commission |    |       | \$ 255,378 |

Register of Deeds

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 68,850  |         |
| Clerical Personnel                     |    | 141,859 |         |
| Longevity Pay                          |    | 1,600   |         |
| Social Security                        |    | 13,135  |         |
| State Retirement                       |    | 18,981  |         |
| Life Insurance                         |    | 337     |         |
| Medical Insurance                      |    | 25,276  |         |
| Dental Insurance                       |    | 1,038   |         |
| Disability Insurance                   |    | 994     |         |
| Unemployment Compensation              |    | 309     |         |
| Employer Medicare                      |    | 3,072   |         |
| Data Processing Services               |    | 17,007  |         |
| Dues and Memberships                   |    | 650     |         |
| Maintenance Agreements                 |    | 4,764   |         |
| Postal Charges                         |    | 2,036   |         |
| Data Processing Supplies               |    | 1,277   |         |
| Office Supplies                        |    | 3,366   |         |
| Data Processing Equipment              |    | 6,953   |         |
| Furniture and Fixtures                 |    | 3,799   |         |
| Total Register of Deeds                |    |         | 315,303 |

Development

|  |    |         |  |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 98,262  |  |
| Secretary(ies)                         |    | 37,731  |  |
| Clerical Personnel                     |    | 41,209  |  |
| Longevity Pay                          |    | 3,600   |  |
| Other Salaries and Wages               |    | 119,056 |  |
| Social Security                        |    | 18,514  |  |
| State Retirement                       |    | 18,414  |  |
| Life Insurance                         |    | 432     |  |
| Medical Insurance                      |    | 35,385  |  |
| Dental Insurance                       |    | 1,454   |  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Disability Insurance                               | \$ | 1,359  |            |
| Unemployment Compensation                          |    | 454    |            |
| Employer Medicare                                  |    | 4,330  |            |
| Communication                                      |    | 1,158  |            |
| Consultants  |    | 53,750 |            |
| Dues and Memberships                               |    | 450    |            |
| Legal Services                                     |    | 766    |            |
| Legal Notices, Recording, and Court Costs          |    | 2,241  |            |
| Maintenance Agreements                             |    | 1,560  |            |
| Maintenance and Repair Services - Office Equipment |    | 466    |            |
| Maintenance and Repair Services - Vehicles         |    | 2,868  |            |
| Postal Charges                                     |    | 1,385  |            |
| Printing, Stationery, and Forms                    |    | 426    |            |
| Travel   |    | 1,467  |            |
| Gasoline   |    | 7,529  |            |
| Office Supplies                                    |    | 4,152  |            |
| Periodicals  |    | 546    |            |
| Other Charges                                      |    | 148    |            |
| Furniture and Fixtures                             |    | 538    |            |
| Office Equipment                                   |    | 494    |            |
| Other Equipment                                    |    | 81     |            |
| Total Development                                  |    |        | \$ 460,225 |

County Buildings

|                           |    |         |
|---------------------------|----|---------|
| Supervisor/Director       | \$ | 45,906  |
| Custodial Personnel       |    | 65,736  |
| Longevity Pay             |    | 5,350   |
| Overtime Pay              |    | 2,881   |
| Other Salaries and Wages  |    | 162,993 |
| Social Security           |    | 17,394  |
| State Retirement          |    | 23,648  |
| Life Insurance            |    | 497     |
| Medical Insurance         |    | 40,441  |
| Dental Insurance          |    | 1,661   |
| Disability Insurance      |    | 1,226   |
| Unemployment Compensation |    | 563     |
| Employer Medicare         |    | 4,068   |
| Communication             |    | 8,202   |
| Dues and Memberships      |    | 35      |
| Janitorial Services       |    | 24      |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Laundry Service                             | \$ | 1,237   |              |
| Licenses                                    |    | 1,155   |              |
| Maintenance Agreements                      |    | 20,588  |              |
| Maintenance and Repair Services - Buildings |    | 61,397  |              |
| Maintenance and Repair Services - Equipment |    | 902     |              |
| Maintenance and Repair Services - Vehicles  |    | 2,131   |              |
| Pest Control                                |    | 2,523   |              |
| Rentals                                     |    | 381     |              |
| Travel                                      |    | 1,096   |              |
| Disposal Fees                               |    | 10,219  |              |
| Other Contracted Services                   |    | 50,922  |              |
| Custodial Supplies                          |    | 10,016  |              |
| Electricity                                 |    | 141,816 |              |
| Equipment and Machinery Parts               |    | 82      |              |
| Gasoline                                    |    | 6,464   |              |
| Natural Gas                                 |    | 24,567  |              |
| Office Supplies                             |    | 40      |              |
| Small Tools                                 |    | 560     |              |
| Other Supplies and Materials                |    | 1,298   |              |
| Boiler Insurance                            |    | 9,100   |              |
| Building and Contents Insurance             |    | 68,104  |              |
| Other Charges                               |    | 28      |              |
| Building Improvements                       |    | 168     |              |
| Furniture and Fixtures                      |    | 278,058 |              |
| Other Equipment                             |    | 6,978   |              |
| Total County Buildings                      |    |         | \$ 1,080,455 |

Other General Administration

|  |    |         |
|--|----|---------|
| Audit Services                             | \$ | 15,805  |
| Consultants                                |    | 12,922  |
| Dues and Memberships                       |    | 9,885   |
| Legal Services                             |    | 39,437  |
| Maintenance and Repair Services - Vehicles |    | 630     |
| Remittance of Revenue Collected            |    | 590     |
| Other Contracted Services                  |    | 44      |
| Gasoline                                   |    | 2,175   |
| Judgments                                  |    | 26,193  |
| Liability Insurance                        |    | 190,780 |
| Vehicle and Equipment Insurance            |    | 74,478  |
| Workers' Compensation Insurance            |    | 256,696 |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

|                                    |          |            |
|------------------------------------|----------|------------|
| Other Charges                      | \$ 4,200 |            |
| Total Other General Administration |          | \$ 633,835 |

Preservation of Records

|   |           |         |
|---|-----------|---------|
| County Official/Administrative Officer      | \$ 50,568 |         |
| Assistant(s)                                | 29,066    |         |
| Part-time Personnel                         | 5,799     |         |
| Longevity Pay                               | 300       |         |
| Social Security                             | 5,260     |         |
| State Retirement                            | 7,146     |         |
| Life Insurance                              | 126       |         |
| Medical Insurance                           | 10,110    |         |
| Dental Insurance                            | 415       |         |
| Disability Insurance                        | 386       |         |
| Unemployment Compensation                   | 158       |         |
| Employer Medicare                           | 1,230     |         |
| Advertising                                 | 990       |         |
| Communication                               | 383       |         |
| Janitorial Services                         | 1,493     |         |
| Maintenance Agreements                      | 3,286     |         |
| Maintenance and Repair Services - Buildings | 244       |         |
| Postal Charges                              | 205       |         |
| Printing, Stationery, and Forms             | 860       |         |
| Travel                                      | 370       |         |
| Custodial Supplies                          | 150       |         |
| Library Books/Media                         | 1,718     |         |
| Office Supplies                             | 2,683     |         |
| Periodicals                                 | 226       |         |
| Other Charges                               | 214       |         |
| Furniture and Fixtures                      | 945       |         |
| Other Capital Outlay                        | 19,568    |         |
| Total Preservation of Records               |           | 143,899 |

Finance

Accounting and Budgeting

|  |           |
|--|-----------|
| County Official/Administrative Officer | \$ 93,621 |
| Assistant(s)                           | 34,946    |
| Accountants/Bookkeepers                | 181,058   |
| Clerical Personnel                     | 137,964   |
| Longevity Pay                          | 5,400     |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Social Security                                    | \$ | 27,702 |            |
| State Retirement                                   |    | 38,621 |            |
| Life Insurance                                     |    | 558    |            |
| Medical Insurance                                  |    | 45,189 |            |
| Dental Insurance                                   |    | 1,854  |            |
| Disability Insurance                               |    | 2,066  |            |
| Unemployment Compensation                          |    | 560    |            |
| Employer Medicare                                  |    | 6,479  |            |
| Communication                                      |    | 1,345  |            |
| Dues and Memberships                               |    | 736    |            |
| Legal Notices, Recording, and Court Costs          |    | 17     |            |
| Licenses   |    | 250    |            |
| Maintenance Agreements                             |    | 1,660  |            |
| Maintenance and Repair Services - Office Equipment |    | 956    |            |
| Postal Charges                                     |    | 3,283  |            |
| Printing, Stationery, and Forms                    |    | 383    |            |
| Travel   |    | 3,513  |            |
| Office Supplies                                    |    | 6,271  |            |
| Periodicals  |    | 533    |            |
| Other Charges                                      |    | 95     |            |
| Furniture and Fixtures                             |    | 2,481  |            |
| Office Equipment                                   |    | 9,045  |            |
| Other Capital Outlay                               |    | 1,460  |            |
| Total Accounting and Budgeting                     |    |        | \$ 608,046 |

Purchasing

|   |    |        |
|---|----|--------|
| Assistant(s)                              | \$ | 42,287 |
| Longevity Pay                             |    | 850    |
| Social Security                           |    | 2,675  |
| State Retirement                          |    | 3,857  |
| Life Insurance                            |    | 58     |
| Medical Insurance                         |    | 4,633  |
| Dental Insurance                          |    | 189    |
| Disability Insurance                      |    | 231    |
| Unemployment Compensation                 |    | 56     |
| Employer Medicare                         |    | 625    |
| Dues and Memberships                      |    | 330    |
| Legal Notices, Recording, and Court Costs |    | 1,326  |
| Postal Charges                            |    | 267    |
| Printing, Stationery, and Forms           |    | 24     |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

|                  |    |       |           |
|------------------|----|-------|-----------|
| Travel           | \$ | 2,229 |           |
| Office Supplies  |    | 161   |           |
| Total Purchasing |    |       | \$ 59,798 |

Property Assessor's Office

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer     | \$ | 69,600  |         |
| Clerical Personnel                         |    | 127,143 |         |
| Longevity Pay                              |    | 4,800   |         |
| Other Salaries and Wages                   |    | 162,584 |         |
| In-Service Training                        |    | 1,330   |         |
| Social Security                            |    | 22,023  |         |
| State Retirement                           |    | 21,629  |         |
| Life Insurance                             |    | 588     |         |
| Medical Insurance                          |    | 45,112  |         |
| Dental Insurance                           |    | 1,854   |         |
| Disability Insurance                       |    | 1,631   |         |
| Unemployment Compensation                  |    | 560     |         |
| Employer Medicare                          |    | 5,150   |         |
| Audit Services                             |    | 10,149  |         |
| Communication                              |    | 545     |         |
| Data Processing Services                   |    | 20,353  |         |
| Dues and Memberships                       |    | 1,833   |         |
| Maintenance and Repair Services - Vehicles |    | 4,287   |         |
| Postal Charges                             |    | 3,088   |         |
| Printing, Stationery, and Forms            |    | 186     |         |
| Travel                                     |    | 2,491   |         |
| Data Processing Supplies                   |    | 1,902   |         |
| Gasoline                                   |    | 4,653   |         |
| Office Supplies                            |    | 3,148   |         |
| Other Charges                              |    | 11      |         |
| Data Processing Equipment                  |    | 3,384   |         |
| Furniture and Fixtures                     |    | 730     |         |
| Office Equipment                           |    | 1,154   |         |
| Total Property Assessor's Office           |    |         | 521,918 |

Reappraisal Program

|                     |    |        |
|---------------------|----|--------|
| Clerical Personnel  | \$ | 29,403 |
| Temporary Personnel |    | 18,445 |
| Longevity Pay       |    | 1,350  |
| Overtime Pay        |    | 510    |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Other Salaries and Wages                   | \$ | 69,031 |            |
| Social Security                            |    | 7,360  |            |
| State Retirement                           |    | 8,731  |            |
| Life Insurance                             |    | 179    |            |
| Medical Insurance                          |    | 14,496 |            |
| Dental Insurance                           |    | 596    |            |
| Disability Insurance                       |    | 437    |            |
| Unemployment Compensation                  |    | 272    |            |
| Employer Medicare                          |    | 1,721  |            |
| Communication                              |    | 552    |            |
| Data Processing Services                   |    | 9,843  |            |
| Maintenance Agreements                     |    | 539    |            |
| Maintenance and Repair Services - Vehicles |    | 82     |            |
| Postal Charges                             |    | 951    |            |
| Travel                                     |    | 220    |            |
| Data Processing Supplies                   |    | 1,020  |            |
| Gasoline                                   |    | 1,496  |            |
| Office Supplies                            |    | 657    |            |
| Furniture and Fixtures                     |    | 239    |            |
| Total Reappraisal Program                  |    |        | \$ 168,130 |

County Trustee's Office

|   |    |         |
|---|----|---------|
| County Official/Administrative Officer    | \$ | 68,850  |
| Clerical Personnel                        |    | 132,101 |
| Temporary Personnel                       |    | 13,272  |
| Longevity Pay                             |    | 3,150   |
| Social Security                           |    | 12,844  |
| State Retirement                          |    | 18,233  |
| Life Insurance                            |    | 313     |
| Medical Insurance                         |    | 25,276  |
| Dental Insurance                          |    | 1,038   |
| Disability Insurance                      |    | 961     |
| Unemployment Compensation                 |    | 330     |
| Employer Medicare                         |    | 3,078   |
| Data Processing Services                  |    | 8,775   |
| Dues and Memberships                      |    | 650     |
| Legal Notices, Recording, and Court Costs |    | 220     |
| Maintenance Agreements                    |    | 540     |
| Postal Charges                            |    | 8,285   |
| Travel                                    |    | 1,386   |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

|                               |    |       |            |
|-------------------------------|----|-------|------------|
| Office Supplies               | \$ | 2,742 |            |
| Periodicals                   |    | 249   |            |
| Office Equipment              |    | 508   |            |
| Total County Trustee's Office |    |       | \$ 302,801 |

County Clerk's Office

|  |    |        |         |
|--|----|--------|---------|
| State Retirement                                   | \$ | 42,884 |         |
| Life Insurance                                     |    | 877    |         |
| Medical Insurance                                  |    | 73,525 |         |
| Dental Insurance                                   |    | 3,023  |         |
| Disability Insurance                               |    | 2,249  |         |
| Unemployment Compensation                          |    | 777    |         |
| Data Processing Services                           |    | 12,307 |         |
| Dues and Memberships                               |    | 880    |         |
| Maintenance Agreements                             |    | 1,777  |         |
| Maintenance and Repair Services - Office Equipment |    | 201    |         |
| Postal Charges                                     |    | 19,988 |         |
| Printing, Stationery, and Forms                    |    | 8,150  |         |
| Data Processing Supplies                           |    | 394    |         |
| Office Supplies                                    |    | 4,562  |         |
| Periodicals  |    | 191    |         |
| Furniture and Fixtures                             |    | 1,305  |         |
| Office Equipment                                   |    | 917    |         |
| Total County Clerk's Office                        |    |        | 174,007 |

Data Processing

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 74,778  |
| Data Processing Personnel              |    | 108,867 |
| Longevity Pay                          |    | 1,050   |
| Social Security                        |    | 11,335  |
| State Retirement                       |    | 16,512  |
| Life Insurance                         |    | 189     |
| Medical Insurance                      |    | 11,375  |
| Dental Insurance                       |    | 472     |
| Disability Insurance                   |    | 804     |
| Unemployment Compensation              |    | 241     |
| Employer Medicare                      |    | 2,651   |
| Communication                          |    | 110     |
| Dues and Memberships                   |    | 180     |
| Postal Charges                         |    | 85      |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

|                        |    |     |            |
|------------------------|----|-----|------------|
| Travel                 | \$ | 632 |            |
| Office Supplies        |    | 90  |            |
| Small Tools            |    | 258 |            |
| Other Charges          |    | 16  |            |
| Furniture and Fixtures |    | 326 |            |
| Total Data Processing  |    |     | \$ 229,971 |

Administration of Justice

Circuit Court

|   |    |         |         |
|---|----|---------|---------|
| County Official/Administrative Officer    | \$ | 68,850  |         |
| Clerical Personnel                        |    | 494,029 |         |
| Part-time Personnel                       |    | 27,945  |         |
| Longevity Pay                             |    | 7,250   |         |
| Overtime Pay                              |    | 4,989   |         |
| Jury and Witness Fees                     |    | 41,633  |         |
| In-Service Training                       |    | 300     |         |
| Other Per Diem and Fees                   |    | 16,380  |         |
| Social Security                           |    | 38,040  |         |
| State Retirement                          |    | 45,054  |         |
| Life Insurance                            |    | 941     |         |
| Medical Insurance                         |    | 79,291  |         |
| Dental Insurance                          |    | 3,219   |         |
| Disability Insurance                      |    | 2,653   |         |
| Unemployment Compensation                 |    | 1,063   |         |
| Employer Medicare                         |    | 8,896   |         |
| Data Processing Services                  |    | 12,711  |         |
| Dues and Memberships                      |    | 620     |         |
| Legal Notices, Recording, and Court Costs |    | 363     |         |
| Maintenance Agreements                    |    | 4,068   |         |
| Postal Charges                            |    | 10,485  |         |
| Printing, Stationery, and Forms           |    | 18,267  |         |
| Travel                                    |    | 268     |         |
| Office Supplies                           |    | 6,676   |         |
| Periodicals                               |    | 318     |         |
| Other Charges                             |    | 3,631   |         |
| Office Equipment                          |    | 113     |         |
| Total Circuit Court                       |    |         | 898,053 |

General Sessions Court

|          |    |         |  |
|----------|----|---------|--|
| Judge(s) | \$ | 410,472 |  |
|----------|----|---------|--|

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

|                                 |    |         |            |
|---------------------------------|----|---------|------------|
| Clerical Personnel              | \$ | 112,104 |            |
| Temporary Personnel             |    | 40,501  |            |
| Longevity Pay                   |    | 2,850   |            |
| Other Salaries and Wages        |    | 121,072 |            |
| Social Security                 |    | 35,381  |            |
| State Retirement                |    | 56,472  |            |
| Life Insurance                  |    | 570     |            |
| Medical Insurance               |    | 45,496  |            |
| Dental Insurance                |    | 1,869   |            |
| Disability Insurance            |    | 2,480   |            |
| Unemployment Compensation       |    | 622     |            |
| Employer Medicare               |    | 9,795   |            |
| Communication                   |    | 3,084   |            |
| Dues and Memberships            |    | 100     |            |
| Maintenance Agreements          |    | 1,817   |            |
| Pest Control                    |    | 391     |            |
| Printing, Stationery, and Forms |    | 1,349   |            |
| Travel                          |    | 3,219   |            |
| Electricity                     |    | 5,130   |            |
| Office Supplies                 |    | 1,510   |            |
| Periodicals                     |    | 829     |            |
| Other Charges                   |    | 324     |            |
| Data Processing Equipment       |    | 5,927   |            |
| Furniture and Fixtures          |    | 1,373   |            |
| Office Equipment                |    | 1,067   |            |
| Total General Sessions Court    |    |         | \$ 865,804 |

Chancery Court

|                                 |    |        |
|---------------------------------|----|--------|
| State Retirement                | \$ | 22,705 |
| Life Insurance                  |    | 437    |
| Medical Insurance               |    | 35,807 |
| Dental Insurance                |    | 1,470  |
| Disability Insurance            |    | 1,202  |
| Unemployment Compensation       |    | 336    |
| Data Processing Services        |    | 7,454  |
| Dues and Memberships            |    | 620    |
| Maintenance Agreements          |    | 1,045  |
| Postal Charges                  |    | 12,615 |
| Printing, Stationery, and Forms |    | 4,930  |
| Travel                          |    | 1,150  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

|                           |    |              |        |
|---------------------------|----|--------------|--------|
| Office Supplies           | \$ | 3,366        |        |
| Periodicals               |    | 714          |        |
| Other Charges             |    | 15           |        |
| Data Processing Equipment |    | 1,364        |        |
| Furniture and Fixtures    |    | 306          |        |
| Office Equipment          |    | <u>1,000</u> |        |
| Total Chancery Court      | \$ |              | 96,536 |

District Attorney General

|                                 |    |               |        |
|---------------------------------|----|---------------|--------|
| Contributions                   | \$ | 2,500         |        |
| Medical and Dental Services     |    | <u>74,375</u> |        |
| Total District Attorney General |    |               | 76,875 |

Courtroom Security

|                          |    |              |       |
|--------------------------|----|--------------|-------|
| Other Charges            | \$ | 7,754        |       |
| Other Capital Outlay     |    | <u>1,206</u> |       |
| Total Courtroom Security |    |              | 8,960 |

Public Safety

Sheriff's Department

|  |    |           |  |
|--|----|-----------|--|
| County Official/Administrative Officer | \$ | 75,732    |  |
| Deputy(ies)                            |    | 1,919,368 |  |
| Investigator(s)                        |    | 420,964   |  |
| Captain(s)                             |    | 141,752   |  |
| Lieutenant(s)                          |    | 225,612   |  |
| Sergeant(s)                            |    | 379,960   |  |
| Dispatchers/Radio Operators            |    | 164,970   |  |
| Clerical Personnel                     |    | 170,093   |  |
| Part-time Personnel                    |    | 22,842    |  |
| Longevity Pay                          |    | 32,600    |  |
| Overtime Pay                           |    | 241,138   |  |
| In-Service Training                    |    | 45,000    |  |
| Social Security                        |    | 234,305   |  |
| State Retirement                       |    | 316,515   |  |
| Life Insurance                         |    | 5,078     |  |
| Medical Insurance                      |    | 415,102   |  |
| Dental Insurance                       |    | 16,204    |  |
| Disability Insurance                   |    | 16,600    |  |
| Unemployment Compensation              |    | 5,094     |  |
| Employer Medicare                      |    | 54,797    |  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Communication                               | \$ | 20,103  |              |
| Data Processing Services                    |    | 43,897  |              |
| Dues and Memberships                        |    | 3,860   |              |
| Legal Notices, Recording, and Court Costs   |    | 116     |              |
| Maintenance Agreements                      |    | 11,525  |              |
| Maintenance and Repair Services - Equipment |    | 3,167   |              |
| Maintenance and Repair Services - Vehicles  |    | 27,328  |              |
| Postal Charges                              |    | 3,977   |              |
| Printing, Stationery, and Forms             |    | 2,115   |              |
| Travel                                      |    | 28,049  |              |
| Veterinary Services                         |    | 431     |              |
| Other Contracted Services                   |    | 2,136   |              |
| Animal Food and Supplies                    |    | 514     |              |
| Data Processing Supplies                    |    | 6,700   |              |
| Drugs and Medical Supplies                  |    | 382     |              |
| Food Supplies                               |    | 224     |              |
| Gasoline                                    |    | 208,041 |              |
| Law Enforcement Supplies                    |    | 17,866  |              |
| Lubricants                                  |    | 5,449   |              |
| Office Supplies                             |    | 10,656  |              |
| Periodicals                                 |    | 2,484   |              |
| Tires and Tubes                             |    | 14,983  |              |
| Uniforms                                    |    | 34,988  |              |
| Vehicle Parts                               |    | 32,357  |              |
| Other Charges                               |    | 387     |              |
| Communication Equipment                     |    | 13,903  |              |
| Data Processing Equipment                   |    | 8,038   |              |
| Furniture and Fixtures                      |    | 742     |              |
| Law Enforcement Equipment                   |    | 46,884  |              |
| Office Equipment                            |    | 785     |              |
| Other Equipment                             |    | 3,385   |              |
| Other Capital Outlay                        |    | 28,722  |              |
| Total Sheriff's Department                  |    |         | \$ 5,487,920 |

Jail

|  |    |           |
|--|----|-----------|
| County Official/Administrative Officer | \$ | 3,024     |
| Maintenance Personnel                  |    | 37,731    |
| Longevity Pay                          |    | 6,850     |
| Overtime Pay                           |    | 246,904   |
| Other Salaries and Wages               |    | 1,475,940 |

(Continued)

Exhibit L-9

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

General Fund (Cont.)  
Public Safety (Cont.)  
Jail (Cont.)

|   |    |         |
|---|----|---------|
| Social Security                             | \$ | 108,241 |
| State Retirement                            |    | 149,238 |
| Life Insurance                              |    | 2,831   |
| Medical Insurance                           |    | 231,938 |
| Dental Insurance                            |    | 9,506   |
| Disability Insurance                        |    | 7,096   |
| Unemployment Compensation                   |    | 2,958   |
| Employer Medicare                           |    | 25,315  |
| Communication                               |    | 5,981   |
| Contracts with Government Agencies          |    | 60,619  |
| Laundry Service                             |    | 135     |
| Licenses                                    |    | 30      |
| Maintenance Agreements                      |    | 16,298  |
| Maintenance and Repair Services - Buildings |    | 45,640  |
| Maintenance and Repair Services - Equipment |    | 629     |
| Maintenance and Repair Services - Vehicles  |    | 3,916   |
| Medical and Dental Services                 |    | 58,214  |
| Pest Control                                |    | 1,632   |
| Postal Charges                              |    | 3,623   |
| Printing, Stationery, and Forms             |    | 6,045   |
| Travel                                      |    | 1,883   |
| Disposal Fees                               |    | 2,077   |
| Other Contracted Services                   |    | 3,702   |
| Custodial Supplies                          |    | 23,795  |
| Drugs and Medical Supplies                  |    | 179,494 |
| Electricity                                 |    | 118,180 |
| Food Supplies                               |    | 203,246 |
| Gasoline                                    |    | 35,523  |
| Law Enforcement Supplies                    |    | 1,626   |
| Lubricants                                  |    | 1,128   |
| Natural Gas                                 |    | 45,491  |
| Periodicals                                 |    | 202     |
| Prisoners Clothing                          |    | 41,543  |
| Tires and Tubes                             |    | 2,210   |
| Uniforms                                    |    | 11,090  |
| Vehicle Parts                               |    | 3,447   |
| Other Supplies and Materials                |    | 307     |
| Other Charges                               |    | 661     |
| Communication Equipment                     |    | 5,647   |
| Food Service Equipment                      |    | 1,439   |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

|                           |    |        |              |
|---------------------------|----|--------|--------------|
| Law Enforcement Equipment | \$ | 3,409  |              |
| Other Equipment           |    | 8,675  |              |
| Other Capital Outlay      |    | 12,062 |              |
| Total Jail                |    |        | \$ 3,217,171 |

Juvenile Services

|                           |    |        |         |
|---------------------------|----|--------|---------|
| Assistant(s)              | \$ | 25,937 |         |
| Probation Officer(s)      |    | 26,811 |         |
| Youth Service Officer(s)  |    | 43,704 |         |
| Longevity Pay             |    | 850    |         |
| Social Security           |    | 5,962  |         |
| State Retirement          |    | 4,743  |         |
| Life Insurance            |    | 189    |         |
| Medical Insurance         |    | 15,165 |         |
| Dental Insurance          |    | 623    |         |
| Disability Insurance      |    | 461    |         |
| Unemployment Compensation |    | 168    |         |
| Employer Medicare         |    | 1,394  |         |
| Communication             |    | 245    |         |
| Dues and Memberships      |    | 90     |         |
| Postal Charges            |    | 41     |         |
| Travel                    |    | 5,457  |         |
| Other Contracted Services |    | 56,070 |         |
| Office Supplies           |    | 306    |         |
| Periodicals               |    | 174    |         |
| Total Juvenile Services   |    |        | 188,390 |

Civil Defense

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Contributions                   | \$ | 107,552 |         |
| Vehicle and Equipment Insurance |    | 28,496  |         |
| Total Civil Defense             |    |         | 136,048 |

Other Emergency Management

|                    |    |        |  |
|--------------------|----|--------|--|
| Clerical Personnel | \$ | 16,950 |  |
| Overtime Pay       |    | 213    |  |
| Social Security    |    | 1,058  |  |
| State Retirement   |    | 1,534  |  |
| Life Insurance     |    | 23     |  |
| Medical Insurance  |    | 1,686  |  |
| Dental Insurance   |    | 74     |  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Disability Insurance                       | \$ | 35     |            |
| Unemployment Compensation                  |    | 73     |            |
| Employer Medicare                          |    | 247    |            |
| Communication                              |    | 5,275  |            |
| Consultants                                |    | 9,550  |            |
| Contracts with Government Agencies         |    | 1,411  |            |
| Data Processing Services                   |    | 159    |            |
| Dues and Memberships                       |    | 320    |            |
| Maintenance Agreements                     |    | 380    |            |
| Maintenance and Repair Services - Vehicles |    | 1,162  |            |
| Postal Charges                             |    | 114    |            |
| Travel                                     |    | 2,211  |            |
| Other Contracted Services                  |    | 606    |            |
| Data Processing Supplies                   |    | 362    |            |
| Gasoline                                   |    | 3,136  |            |
| Instructional Supplies and Materials       |    | 1,699  |            |
| Office Supplies                            |    | 1,914  |            |
| Periodicals                                |    | 104    |            |
| Small Tools                                |    | 381    |            |
| Tires and Tubes                            |    | 117    |            |
| Uniforms                                   |    | 1,338  |            |
| Vehicle Parts                              |    | 804    |            |
| Chemicals                                  |    | 31,189 |            |
| Other Supplies and Materials               |    | 16,255 |            |
| Vehicle and Equipment Insurance            |    | 6,055  |            |
| Other Charges                              |    | 815    |            |
| Communication Equipment                    |    | 1,346  |            |
| Data Processing Equipment                  |    | 990    |            |
| Other Equipment                            |    | 89,579 |            |
| Total Other Emergency Management           |    |        | \$ 199,165 |

County Coroner/Medical Examiner

|                                       |    |        |        |
|---------------------------------------|----|--------|--------|
| Medical and Dental Services           | \$ | 16,328 |        |
| Total County Coroner/Medical Examiner |    |        | 16,328 |

Public Safety Grant Programs

|                                      |    |       |  |
|--------------------------------------|----|-------|--|
| Printing, Stationery, and Forms      | \$ | 1,000 |  |
| Travel                               |    | 1,483 |  |
| Instructional Supplies and Materials |    | 3,476 |  |
| Law Enforcement Supplies             |    | 2,750 |  |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Public Safety (Cont.)

Public Safety Grant Programs (Cont.)

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Uniforms                           | \$ 15,723 |           |
| Other Supplies and Materials       | 3,032     |           |
| Other Charges                      | 2,000     |           |
| Law Enforcement Equipment          | 10,000    |           |
| Total Public Safety Grant Programs | \$ 39,464 | \$ 39,464 |

Public Health and Welfare

Local Health Center

|   |            |         |
|---|------------|---------|
| Medical Personnel                           | \$ 243,715 |         |
| Clerical Personnel                          | 94,516     |         |
| Part-time Personnel                         | 39,601     |         |
| Longevity Pay                               | 1,100      |         |
| Social Security                             | 23,185     |         |
| State Retirement                            | 28,953     |         |
| Life Insurance                              | 690        |         |
| Medical Insurance                           | 56,028     |         |
| Dental Insurance                            | 2,303      |         |
| Disability Insurance                        | 1,307      |         |
| Unemployment Compensation                   | 1,365      |         |
| Employer Medicare                           | 5,422      |         |
| Communication                               | 14,545     |         |
| Dues and Memberships                        | 200        |         |
| Janitorial Services                         | 32,032     |         |
| Laundry Service                             | 18         |         |
| Maintenance Agreements                      | 1,122      |         |
| Maintenance and Repair Services - Buildings | 853        |         |
| Medical and Dental Services                 | 1,773      |         |
| Pest Control                                | 589        |         |
| Postal Charges                              | 236        |         |
| Printing, Stationery, and Forms             | 362        |         |
| Rentals                                     | 4,400      |         |
| Travel                                      | 10,313     |         |
| Other Contracted Services                   | 3,968      |         |
| Electricity                                 | 39,068     |         |
| Natural Gas                                 | 21,229     |         |
| Office Supplies                             | 1,178      |         |
| Other Supplies and Materials                | 14,291     |         |
| Liability Insurance                         | 339        |         |
| Workers' Compensation Insurance             | 2,677      |         |
| Other Charges                               | 4,060      |         |
| Total Local Health Center                   | \$ 651,438 | 651,438 |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

|  |    |         |            |
|--|----|---------|------------|
| Part-time Personnel                        | \$ | 44,767  |            |
| Longevity Pay                              |    | 600     |            |
| Overtime Pay                               |    | 1,247   |            |
| Other Salaries and Wages                   |    | 66,537  |            |
| Social Security                            |    | 6,867   |            |
| State Retirement                           |    | 2,770   |            |
| Life Insurance                             |    | 124     |            |
| Medical Insurance                          |    | 10,306  |            |
| Dental Insurance                           |    | 431     |            |
| Disability Insurance                       |    | 312     |            |
| Unemployment Compensation                  |    | 483     |            |
| Employer Medicare                          |    | 1,606   |            |
| Advertising                                |    | 335     |            |
| Communication                              |    | 1,022   |            |
| Licenses                                   |    | 470     |            |
| Maintenance and Repair Services - Vehicles |    | 1,763   |            |
| Printing, Stationery, and Forms            |    | 47      |            |
| Travel                                     |    | 400     |            |
| Drugs and Medical Supplies                 |    | 2,428   |            |
| Gasoline                                   |    | 7,650   |            |
| Law Enforcement Supplies                   |    | 87      |            |
| Office Supplies                            |    | 21      |            |
| Uniforms                                   |    | 491     |            |
| Other Charges                              |    | 130,000 |            |
| Total Rabies and Animal Control            |    |         | \$ 280,764 |

Regional Mental Health Center

|                                     |    |       |       |
|-------------------------------------|----|-------|-------|
| Contributions                       | \$ | 9,000 |       |
| Total Regional Mental Health Center |    |       | 9,000 |

Appropriation to State

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Contracts with Government Agencies | \$ | 69,900 |        |
| Total Appropriation to State       |    |        | 69,900 |

Other Local Welfare Services

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Other Contracted Services          | \$ | 13,681 |        |
| Total Other Local Welfare Services |    |        | 13,681 |

Other Public Health and Welfare

|                                       |    |         |         |
|---------------------------------------|----|---------|---------|
| Other Contracted Services             | \$ | 305,343 |         |
| Total Other Public Health and Welfare |    |         | 305,343 |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

|                                  |           |           |
|----------------------------------|-----------|-----------|
| Contributions                    | \$ 33,000 |           |
| Total Senior Citizens Assistance |           | \$ 33,000 |

Libraries

|   |           |         |
|---|-----------|---------|
| County Official/Administrative Officer      | \$ 46,470 |         |
| Librarians                                  | 211,592   |         |
| Part-time Personnel                         | 56,630    |         |
| Longevity Pay                               | 4,200     |         |
| Social Security                             | 19,330    |         |
| State Retirement                            | 25,206    |         |
| Life Insurance                              | 622       |         |
| Medical Insurance                           | 51,062    |         |
| Dental Insurance                            | 2,097     |         |
| Disability Insurance                        | 1,310     |         |
| Unemployment Compensation                   | 800       |         |
| Employer Medicare                           | 4,521     |         |
| Communication                               | 1,737     |         |
| Dues and Memberships                        | 180       |         |
| Janitorial Services                         | 4,416     |         |
| Licenses                                    | 520       |         |
| Maintenance Agreements                      | 10,647    |         |
| Maintenance and Repair Services - Buildings | 4,560     |         |
| Pest Control                                | 646       |         |
| Postal Charges                              | 702       |         |
| Printing, Stationery, and Forms             | 322       |         |
| Travel                                      | 141       |         |
| Other Contracted Services                   | 18        |         |
| Custodial Supplies                          | 2,519     |         |
| Electricity                                 | 24,403    |         |
| Food Supplies                               | 74        |         |
| Instructional Supplies and Materials        | 980       |         |
| Library Books/Media                         | 49,667    |         |
| Natural Gas                                 | 4,316     |         |
| Office Supplies                             | 9,609     |         |
| Periodicals                                 | 7,116     |         |
| Building and Contents Insurance             | 1,020     |         |
| Liability Insurance                         | 237       |         |
| Other Capital Outlay                        | 55,317    |         |
| Total Libraries                             |           | 602,987 |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards

|   |    |         |
|---|----|---------|
| County Official/Administrative Officer      | \$ | 63,552  |
| Assistant(s)                                |    | 72,564  |
| Laborers                                    |    | 131,148 |
| Clerical Personnel                          |    | 12,320  |
| Temporary Personnel                         |    | 47,143  |
| Longevity Pay                               |    | 2,250   |
| Overtime Pay                                |    | 5,760   |
| Social Security                             |    | 20,609  |
| State Retirement                            |    | 25,120  |
| Life Insurance                              |    | 483     |
| Medical Insurance                           |    | 38,758  |
| Dental Insurance                            |    | 1,601   |
| Disability Insurance                        |    | 1,248   |
| Unemployment Compensation                   |    | 863     |
| Employer Medicare                           |    | 4,820   |
| Communication                               |    | 1,546   |
| Dues and Memberships                        |    | 475     |
| Laundry Service                             |    | 3,802   |
| Licenses                                    |    | 500     |
| Maintenance Agreements                      |    | 588     |
| Maintenance and Repair Services - Buildings |    | 3,656   |
| Maintenance and Repair Services - Equipment |    | 2,854   |
| Maintenance and Repair Services - Vehicles  |    | 7,661   |
| Pest Control                                |    | 646     |
| Postal Charges                              |    | 93      |
| Rentals                                     |    | 188     |
| Travel                                      |    | 990     |
| Other Contracted Services                   |    | 41,408  |
| Custodial Supplies                          |    | 7,357   |
| Electricity                                 |    | 71,880  |
| Equipment Parts - Light                     |    | 2,055   |
| Fertilizer, Lime, and Seed                  |    | 6,339   |
| Gasoline                                    |    | 13,833  |
| Lubricants                                  |    | 1,062   |
| Natural Gas                                 |    | 7,807   |
| Office Supplies                             |    | 706     |
| Tires and Tubes                             |    | 557     |
| Uniforms                                    |    | 435     |
| Other Supplies and Materials                |    | 13,061  |
| Building Improvements                       |    | 720     |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

|                             |    |       |            |
|-----------------------------|----|-------|------------|
| Furniture and Fixtures      | \$ | 1,346 |            |
| Site Development            |    | 2,365 |            |
| Other Capital Outlay        |    | 2,858 |            |
| Total Parks and Fair Boards |    |       | \$ 625,027 |

Agriculture and Natural Resources

Agriculture Extension Service

|                                     |    |         |         |
|-------------------------------------|----|---------|---------|
| Board and Committee Members Fees    | \$ | 225     |         |
| Social Security                     |    | 14      |         |
| Employer Medicare                   |    | 3       |         |
| Communication                       |    | 100     |         |
| Contracts with Government Agencies  |    | 106,821 |         |
| Postal Charges                      |    | 170     |         |
| Travel                              |    | 4,290   |         |
| Office Supplies                     |    | 2,750   |         |
| Total Agriculture Extension Service |    |         | 114,373 |

Forest Service

|                      |    |       |       |
|----------------------|----|-------|-------|
| Contributions        | \$ | 2,000 |       |
| Total Forest Service |    |       | 2,000 |

Soil Conservation

|                           |    |        |        |
|---------------------------|----|--------|--------|
| Other Salaries and Wages  | \$ | 32,635 |        |
| Social Security           |    | 2,018  |        |
| State Retirement          |    | 2,918  |        |
| Life Insurance            |    | 60     |        |
| Medical Insurance         |    | 5,055  |        |
| Dental Insurance          |    | 208    |        |
| Disability Insurance      |    | 156    |        |
| Unemployment Compensation |    | 56     |        |
| Employer Medicare         |    | 472    |        |
| Total Soil Conservation   |    |        | 43,578 |

Other Operations

Tourism

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 53,106 |  |
| Part-time Personnel                    |    | 17,878 |  |
| Longevity Pay                          |    | 750    |  |
| Other Salaries and Wages               |    | 69,145 |  |
| Social Security                        |    | 8,702  |  |

(Continued)

Exhibit L-9

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

|   |            |            |
|---|------------|------------|
| <u>General Fund (Cont.)</u>                     |            |            |
| <u>Other Operations (Cont.)</u>                 |            |            |
| <u>Tourism (Cont.)</u>                          |            |            |
| State Retirement                                | \$ 10,996  |            |
| Life Insurance                                  | 182        |            |
| Medical Insurance                               | 10,110     |            |
| Dental Insurance                                | 606        |            |
| Disability Insurance                            | 574        |            |
| Unemployment Compensation                       | 280        |            |
| Employer Medicare                               | 2,035      |            |
| Advertising                                     | 57,346     |            |
| Communication                                   | 677        |            |
| Dues and Memberships                            | 2,705      |            |
| Maintenance Agreements                          | 432        |            |
| Maintenance and Repair Services - Vehicles      | 547        |            |
| Postal Charges                                  | 6,933      |            |
| Printing, Stationery, and Forms                 | 7,895      |            |
| Rentals   | 150        |            |
| Travel  | 9,677      |            |
| Other Contracted Services                       | 33,448     |            |
| Electricity                                     | 1,409      |            |
| Gasoline  | 587        |            |
| Natural Gas                                     | 768        |            |
| Office Supplies                                 | 1,526      |            |
| Periodicals                                     | 131        |            |
| Other Supplies and Materials                    | 11,312     |            |
| Other Charges                                   | 54,759     |            |
| Furniture and Fixtures                          | 609        |            |
| Total Tourism                                   |            | \$ 365,275 |
| <u>Industrial Development</u>                   |            |            |
| Contributions                                   | \$ 175,000 |            |
| Electricity                                     | 1,481      |            |
| Total Industrial Development                    |            | 176,481    |
| <u>Other Economic and Community Development</u> |            |            |
| Travel  | \$ 240     |            |
| Other Contracted Services                       | 3,727      |            |
| Total Other Economic and Community Development  |            | 3,967      |
| <u>Airport</u>                                  |            |            |
| Contributions                                   | \$ 58,000  |            |
| Total Airport                                   |            | 58,000     |

(Continued)

Exhibit L-9

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

|                                 |    |        |           |
|---------------------------------|----|--------|-----------|
| Clerical Personnel              | \$ | 31,468 |           |
| Part-time Personnel             |    | 19,451 |           |
| Longevity Pay                   |    | 850    |           |
| Social Security                 |    | 3,210  |           |
| State Retirement                |    | 2,889  |           |
| Life Insurance                  |    | 62     |           |
| Medical Insurance               |    | 5,055  |           |
| Dental Insurance                |    | 208    |           |
| Disability Insurance            |    | 150    |           |
| Unemployment Compensation       |    | 168    |           |
| Employer Medicare               |    | 751    |           |
| Dues and Memberships            |    | 25     |           |
| Maintenance Agreements          |    | 443    |           |
| Postal Charges                  |    | 331    |           |
| Printing, Stationery, and Forms |    | 108    |           |
| Travel                          |    | 437    |           |
| Office Supplies                 |    | 275    |           |
| Total Veterans' Services        |    |        | \$ 65,881 |

Contributions to Other Agencies

|                                       |    |         |         |
|---------------------------------------|----|---------|---------|
| Contributions                         | \$ | 230,068 |         |
| Total Contributions to Other Agencies |    |         | 230,068 |

Employee Benefits

|                              |    |        |        |
|------------------------------|----|--------|--------|
| Medical and Dental Services  | \$ | 16,133 |        |
| Other Supplies and Materials |    | 4,730  |        |
| Total Employee Benefits      |    |        | 20,863 |

Miscellaneous

|                           |    |         |         |
|---------------------------|----|---------|---------|
| Other Contracted Services | \$ | 18,972  |         |
| Trustee's Commission      |    | 236,084 |         |
| Tax Relief Program        |    | 118,176 |         |
| Total Miscellaneous       |    |         | 373,232 |

Capital Projects - Donated

Capital Projects Donated to School Department

|   |    |        |         |
|---|----|--------|---------|
| Land  | \$ | 47,203 |         |
| Transportation Equipment                            |    | 66,000 |         |
| Total Capital Projects Donated to School Department |    |        | 113,203 |

Total General Fund \$ 20,898,493

(Continued)

Exhibit L-9

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

Special Purpose Fund

Finance

Data Processing

|   |                |            |
|---|----------------|------------|
| Communication                               | \$ 96,168      |            |
| Data Processing Services                    | 3,472          |            |
| Maintenance Agreements                      | 37,418         |            |
| Maintenance and Repair Services - Equipment | 1,447          |            |
| Data Processing Supplies                    | 6,994          |            |
| Data Processing Equipment                   | 111,614        |            |
| Other Capital Outlay                        | <u>145,416</u> |            |
| Total Data Processing                       |                | \$ 402,529 |

Public Safety

Sheriff's Department

|                            |                  |        |
|----------------------------|------------------|--------|
| Motor Vehicles             | \$ <u>22,105</u> |        |
| Total Sheriff's Department |                  | 22,105 |

Social, Cultural, and Recreational Services

Parks and Fair Boards

|                             |                  |        |
|-----------------------------|------------------|--------|
| Other Capital Outlay        | \$ <u>19,923</u> |        |
| Total Parks and Fair Boards |                  | 19,923 |

Other Operations

Payments to Cities

|                                    |                   |         |
|------------------------------------|-------------------|---------|
| Contracts with Government Agencies | \$ <u>250,000</u> |         |
| Total Payments to Cities           |                   | 250,000 |

Miscellaneous

|                      |              |        |
|----------------------|--------------|--------|
| Trustee's Commission | \$ 22,688    |        |
| Motor Vehicles       | <u>3,195</u> |        |
| Total Miscellaneous  |              | 25,883 |

Principal on Debt

Education

|                             |                   |         |
|-----------------------------|-------------------|---------|
| Principal on Capital Leases | \$ <u>362,689</u> |         |
| Total Education             |                   | 362,689 |

Interest on Debt

Education

|                            |                 |       |
|----------------------------|-----------------|-------|
| Interest on Capital Leases | \$ <u>6,570</u> |       |
| Total Education            |                 | 6,570 |

(Continued)

Exhibit L-9

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

Special Purpose Fund (Cont.)

Capital Projects

General Administration Projects

|                                       |    |         |            |
|---------------------------------------|----|---------|------------|
| Engineering Services                  | \$ | 2,500   |            |
| Motor Vehicles                        |    | 162,006 |            |
| Other Equipment                       |    | 7,992   |            |
| Other Capital Outlay                  |    | 97,168  |            |
| Total General Administration Projects |    |         | \$ 269,666 |

Capital Projects - Donated

Capital Projects Donated to School Department

|   |    |         |                |
|---|----|---------|----------------|
| Data Processing Equipment                           | \$ | 344,760 |                |
| Total Capital Projects Donated to School Department |    |         | <u>344,760</u> |

Total Special Purpose Fund \$ 1,704,125

Drug Control Fund

Public Safety

Drug Enforcement

|   |    |        |  |
|---|----|--------|--|
| Communication                               | \$ | 4,533  |  |
| Data Processing Services                    |    | 600    |  |
| Confidential Drug Enforcement Payments      |    | 6,000  |  |
| Dues and Memberships                        |    | 175    |  |
| Maintenance Agreements                      |    | 165    |  |
| Maintenance and Repair Services - Equipment |    | 200    |  |
| Maintenance and Repair Services - Vehicles  |    | 4,286  |  |
| Postal Charges                              |    | 6      |  |
| Printing, Stationery, and Forms             |    | 222    |  |
| Rentals                                     |    | 16,800 |  |
| Travel                                      |    | 1,544  |  |
| Other Contracted Services                   |    | 115    |  |
| Electricity                                 |    | 4,739  |  |
| Gasoline                                    |    | 18,003 |  |
| Instructional Supplies and Materials        |    | 5,245  |  |
| Law Enforcement Supplies                    |    | 822    |  |
| Office Supplies                             |    | 201    |  |
| Periodicals                                 |    | 42     |  |
| Tires and Tubes                             |    | 1,312  |  |
| Uniforms                                    |    | 2,000  |  |
| Vehicle Parts                               |    | 136    |  |
| Trustee's Commission                        |    | 952    |  |
| Other Charges                               |    | 129    |  |
| Data Processing Equipment                   |    | 288    |  |

(Continued)

Exhibit L-9

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

|                           |              |           |
|---------------------------|--------------|-----------|
| Law Enforcement Equipment | \$ 10,546    |           |
| Motor Vehicles            | <u>6,817</u> |           |
| Total Drug Enforcement    |              | \$ 85,878 |

Total Drug Control Fund \$ 85,878

Adequate Facilities/Development Tax Fund

Other Operations

Miscellaneous

|                      |       |       |
|----------------------|-------|-------|
| Trustee's Commission | \$ 65 |       |
| Total Miscellaneous  |       | \$ 65 |

Capital Projects

General Administration Projects

|                                       |           |        |
|---------------------------------------|-----------|--------|
| Building Construction                 | \$ 16,580 |        |
| Total General Administration Projects |           | 16,580 |

Public Safety Projects

|                              |              |         |
|------------------------------|--------------|---------|
| Motor Vehicles               | \$ 109,187   |         |
| Other Capital Outlay         | <u>9,811</u> |         |
| Total Public Safety Projects |              | 118,998 |

Social, Cultural, and Recreation Projects

|   |            |         |
|---|------------|---------|
| Other Capital Outlay                            | \$ 100,930 |         |
| Total Social, Cultural, and Recreation Projects |            | 100,930 |

Other General Government Projects

|   |        |     |
|---|--------|-----|
| Other Charges                           | \$ 100 |     |
| Total Other General Government Projects |        | 100 |

Highway and Street Capital Projects

|   |            |                |
|---|------------|----------------|
| Highway Construction                      | \$ 742,136 |                |
| Total Highway and Street Capital Projects |            | <u>742,136</u> |

Total Adequate Facilities/Development Tax Fund 978,809

Other Special Revenue Fund

Public Health and Welfare

Rabies and Animal Control

|                     |           |  |
|---------------------|-----------|--|
| Temporary Personnel | \$ 80,867 |  |
|---------------------|-----------|--|

(Continued)

Exhibit L-9

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

Other Special Revenue Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

|   |    |        |            |
|---|----|--------|------------|
| Overtime Pay                                | \$ | 1,778  |            |
| Social Security                             |    | 5,124  |            |
| Medical Insurance                           |    | 11,414 |            |
| Unemployment Compensation                   |    | 428    |            |
| Employer Medicare                           |    | 1,198  |            |
| Communication                               |    | 3,060  |            |
| Consultants                                 |    | 355    |            |
| Dues and Memberships                        |    | 10     |            |
| Maintenance and Repair Services - Buildings |    | 212    |            |
| Maintenance and Repair Services - Equipment |    | 75     |            |
| Maintenance and Repair Services - Vehicles  |    | 19     |            |
| Medical and Dental Services                 |    | 42     |            |
| Postal Charges                              |    | 123    |            |
| Printing, Stationery, and Forms             |    | 687    |            |
| Travel                                      |    | 2,476  |            |
| Veterinary Services                         |    | 12,986 |            |
| Disposal Fees                               |    | 38     |            |
| Other Contracted Services                   |    | 35     |            |
| Animal Food and Supplies                    |    | 3,743  |            |
| Custodial Supplies                          |    | 2,767  |            |
| Drugs and Medical Supplies                  |    | 18,889 |            |
| Electricity                                 |    | 9,443  |            |
| Gasoline                                    |    | 206    |            |
| Natural Gas                                 |    | 16,826 |            |
| Office Supplies                             |    | 254    |            |
| Other Supplies and Materials                |    | 9,481  |            |
| Building and Contents Insurance             |    | 1,315  |            |
| Liability Insurance                         |    | 786    |            |
| Refunds                                     |    | 4,079  |            |
| Trustee's Commission                        |    | 3      |            |
| Workers' Compensation Insurance             |    | 2,001  |            |
| Other Charges                               |    | 1,106  |            |
| Office Equipment                            |    | 236    |            |
| Total Rabies and Animal Control             |    |        | \$ 192,062 |

Total Other Special Revenue Fund \$ 192,062

(Continued)

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

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

|   |            |            |
|---|------------|------------|
| Constitutional Officers' Operating Expenses | \$ 515,869 |            |
| Total County Clerk's Office                 |            | \$ 515,869 |

Administration of Justice

Circuit Court

|   |          |       |
|---|----------|-------|
| Constitutional Officers' Operating Expenses | \$ 1,074 |       |
| Total Circuit Court                         |          | 1,074 |

Chancery Court

|   |          |         |
|---|----------|---------|
| Special Commissioner Fees/Special Master Fees | \$ 2,511 |         |
| Constitutional Officers' Operating Expenses   | 272,993  |         |
| Total Chancery Court                          |          | 275,504 |

Public Safety

Sheriff's Department

|   |       |    |
|---|-------|----|
| Constitutional Officers' Operating Expenses | \$ 78 |    |
| Total Sheriff's Department                  |       | 78 |

|   |  |            |
|---|--|------------|
| Total Constitutional Officers - Fees Fund |  | \$ 792,525 |
|---|--|------------|

Highway/Public Works Fund

Highways

Administration

|  |           |
|--|-----------|
| County Official/Administrative Officer             | \$ 75,732 |
| Clerical Personnel                                 | 28,607    |
| Longevity Pay                                      | 1,250     |
| Other Salaries and Wages                           | 50,443    |
| Social Security                                    | 9,669     |
| State Retirement                                   | 13,949    |
| Life Insurance                                     | 175       |
| Medical Insurance                                  | 15,165    |
| Dental Insurance                                   | 623       |
| Disability Insurance                               | 741       |
| Unemployment Compensation                          | 112       |
| Employer Medicare                                  | 2,261     |
| Dues and Memberships                               | 4,083     |
| Licenses   | 560       |
| Maintenance Agreements                             | 506       |
| Maintenance and Repair Services - Office Equipment | 833       |
| Postal Charges                                     | 486       |

(Continued)

Exhibit L-9

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

|                                 |    |              |         |
|---------------------------------|----|--------------|---------|
| Printing, Stationery, and Forms | \$ | 471          |         |
| Travel                          |    | 263          |         |
| Office Supplies                 |    | 1,807        |         |
| Other Charges                   |    | 414          |         |
| Furniture and Fixtures          |    | 2,120        |         |
| Other Equipment                 |    | <u>2,257</u> |         |
| Total Administration            | \$ |              | 212,527 |

Highway and Bridge Maintenance

|                                      |    |              |           |
|--------------------------------------|----|--------------|-----------|
| Foremen                              | \$ | 64,566       |           |
| Mechanic(s)                          |    | 234,072      |           |
| Equipment Operators - Heavy          |    | 401,753      |           |
| Equipment Operators - Light          |    | 323,588      |           |
| Truck Drivers                        |    | 359,034      |           |
| Laborers                             |    | 48,638       |           |
| Guards                               |    | 62,192       |           |
| Longevity Pay                        |    | 23,000       |           |
| Overtime Pay                         |    | 17,263       |           |
| Other Salaries and Wages             |    | 127,698      |           |
| Social Security                      |    | 101,630      |           |
| State Retirement                     |    | 138,176      |           |
| Life Insurance                       |    | 2,650        |           |
| Medical Insurance                    |    | 232,957      |           |
| Dental Insurance                     |    | 9,777        |           |
| Disability Insurance                 |    | 7,595        |           |
| Unemployment Compensation            |    | 2,897        |           |
| Employer Medicare                    |    | 23,768       |           |
| Rentals                              |    | 1,795        |           |
| Asphalt                              |    | 372,934      |           |
| Concrete                             |    | 26,704       |           |
| Crushed Stone                        |    | 337,081      |           |
| Other Road Supplies                  |    | 46,946       |           |
| Pipe                                 |    | 72,266       |           |
| Road Signs                           |    | 18,929       |           |
| Salt                                 |    | 3,477        |           |
| Wood Products                        |    | 5,658        |           |
| Geotextile Materials                 |    | <u>3,797</u> |           |
| Total Highway and Bridge Maintenance |    |              | 3,070,841 |

(Continued)

Exhibit L-9

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

|  |    |         |            |
|--|----|---------|------------|
| Communication                                | \$ | 737     |            |
| Maintenance and Repair Services - Buildings  |    | 3,601   |            |
| Maintenance and Repair Services - Equipment  |    | 31,823  |            |
| Maintenance and Repair Services - Vehicles   |    | 10,262  |            |
| Diesel Fuel                                  |    | 375,993 |            |
| Equipment and Machinery Parts                |    | 113,055 |            |
| Garage Supplies                              |    | 14,001  |            |
| Gasoline                                     |    | 43,863  |            |
| Lubricants                                   |    | 23,729  |            |
| Small Tools                                  |    | 12,352  |            |
| Tires and Tubes                              |    | 52,872  |            |
| Vehicle Parts                                |    | 90,391  |            |
| Other Supplies and Materials                 |    | 15,115  |            |
| Right-of-Way                                 |    | 3,151   |            |
| Total Operation and Maintenance of Equipment |    |         | \$ 790,945 |

Other Charges

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Communication                   | \$ | 1,588   |         |
| Consultants                     |    | 1,947   |         |
| Contributions                   |    | 20,000  |         |
| Laundry Service                 |    | 13,091  |         |
| Pest Control                    |    | 357     |         |
| Disposal Fees                   |    | 738     |         |
| Electricity                     |    | 12,106  |         |
| Natural Gas                     |    | 3,304   |         |
| Uniforms                        |    | 910     |         |
| Building and Contents Insurance |    | 2,048   |         |
| Liability Insurance             |    | 68,971  |         |
| Trustee's Commission            |    | 66,559  |         |
| Vehicle and Equipment Insurance |    | 38,753  |         |
| Workers' Compensation Insurance |    | 147,084 |         |
| Other Charges                   |    | 180     |         |
| Total Other Charges             |    |         | 377,636 |

Employee Benefits

|                             |    |       |       |
|-----------------------------|----|-------|-------|
| Medical and Dental Services | \$ | 1,262 |       |
| Total Employee Benefits     |    |       | 1,262 |

Capital Outlay

|                     |    |        |  |
|---------------------|----|--------|--|
| Bridge Construction | \$ | 87,859 |  |
|---------------------|----|--------|--|

(Continued)

Exhibit L-9

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay (Cont.)

|                           |    |         |            |
|---------------------------|----|---------|------------|
| Data Processing Equipment | \$ | 644     |            |
| Highway Construction      |    | 91,784  |            |
| Highway Equipment         |    | 224,737 |            |
| Motor Vehicles            |    | 1,425   |            |
| Total Capital Outlay      |    |         | \$ 406,449 |

Capital Projects

Highway and Street Capital Projects

|   |    |         |                |
|---|----|---------|----------------|
| Other Capital Outlay                      | \$ | 173,781 |                |
| Total Highway and Street Capital Projects |    |         | <u>173,781</u> |

Total Highway/Public Works Fund \$ 5,033,441

General Debt Service Fund

Principal on Debt

General Government

|                          |    |         |            |
|--------------------------|----|---------|------------|
| Principal on Bonds       | \$ | 791,158 |            |
| Principal on Notes       |    | 127,400 |            |
| Total General Government |    |         | \$ 918,558 |

Highways and Streets

|                            |    |         |         |
|----------------------------|----|---------|---------|
| Principal on Bonds         | \$ | 231,658 |         |
| Principal on Notes         |    | 117,600 |         |
| Total Highways and Streets |    |         | 349,258 |

Education

|                    |    |           |           |
|--------------------|----|-----------|-----------|
| Principal on Bonds | \$ | 3,582,184 |           |
| Principal on Notes |    | 447,222   |           |
| Total Education    |    |           | 4,029,406 |

Interest on Debt

General Government

|                          |    |         |         |
|--------------------------|----|---------|---------|
| Interest on Bonds        | \$ | 245,108 |         |
| Interest on Notes        |    | 343,911 |         |
| Total General Government |    |         | 589,019 |

Highways and Streets

|                            |    |        |        |
|----------------------------|----|--------|--------|
| Interest on Bonds          | \$ | 42,625 |        |
| Interest on Notes          |    | 26,697 |        |
| Total Highways and Streets |    |        | 69,322 |

(Continued)

Exhibit L-9

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

|                   |              |              |
|-------------------|--------------|--------------|
| Interest on Bonds | \$ 1,591,874 |              |
| Interest on Notes | 299,386      |              |
| Total Education   |              | \$ 1,891,260 |

Other Debt Service

General Government

|                          |          |         |
|--------------------------|----------|---------|
| Bank Charges             | \$ 2,160 |         |
| Trustee's Commission     | 147,045  |         |
| Total General Government |          | 149,205 |

Total General Debt Service Fund \$ 7,996,028

General Capital Projects Fund

Public Safety

Sheriff's Department

|                            |           |           |
|----------------------------|-----------|-----------|
| Motor Vehicles             | \$ 14,210 |           |
| Total Sheriff's Department |           | \$ 14,210 |

Capital Projects

General Administration Projects

|                                       |            |         |
|---------------------------------------|------------|---------|
| Contributions                         | \$ 286,300 |         |
| Underwriter's Discount                | 181,300    |         |
| Other Debt Issuance Charges           | 321,706    |         |
| Solid Waste Equipment                 | 173,800    |         |
| Other Capital Outlay                  | 32,176     |         |
| Total General Administration Projects |            | 995,282 |

Administration of Justice Projects

|  |          |       |
|--|----------|-------|
| Site Development                         | \$ 2,413 |       |
| Other Capital Outlay                     | 619      |       |
| Total Administration of Justice Projects |          | 3,032 |

Public Safety Projects

|                         |        |  |
|-------------------------|--------|--|
| Architects              | \$ 593 |  |
| Crushed Stone           | 3,162  |  |
| Diesel Fuel             | 2,196  |  |
| Other Charges           | 540    |  |
| Communication Equipment | 1,845  |  |
| Motor Vehicles          | 82,392 |  |
| Other Equipment         | 29,124 |  |

(Continued)

Exhibit L-9

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Safety Projects (Cont.)

|                              |              |              |
|------------------------------|--------------|--------------|
| Other Construction           | \$ 2,726,562 |              |
| Other Capital Outlay         | 352,416      |              |
| Total Public Safety Projects |              | \$ 3,198,830 |

Public Health and Welfare Projects

|  |          |         |
|--|----------|---------|
| Architects                               | \$ 4,092 |         |
| Building Construction                    | 87,244   |         |
| Other Capital Outlay                     | 272,860  |         |
| Total Public Health and Welfare Projects |          | 364,196 |

Other General Government Projects

|   |          |       |
|---|----------|-------|
| Other Debt Issuance Charges             | \$ 2,583 |       |
| Total Other General Government Projects |          | 2,583 |

Highway and Street Capital Projects

|   |           |        |
|---|-----------|--------|
| Architects                                | \$ 30,310 |        |
| Other Capital Outlay                      | 3,770     |        |
| Total Highway and Street Capital Projects |           | 34,080 |

Total General Capital Projects Fund \$ 4,612,213

Highway Capital Projects Fund

Highways

Capital Outlay

|                      |          |          |
|----------------------|----------|----------|
| Highway Equipment    | \$ 4,270 |          |
| Total Capital Outlay |          | \$ 4,270 |

Capital Projects

Highway and Street Capital Projects

|   |          |         |
|---|----------|---------|
| Other Debt Issuance Charges               | \$ 1,725 |         |
| Highway Construction                      | 163,395  |         |
| Highway Equipment                         | 391,190  |         |
| Motor Vehicles                            | 87,154   |         |
| Other Construction                        | 99,953   |         |
| Total Highway and Street Capital Projects |          | 743,417 |

Total Highway Capital Projects Fund 747,687

(Continued)

Exhibit L-9

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

|  |                  |                             |
|--|------------------|-----------------------------|
| <u>Education Capital Projects Fund</u>               |                  |                             |
| <u>Capital Projects - Donated</u>                    |                  |                             |
| <u>Capital Projects Donated to School Department</u> |                  |                             |
| Contributions  | \$ 26,909,458    |                             |
| Other Debt Issuance Charges                          | <u>13,946</u>    |                             |
| Total Capital Projects Donated to School Department  |                  | <u>\$ 26,923,404</u>        |
| Total Education Capital Projects Fund                |                  | \$ 26,923,404               |
| <u>Other Capital Projects Fund</u>                   |                  |                             |
| <u>Other Operations</u>                              |                  |                             |
| <u>Other Charges</u>                                 |                  |                             |
| Other Charges  | \$ <u>216</u>    |                             |
| Total Other Charges                                  |                  | \$ 216                      |
| <u>Miscellaneous</u>                                 |                  |                             |
| Trustee's Commission                                 | \$ <u>11,379</u> |                             |
| Total Miscellaneous                                  |                  | <u>11,379</u>               |
| Total Other Capital Projects Fund                    |                  | <u>11,595</u>               |
| Total Governmental Funds - Primary Government        |                  | <u><u>\$ 69,976,260</u></u> |

Exhibit L-10

Maury County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2008

General Purpose School Fund

Instruction

Regular Instruction Program

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| Teachers                             | \$ 27,695,472 |               |
| Career Ladder Program                | 349,558       |               |
| Career Ladder Extended Contracts     | 218,040       |               |
| Homebound Teachers                   | 55,589        |               |
| Educational Assistants               | 847,116       |               |
| Certified Substitute Teachers        | 102,077       |               |
| Non-certified Substitute Teachers    | 275,494       |               |
| Social Security                      | 1,772,127     |               |
| State Retirement                     | 1,819,584     |               |
| Life Insurance                       | 57,672        |               |
| Medical Insurance                    | 4,556,564     |               |
| Dental Insurance                     | 148,829       |               |
| Employer Medicare                    | 414,499       |               |
| Postal Charges                       | 49            |               |
| Other Contracted Services            | 1,000         |               |
| Instructional Supplies and Materials | 472,740       |               |
| Textbooks                            | 815,658       |               |
| Other Supplies and Materials         | 5,938         |               |
| Fee Waivers                          | 80,507        |               |
| Regular Instruction Equipment        | 124,918       |               |
| Total Regular Instruction Program    |               | \$ 39,813,431 |

Alternative Instruction Program

|                                       |            |         |
|---------------------------------------|------------|---------|
| Teachers                              | \$ 249,013 |         |
| Career Ladder Program                 | 1,750      |         |
| Educational Assistants                | 58,531     |         |
| Certified Substitute Teachers         | 725        |         |
| Non-certified Substitute Teachers     | 2,275      |         |
| Social Security                       | 18,928     |         |
| State Retirement                      | 20,545     |         |
| Life Insurance                        | 833        |         |
| Medical Insurance                     | 45,125     |         |
| Dental Insurance                      | 1,762      |         |
| Employer Medicare                     | 4,427      |         |
| Instructional Supplies and Materials  | 1,670      |         |
| Total Alternative Instruction Program |            | 405,584 |

Special Education Program

|          |              |  |
|----------|--------------|--|
| Teachers | \$ 3,693,072 |  |
|----------|--------------|--|

(Continued)

Exhibit L-10

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Career Ladder Program                       | \$ | 48,877  |              |
| Homebound Teachers                          |    | 53,748  |              |
| Educational Assistants                      |    | 693,047 |              |
| Speech Pathologist                          |    | 608,725 |              |
| Other Salaries and Wages                    |    | 42,217  |              |
| Certified Substitute Teachers               |    | 2,600   |              |
| Non-certified Substitute Teachers           |    | 7,625   |              |
| Social Security                             |    | 308,688 |              |
| State Retirement                            |    | 332,882 |              |
| Life Insurance                              |    | 12,656  |              |
| Medical Insurance                           |    | 688,002 |              |
| Dental Insurance                            |    | 25,804  |              |
| Employer Medicare                           |    | 72,563  |              |
| Contracts with Other Public Agencies        |    | 10,399  |              |
| Contracts with Private Agencies             |    | 173,681 |              |
| Maintenance and Repair Services - Equipment |    | 301     |              |
| Other Contracted Services                   |    | 74,784  |              |
| Instructional Supplies and Materials        |    | 44,959  |              |
| Other Supplies and Materials                |    | 17,670  |              |
| Special Education Equipment                 |    | 31,807  |              |
| Total Special Education Program             |    |         | \$ 6,944,107 |

Vocational Education Program

|   |    |           |           |
|---|----|-----------|-----------|
| Teachers                                    | \$ | 1,970,464 |           |
| Career Ladder Program                       |    | 12,000    |           |
| Certified Substitute Teachers               |    | 2,975     |           |
| Non-certified Substitute Teachers           |    | 8,000     |           |
| Social Security                             |    | 119,115   |           |
| State Retirement                            |    | 123,438   |           |
| Life Insurance                              |    | 3,738     |           |
| Medical Insurance                           |    | 221,824   |           |
| Dental Insurance                            |    | 8,214     |           |
| Employer Medicare                           |    | 27,859    |           |
| Maintenance and Repair Services - Equipment |    | 6,454     |           |
| Instructional Supplies and Materials        |    | 60,147    |           |
| Textbooks                                   |    | 7,066     |           |
| Other Supplies and Materials                |    | 1,289     |           |
| Other Charges                               |    | 5,724     |           |
| Vocational Instruction Equipment            |    | 36,084    |           |
| Total Vocational Education Program          |    |           | 2,614,391 |

(Continued)

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

General Purpose School Fund (Cont.)

Support Services

Attendance

|                              |    |         |            |
|------------------------------|----|---------|------------|
| Supervisor/Director          | \$ | 75,830  |            |
| Career Ladder Program        |    | 1,000   |            |
| Social Workers               |    | 29,982  |            |
| Clerical Personnel           |    | 107,606 |            |
| Other Salaries and Wages     |    | 105,701 |            |
| Social Security              |    | 19,593  |            |
| State Retirement             |    | 23,861  |            |
| Life Insurance               |    | 868     |            |
| Medical Insurance            |    | 47,471  |            |
| Dental Insurance             |    | 1,749   |            |
| Employer Medicare            |    | 4,575   |            |
| Communication                |    | 1,247   |            |
| Travel                       |    | 4,232   |            |
| Other Contracted Services    |    | 1,225   |            |
| Other Supplies and Materials |    | 14,511  |            |
| In Service/Staff Development |    | 1,805   |            |
| Other Charges                |    | 3,046   |            |
| Attendance Equipment         |    | 3,966   |            |
| Total Attendance             |    |         | \$ 448,268 |

Health Services

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Medical Personnel            | \$ | 210,591 |         |
| Secretary(ies)               |    | 5,555   |         |
| Other Salaries and Wages     |    | 43,810  |         |
| Social Security              |    | 16,117  |         |
| State Retirement             |    | 17,075  |         |
| Life Insurance               |    | 609     |         |
| Medical Insurance            |    | 35,893  |         |
| Dental Insurance             |    | 849     |         |
| Employer Medicare            |    | 3,769   |         |
| Communication                |    | 4,196   |         |
| Travel                       |    | 7,099   |         |
| Drugs and Medical Supplies   |    | 2,653   |         |
| Other Supplies and Materials |    | 34,503  |         |
| In Service/Staff Development |    | 850     |         |
| Health Equipment             |    | 1,474   |         |
| Total Health Services        |    |         | 385,043 |

(Continued)

Exhibit L-10

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

|                              |           |              |
|------------------------------|-----------|--------------|
| Career Ladder Program        | \$ 16,000 |              |
| Guidance Personnel           | 1,323,934 |              |
| Social Security              | 81,676    |              |
| State Retirement             | 83,612    |              |
| Life Insurance               | 2,205     |              |
| Medical Insurance            | 119,587   |              |
| Dental Insurance             | 4,883     |              |
| Employer Medicare            | 19,102    |              |
| Evaluation and Testing       | 16,053    |              |
| Travel                       | 19,121    |              |
| Other Supplies and Materials | 2,753     |              |
| Total Other Student Support  |           | \$ 1,688,926 |

Regular Instruction Program

|                                   |            |           |
|-----------------------------------|------------|-----------|
| Supervisor/Director               | \$ 279,622 |           |
| Career Ladder Program             | 32,549     |           |
| Career Ladder Extended Contracts  | 3,033      |           |
| Librarians                        | 985,942    |           |
| Secretary(ies)                    | 28,268     |           |
| Clerical Personnel                | 34,021     |           |
| Educational Assistants            | 151,027    |           |
| Other Salaries and Wages          | 108,281    |           |
| Certified Substitute Teachers     | 4,300      |           |
| Social Security                   | 96,813     |           |
| State Retirement                  | 101,068    |           |
| Life Insurance                    | 2,940      |           |
| Medical Insurance                 | 171,722    |           |
| Dental Insurance                  | 5,378      |           |
| Employer Medicare                 | 22,649     |           |
| Communication                     | 60,659     |           |
| Operating Lease Payments          | 27,261     |           |
| Travel                            | 47,387     |           |
| Other Contracted Services         | 162,125    |           |
| Library Books/Media               | 38,971     |           |
| Periodicals                       | 48,300     |           |
| Other Supplies and Materials      | 12,885     |           |
| In Service/Staff Development      | 32,653     |           |
| Other Charges                     | 15,217     |           |
| Other Equipment                   | 20,864     |           |
| Total Regular Instruction Program |            | 2,493,935 |

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program

|                                       |    |        |            |
|---------------------------------------|----|--------|------------|
| Supervisor/Director                   | \$ | 68,116 |            |
| Career Ladder Program                 |    | 727    |            |
| Guidance Personnel                    |    | 27,520 |            |
| Clerical Personnel                    |    | 21,741 |            |
| Social Security                       |    | 7,274  |            |
| State Retirement                      |    | 8,700  |            |
| Life Insurance                        |    | 252    |            |
| Medical Insurance                     |    | 16,595 |            |
| Dental Insurance                      |    | 694    |            |
| Employer Medicare                     |    | 1,701  |            |
| Communication                         |    | 2,430  |            |
| Travel                                |    | 842    |            |
| Other Contracted Services             |    | 1,170  |            |
| Other Supplies and Materials          |    | 1,150  |            |
| In Service/Staff Development          |    | 75     |            |
| Other Equipment                       |    | 1,980  |            |
| Total Alternative Instruction Program |    |        | \$ 160,967 |

Special Education Program

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Supervisor/Director             | \$ | 67,040  |         |
| Career Ladder Program           |    | 9,727   |         |
| Psychological Personnel         |    | 324,962 |         |
| Assessment Personnel            |    | 222,875 |         |
| Secretary(ies)                  |    | 30,476  |         |
| Clerical Personnel              |    | 15,140  |         |
| Other Salaries and Wages        |    | 64,009  |         |
| Social Security                 |    | 43,884  |         |
| State Retirement                |    | 46,223  |         |
| Life Insurance                  |    | 1,169   |         |
| Medical Insurance               |    | 67,376  |         |
| Dental Insurance                |    | 2,360   |         |
| Employer Medicare               |    | 10,405  |         |
| Communication                   |    | 4,251   |         |
| Operating Lease Payments        |    | 1,482   |         |
| Travel                          |    | 32,460  |         |
| Other Supplies and Materials    |    | 15,078  |         |
| In Service/Staff Development    |    | 9,817   |         |
| Other Charges                   |    | 1,272   |         |
| Other Equipment                 |    | 6,456   |         |
| Total Special Education Program |    |         | 976,462 |

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

|                                    |    |        |         |
|------------------------------------|----|--------|---------|
| Supervisor/Director                | \$ | 68,250 |         |
| Career Ladder Program              |    | 4,000  |         |
| Clerical Personnel                 |    | 25,680 |         |
| Social Security                    |    | 6,072  |         |
| State Retirement                   |    | 6,804  |         |
| Life Insurance                     |    | 168    |         |
| Medical Insurance                  |    | 10,292 |         |
| Dental Insurance                   |    | 405    |         |
| Employer Medicare                  |    | 1,420  |         |
| Communication                      |    | 567    |         |
| Travel                             |    | 11,735 |         |
| Other Contracted Services          |    | 9,258  |         |
| Other Supplies and Materials       |    | 338    |         |
| In Service/Staff Development       |    | 1,422  |         |
| Other Charges                      |    | 1,462  |         |
| Total Vocational Education Program | \$ |        | 147,873 |

Other Programs

|                            |    |         |         |
|----------------------------|----|---------|---------|
| On-Behalf Payments to OPEB | \$ | 394,547 |         |
| Total Other Programs       |    |         | 394,547 |

Board of Education

|                                  |    |         |           |
|----------------------------------|----|---------|-----------|
| Secretary to Board               | \$ | 1,506   |           |
| Other Salaries and Wages         |    | 727     |           |
| Board and Committee Members Fees |    | 10,975  |           |
| Social Security                  |    | 5,628   |           |
| State Retirement                 |    | 173     |           |
| Unemployment Compensation        |    | 92,008  |           |
| Employer Medicare                |    | 1,316   |           |
| Other Fringe Benefits            |    | 741,226 |           |
| Audit Services                   |    | 20,122  |           |
| Dues and Memberships             |    | 8,145   |           |
| Legal Services                   |    | 32,175  |           |
| Travel                           |    | 625     |           |
| Liability Insurance              |    | 18,000  |           |
| Trustee's Commission             |    | 592,299 |           |
| Workers' Compensation Insurance  |    | 452,837 |           |
| Other Charges                    |    | 7,993   |           |
| Total Board of Education         |    |         | 1,985,755 |

(Continued)

Exhibit L-10

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

|   |    |         |            |
|---|----|---------|------------|
| County Official/Administrative Officer      | \$ | 120,994 |            |
| Secretary(ies)                              |    | 31,316  |            |
| Clerical Personnel                          |    | 30,676  |            |
| Social Security                             |    | 10,437  |            |
| State Retirement                            |    | 13,093  |            |
| Life Insurance                              |    | 252     |            |
| Medical Insurance                           |    | 15,662  |            |
| Dental Insurance                            |    | 607     |            |
| Employer Medicare                           |    | 2,630   |            |
| Communication                               |    | 1,379   |            |
| Dues and Memberships                        |    | 6,501   |            |
| Maintenance and Repair Services - Equipment |    | 379     |            |
| Postal Charges                              |    | 13,910  |            |
| Travel                                      |    | 3,059   |            |
| Office Supplies                             |    | 1,246   |            |
| In Service/Staff Development                |    | 548     |            |
| Other Charges                               |    | 1,860   |            |
| Administration Equipment                    |    | 727     |            |
| Total Director of Schools                   |    |         | \$ 255,276 |

Office of the Principal

|                                  |    |           |           |
|----------------------------------|----|-----------|-----------|
| Principals                       | \$ | 1,550,983 |           |
| Career Ladder Program            |    | 42,085    |           |
| Career Ladder Extended Contracts |    | 4,800     |           |
| Assistant Principals             |    | 1,146,764 |           |
| Secretary(ies)                   |    | 543,547   |           |
| Clerical Personnel               |    | 641,935   |           |
| Social Security                  |    | 238,760   |           |
| State Retirement                 |    | 265,158   |           |
| Life Insurance                   |    | 7,819     |           |
| Medical Insurance                |    | 444,400   |           |
| Dental Insurance                 |    | 15,533    |           |
| Employer Medicare                |    | 55,894    |           |
| Communication                    |    | 90,906    |           |
| Other Contracted Services        |    | 53,626    |           |
| Office Supplies                  |    | 19,377    |           |
| Total Office of the Principal    |    |           | 5,121,587 |

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services

|   |    |         |            |
|---|----|---------|------------|
| Supervisor/Director                         | \$ | 74,168  |            |
| Accountants/Bookkeepers                     |    | 227,244 |            |
| Purchasing Personnel                        |    | 13,136  |            |
| Clerical Personnel                          |    | 33,589  |            |
| Social Security                             |    | 21,474  |            |
| State Retirement                            |    | 31,124  |            |
| Life Insurance                              |    | 784     |            |
| Medical Insurance                           |    | 46,537  |            |
| Dental Insurance                            |    | 1,838   |            |
| Employer Medicare                           |    | 5,022   |            |
| Maintenance and Repair Services - Equipment |    | 617     |            |
| Travel                                      |    | 3,258   |            |
| Other Contracted Services                   |    | 8,938   |            |
| Office Supplies                             |    | 17,313  |            |
| In Service/Staff Development                |    | 2,014   |            |
| Other Charges                               |    | 2,854   |            |
| Administration Equipment                    |    | 24,641  |            |
| Total Fiscal Services                       |    |         | \$ 514,551 |

Human Services/Personnel

|                                |    |        |         |
|--------------------------------|----|--------|---------|
| Supervisor/Director            | \$ | 82,264 |         |
| Clerical Personnel             |    | 87,596 |         |
| Social Security                |    | 10,522 |         |
| State Retirement               |    | 12,964 |         |
| Life Insurance                 |    | 336    |         |
| Medical Insurance              |    | 19,686 |         |
| Dental Insurance               |    | 809    |         |
| Employer Medicare              |    | 2,461  |         |
| Advertising                    |    | 2,921  |         |
| Communication                  |    | 673    |         |
| Travel                         |    | 1,369  |         |
| Other Contracted Services      |    | 8,148  |         |
| Office Supplies                |    | 3,525  |         |
| In Service/Staff Development   |    | 475    |         |
| Other Charges                  |    | 12,315 |         |
| Administration Equipment       |    | 2,462  |         |
| Total Human Services/Personnel |    |        | 248,526 |

(Continued)

Exhibit L-10

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

|                                 |    |           |              |
|---------------------------------|----|-----------|--------------|
| Supervisor/Director             | \$ | 4,167     |              |
| Custodial Personnel             |    | 1,442,128 |              |
| Social Security                 |    | 88,604    |              |
| State Retirement                |    | 103,265   |              |
| Life Insurance                  |    | 6,713     |              |
| Medical Insurance               |    | 368,008   |              |
| Dental Insurance                |    | 14,012    |              |
| Employer Medicare               |    | 20,722    |              |
| Disposal Fees                   |    | 50,787    |              |
| Other Contracted Services       |    | 113,117   |              |
| Custodial Supplies              |    | 107,356   |              |
| Electricity                     |    | 1,829,017 |              |
| Natural Gas                     |    | 671,842   |              |
| Water and Sewer                 |    | 188,624   |              |
| Building and Contents Insurance |    | 225,146   |              |
| Total Operation of Plant        |    |           | \$ 5,233,508 |

Maintenance of Plant

|   |    |         |           |
|---|----|---------|-----------|
| Supervisor/Director                         | \$ | 5,479   |           |
| Secretary(ies)                              |    | 26,136  |           |
| Maintenance Personnel                       |    | 568,290 |           |
| Social Security                             |    | 36,357  |           |
| State Retirement                            |    | 50,255  |           |
| Life Insurance                              |    | 1,729   |           |
| Medical Insurance                           |    | 87,995  |           |
| Dental Insurance                            |    | 3,719   |           |
| Employer Medicare                           |    | 8,503   |           |
| Communication                               |    | 10,418  |           |
| Laundry Service                             |    | 10,853  |           |
| Maintenance and Repair Services - Buildings |    | 78,541  |           |
| Maintenance and Repair Services - Equipment |    | 62,436  |           |
| Maintenance and Repair Services - Vehicles  |    | 16,385  |           |
| Other Contracted Services                   |    | 26,738  |           |
| Other Supplies and Materials                |    | 197,512 |           |
| Other Charges                               |    | 375     |           |
| Maintenance Equipment                       |    | 22,971  |           |
| Total Maintenance of Plant                  |    |         | 1,214,692 |

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation

|  |           |              |
|--|-----------|--------------|
| Supervisor/Director                        | \$ 44,630 |              |
| Bus Drivers                                | 1,208,882 |              |
| Clerical Personnel                         | 53,356    |              |
| Other Salaries and Wages                   | 203,162   |              |
| Social Security                            | 94,449    |              |
| State Retirement                           | 115,579   |              |
| Life Insurance                             | 4,917     |              |
| Medical Insurance                          | 517,966   |              |
| Dental Insurance                           | 19,426    |              |
| Employer Medicare                          | 22,089    |              |
| Communication                              | 2,703     |              |
| Operating Lease Payments                   | 1,890     |              |
| Maintenance and Repair Services - Vehicles | 1,720     |              |
| Travel                                     | 334       |              |
| Other Contracted Services                  | 244,973   |              |
| Diesel Fuel                                | 600,526   |              |
| Tires and Tubes                            | 105,609   |              |
| Vehicle Parts                              | 171,964   |              |
| Other Supplies and Materials               | 1,284     |              |
| Vehicle and Equipment Insurance            | 100,271   |              |
| In Service/Staff Development               | 692       |              |
| Other Charges                              | 29,871    |              |
| Transportation Equipment                   | 72,981    |              |
| Total Transportation                       |           | \$ 3,619,274 |

Central and Other

|                              |           |
|------------------------------|-----------|
| Supervisor/Director          | \$ 71,489 |
| Other Salaries and Wages     | 321,793   |
| Social Security              | 23,875    |
| State Retirement             | 33,257    |
| Life Insurance               | 728       |
| Medical Insurance            | 43,903    |
| Dental Insurance             | 1,072     |
| Employer Medicare            | 5,584     |
| Communication                | 6,972     |
| Travel                       | 1,446     |
| Other Contracted Services    | 191,877   |
| Office Supplies              | 359       |
| Other Supplies and Materials | 19,717    |

(Continued)

Exhibit L-10

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Central and Other (Cont.)

|                              |          |            |
|------------------------------|----------|------------|
| In Service/Staff Development | \$ 8,415 |            |
| Administration Equipment     | 3,923    |            |
| Data Processing Equipment    | 179,588  |            |
| Total Central and Other      |          | \$ 913,998 |

Capital Outlay

Regular Capital Outlay

|                              |           |        |
|------------------------------|-----------|--------|
| Land                         | \$ 34,528 |        |
| Total Regular Capital Outlay |           | 34,528 |

Principal on Debt

Education

|                             |           |         |
|-----------------------------|-----------|---------|
| Principal on Notes          | \$ 65,253 |         |
| Principal on Capital Leases | 197,545   |         |
| Total Education             |           | 262,798 |

Interest on Debt

Education

|                            |           |        |
|----------------------------|-----------|--------|
| Interest on Notes          | \$ 15,000 |        |
| Interest on Capital Leases | 76,736    |        |
| Total Education            |           | 91,736 |

Total General Purpose School Fund \$ 75,969,763

School Federal Projects Fund

Instruction

Regular Instruction Program

|                                      |              |
|--------------------------------------|--------------|
| Teachers                             | \$ 1,141,976 |
| Educational Assistants               | 158,327      |
| Certified Substitute Teachers        | 53,150       |
| Social Security                      | 82,513       |
| State Retirement                     | 70,625       |
| Life Insurance                       | 2,054        |
| Medical Insurance                    | 109,838      |
| Dental Insurance                     | 4,301        |
| Unemployment Compensation            | 3,252        |
| Employer Medicare                    | 19,407       |
| Other Contracted Services            | 3,050        |
| Instructional Supplies and Materials | 291,899      |

(Continued)

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

|                                   |          |              |
|-----------------------------------|----------|--------------|
| Other Supplies and Materials      | \$ 3,228 |              |
| Regular Instruction Equipment     | 24,945   |              |
| Total Regular Instruction Program |          | \$ 1,968,565 |

Special Education Program

|                                      |            |           |
|--------------------------------------|------------|-----------|
| Teachers                             | \$ 176,712 |           |
| Educational Assistants               | 663,249    |           |
| Other Salaries and Wages             | 121,995    |           |
| Certified Substitute Teachers        | 11,475     |           |
| Non-certified Substitute Teachers    | 13,459     |           |
| Social Security                      | 60,205     |           |
| State Retirement                     | 74,767     |           |
| Life Insurance                       | 4,473      |           |
| Medical Insurance                    | 234,579    |           |
| Dental Insurance                     | 9,376      |           |
| Unemployment Compensation            | 3,886      |           |
| Employer Medicare                    | 13,968     |           |
| Contracts with Private Agencies      | 109,048    |           |
| Other Contracted Services            | 172,248    |           |
| Instructional Supplies and Materials | 63,889     |           |
| Other Supplies and Materials         | 10,098     |           |
| Special Education Equipment          | 11,594     |           |
| Total Special Education Program      |            | 1,755,021 |

Vocational Education Program

|                                      |          |         |
|--------------------------------------|----------|---------|
| Teachers                             | \$ 8,020 |         |
| Social Security                      | 489      |         |
| State Retirement                     | 482      |         |
| Unemployment Compensation            | 62       |         |
| Employer Medicare                    | 114      |         |
| Other Contracted Services            | 15,000   |         |
| Instructional Supplies and Materials | 46,923   |         |
| T&I Construction Materials           | 30,031   |         |
| Other Supplies and Materials         | 2,750    |         |
| Vocational Instruction Equipment     | 121,535  |         |
| Total Vocational Education Program   |          | 225,406 |

(Continued)

Exhibit L-10

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

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

|                              |    |        |           |
|------------------------------|----|--------|-----------|
| Travel                       | \$ | 7,388  |           |
| Other Contracted Services    |    | 2,055  |           |
| Other Supplies and Materials |    | 15,732 |           |
| In Service/Staff Development |    | 12,240 |           |
| Other Charges                |    | 1,238  |           |
| Total Other Student Support  |    |        | \$ 38,653 |

Regular Instruction Program

|                                   |    |         |         |
|-----------------------------------|----|---------|---------|
| Supervisor/Director               | \$ | 81,264  |         |
| Other Salaries and Wages          |    | 113,858 |         |
| Social Security                   |    | 11,748  |         |
| State Retirement                  |    | 12,176  |         |
| Life Insurance                    |    | 175     |         |
| Medical Insurance                 |    | 15,649  |         |
| Dental Insurance                  |    | 607     |         |
| Unemployment Compensation         |    | 168     |         |
| Employer Medicare                 |    | 2,747   |         |
| Travel                            |    | 18,815  |         |
| Library Books/Media               |    | 5,871   |         |
| Other Supplies and Materials      |    | 22,163  |         |
| In Service/Staff Development      |    | 165,595 |         |
| Other Charges                     |    | 8,687   |         |
| Other Equipment                   |    | 8,353   |         |
| Total Regular Instruction Program |    |         | 467,876 |

Special Education Program

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Psychological Personnel         | \$ | 109,967 |         |
| Clerical Personnel              |    | 30,676  |         |
| Other Salaries and Wages        |    | 58,538  |         |
| Social Security                 |    | 11,977  |         |
| State Retirement                |    | 13,205  |         |
| Life Insurance                  |    | 280     |         |
| Medical Insurance               |    | 15,248  |         |
| Dental Insurance                |    | 809     |         |
| Unemployment Compensation       |    | 350     |         |
| Employer Medicare               |    | 2,801   |         |
| Travel                          |    | 9,640   |         |
| Other Supplies and Materials    |    | 4,824   |         |
| In Service/Staff Development    |    | 36,335  |         |
| Total Special Education Program |    |         | 294,650 |

(Continued)

Exhibit L-10

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

|                                    |    |              |        |
|------------------------------------|----|--------------|--------|
| Travel                             | \$ | 23,742       |        |
| In Service/Staff Development       |    | <u>1,000</u> |        |
| Total Vocational Education Program | \$ |              | 24,742 |

Transportation

|                           |    |              |                |
|---------------------------|----|--------------|----------------|
| Bus Drivers               | \$ | 153,606      |                |
| Other Salaries and Wages  |    | 87,010       |                |
| Social Security           |    | 14,805       |                |
| State Retirement          |    | 16,603       |                |
| Life Insurance            |    | 1,571        |                |
| Medical Insurance         |    | 96,130       |                |
| Dental Insurance          |    | 3,025        |                |
| Unemployment Compensation |    | 1,144        |                |
| Employer Medicare         |    | <u>3,463</u> |                |
| Total Transportation      |    |              | <u>377,357</u> |

Total School Federal Projects Fund \$ 5,152,270

Central Cafeteria Fund

Support Services

Board of Education

|                                 |    |               |        |
|---------------------------------|----|---------------|--------|
| Workers' Compensation Insurance | \$ | <u>55,000</u> |        |
| Total Board of Education        | \$ |               | 55,000 |

Operation of Non-Instructional Services

Food Service

|                           |    |         |  |
|---------------------------|----|---------|--|
| Supervisor/Director       | \$ | 69,886  |  |
| Accountants/Bookkeepers   |    | 61,832  |  |
| Clerical Personnel        |    | 29,776  |  |
| Cafeteria Personnel       |    | 885,224 |  |
| Temporary Personnel       |    | 37,381  |  |
| Longevity Pay             |    | 40,450  |  |
| Other Salaries and Wages  |    | 712,633 |  |
| Social Security           |    | 112,522 |  |
| State Retirement          |    | 137,899 |  |
| Life Insurance            |    | 9,044   |  |
| Medical Insurance         |    | 439,056 |  |
| Dental Insurance          |    | 16,854  |  |
| Unemployment Compensation |    | 8,241   |  |

(Continued)

Exhibit L-10

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

|   |    |           |              |
|---|----|-----------|--------------|
| Employer Medicare                           | \$ | 26,318    |              |
| Maintenance and Repair Services - Equipment |    | 39,978    |              |
| Travel                                      |    | 13,295    |              |
| Other Contracted Services                   |    | 42,586    |              |
| Food Preparation Supplies                   |    | 226,574   |              |
| Food Supplies                               |    | 2,299,079 |              |
| Office Supplies                             |    | 12,176    |              |
| Other Supplies and Materials                |    | 377       |              |
| In Service/Staff Development                |    | 6,848     |              |
| Other Charges                               |    | 40        |              |
| Food Service Equipment                      |    | 184,483   |              |
| Total Food Service                          |    |           | \$ 5,412,552 |

Total Central Cafeteria Fund \$ 5,467,552

Education Capital Projects Fund

Capital Projects

Education Capital Projects

|  |    |           |              |
|--|----|-----------|--------------|
| Engineering Services                   | \$ | 36,028    |              |
| Administration Equipment               |    | 5,640     |              |
| Building Construction                  |    | 5,000     |              |
| Furniture and Fixtures                 |    | 26,383    |              |
| Heating and Air Conditioning Equipment |    | 10,637    |              |
| Office Equipment                       |    | 6,552     |              |
| Site Development                       |    | 6,680     |              |
| Other Equipment                        |    | 59,328    |              |
| Other Capital Outlay                   |    | 6,264,354 |              |
| Total Education Capital Projects       |    |           | \$ 6,420,602 |

Total Education Capital Projects Fund 6,420,602

Total Governmental Funds - Maury County School Department \$ 93,010,187

Exhibit L-11

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2008

|   | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|
|   | <u>Central<br/>Maintenance/<br/>Garage<br/>Fund</u>      |
| <u>Revenues</u>                             |  |
| <u>Charges for Current Services</u>         |  |
| <u>General Service Charges</u>              |  |
| Other General Service Charges               | \$ 2,123,889   |
| Total Charges for Current Services          | <u>\$ 2,123,889</u>                                      |
| <u>Other Local Revenues</u>                 |  |
| <u>Recurring Items</u>                      |  |
| Sale of Materials and Supplies              | \$ 1,546   |
| Miscellaneous Refunds                       | 34   |
| Total Other Local Revenues                  | <u>\$ 1,580</u>  |
| Total Revenues                              | <u>\$ 2,125,469</u>                                      |
| <u>Expenses</u>                             |  |
| <u>General Administration</u>               |  |
| <u>Other General Administration</u>         |  |
| County Official/Administrative Office       | \$ 61,488  |
| Mechanic(s)                                 | 196,770  |
| Clerical Personnel                          | 39,647   |
| Longevity Pay                               | 5,750  |
| Overtime                                    | 4,428  |
| Social Security                             | 18,391   |
| State Retirement                            | 27,542   |
| Life Insurance                              | 451  |
| Medical Insurance                           | 37,491   |
| Dental Insurance                            | 1,554  |
| Disability Insurance                        | 1,460  |
| Unemployment Compensation                   | 392  |
| Employer Medicare                           | 4,301  |
| Communication                               | 630  |
| Consultants                                 | 355  |
| Dues and Memberships                        | 180  |
| Laundry Service                             | 3,591  |
| Maintenance Agreements                      | 1,820  |
| Maintenance and Repair Services - Building  | 760  |
| Maintenance and Repair Services - Equipment | 2,210  |

(Continued)

Exhibit L-11

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund (Cont.)

|   | Governmental<br>Activities -<br>Internal<br><u>Service Fund</u><br>Central<br>Maintenance/<br>Garage<br><u>Fund</u> |
|---|---|
| <u>Expenses (Cont.)</u>                     |   |
| <u>General Administration (Cont.)</u>       |   |
| <u>Other General Administration (Cont.)</u> |   |
| Postal Charges                              | \$ 217  |
| Travel                                      | 61  |
| Disposal Fees                               | 653   |
| Other Contracted Services                   | 70,747  |
| Custodial Supplies                          | 305   |
| Diesel Fuel                                 | 874,881   |
| Electricity                                 | 24,573  |
| Equipment and Machinery Parts               | 186,429   |
| Garage Supplies                             | 1,117   |
| Gasoline                                    | 451,089   |
| Lubricants                                  | 13,784  |
| Natural Gas                                 | 9,667   |
| Office Supplies                             | 568   |
| Small Tools                                 | 603   |
| Tires and Tubes                             | 96,657  |
| Depreciation                                | 10,779  |
| Other Charges                               | 79  |
| Other Equipment                             | 895   |
| Other Capital Outlay                        | <u>3,620</u>  |
| Total Expenses                              | <u>\$ 2,155,935</u>   |

Exhibit L-12

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2008

|  | Business-type<br>Activities -<br>Enterprise<br>Fund<br><hr/> Solid<br>Waste<br>Disposal Fund |
|--|--|
| <u>Revenues</u>                                    |  |
| <u>Operating Revenues</u>                          |  |
| <u>Charges for Current Services</u>                |  |
| <u>General Service Charges</u>                     |  |
| Residential Waste Collection Charge                | \$ 3,338   |
| Transfer Waste Stations Collection Charge          | 415  |
| Tipping Fees                                       | 1,151,859  |
| Zoning Studies                                     | 6,953  |
| Other General Service Charges                      | 242,685  |
| Total Charges for Current Services                 | <hr/> \$ 1,405,250   |
| <u>Other Local Revenues</u>                        |  |
| <u>Recurring Items</u>                             |  |
| Sale of Recycled Materials                         | \$ 198,947   |
| Total Operating Revenues                           | <hr/> \$ 1,604,197   |
| <u>Nonoperating Revenues</u>                       |  |
| <u>Local Taxes</u>                                 |  |
| <u>County Property Taxes</u>                       |  |
| Current Property Tax                               | \$ 1,538,969   |
| Trustee's Collections - Prior Year                 | 44,821   |
| Trustee's Collections - Bankruptcy                 | 837  |
| Circuit/Clerk and Master Collections - Prior Years | 27,598   |
| Interest and Penalty                               | 11,739   |
| Pick-up Taxes                                      | 12,127   |
| <u>Other Local Revenues</u>                        |  |
| <u>Nonrecurring Items</u>                          |  |
| Other Local Revenues                               | 1,802  |
| <u>State of Tennessee</u>                          |  |
| <u>General Government Grants</u>                   |  |
| Solid Waste Grants                                 | 49,024   |
| <u>Public Works Grants</u>                         |  |
| Litter Program                                     | 41,195   |
| <u>Other State Revenues</u>                        |  |
| Other State Revenues                               | 24,934   |
| <u>Other Governments</u>                           |  |
| Contributions                                      | 460,100  |
| Total Nonoperating Revenues                        | <hr/> \$ 2,213,146   |
| Total Revenues                                     | <hr/> <hr/> \$ 3,817,343   |

(Continued)

Exhibit L-12

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund (Cont.)

|   | Business-type<br>Activities -<br>Enterprise<br>Fund<br><hr/> Solid<br>Waste<br>Disposal Fund |
|---|--|
| <u>Expenses</u>                             |  |
| <u>Operating Expenses</u>                   |  |
| <u>Waste Pickup</u>                         |  |
| Foremen                                     | \$ 28,163  |
| Longevity Pay                               | 350  |
| Social Security                             | 1,768  |
| Life Insurance                              | 30   |
| Disability Insurance                        | 135  |
| Unemployment Compensation                   | 56   |
| Employer Medicare                           | 413  |
| Contributions                               | 6,000  |
| Other Supplies and Materials                | 7,682  |
| Total Waste Pickup                          | <hr/> \$ 44,597  |
| <br><u>Convenience Centers</u>              |  |
| Equipment Operators                         | \$ 193,481   |
| Laborers                                    | 344,050  |
| Longevity Pay                               | 3,450  |
| Overtime Pay                                | 8,288  |
| Social Security                             | 33,279   |
| State Retirement                            | 19,458   |
| Life Insurance                              | 373  |
| Medical Insurance                           | 30,331   |
| Dental Insurance                            | 1,127  |
| Disability Insurance                        | 984  |
| Unemployment Compensation                   | 2,252  |
| Employer Medicare                           | 7,783  |
| Communication                               | 3,504  |
| Maintenance and Repair Services - Equipment | 11,662   |
| Maintenance and Repair Services - Vehicles  | 36   |
| Pest Control                                | 1,377  |
| Postal Charges                              | 246  |
| Other Contracted Services                   | 6,837  |
| Crushed Stone                               | 2,083  |
| Custodial Supplies                          | 53   |
| Diesel Fuel                                 | 69,314   |
| Electricity                                 | 10,886   |
| Equipment and Machinery Parts               | 14,011   |
| Gasoline                                    | 5,097  |

(Continued)

Exhibit L-12

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund (Cont.)

|   | Business-type<br>Activities -<br>Enterprise<br>Fund<br>Solid<br>Waste<br>Disposal Fund |
|---|--|
| <u>Expenses (Cont.)</u>                     |  |
| <u>Operating Expenses (Cont.)</u>           |  |
| <u>Convenience Centers (Cont.)</u>          |  |
| Tires and Tubes                             | \$ 21,043  |
| Vehicle Parts                               | 247  |
| Other Supplies and Materials                | 25,011   |
| Depreciation                                | 18,761   |
| Other Charges                               | 17   |
| Other Capital Outlay                        | 49,193   |
| Total Convenience Centers                   | <u>\$ 884,234</u>  |
| <u>Landfill Operation and Maintenance</u>   |  |
| County Official/Administrative Officer      | \$ 61,488  |
| Equipment Operators                         | 71,926   |
| Laborers                                    | 98,603   |
| Clerical Personnel                          | 59,288   |
| Longevity Pay                               | 5,300  |
| Overtime                                    | 694  |
| Social Security                             | 17,973   |
| State Retirement                            | 23,314   |
| Life Insurance                              | 423  |
| Medical Insurance                           | 34,965   |
| Dental Insurance                            | 1,437  |
| Disability Insurance                        | 1,265  |
| Unemployment Compensation                   | 498  |
| Employer Medicare                           | 4,203  |
| Communication                               | 3,268  |
| Consultants                                 | 3,169  |
| Dues and Memberships                        | 345  |
| Laundry Service                             | 5,491  |
| Licenses                                    | 6,147  |
| Maintenance Agreements                      | 665  |
| Maintenance and Repair Services - Buildings | 6,099  |
| Maintenance and Repair Services - Equipment | 29,410   |
| Maintenance and Repair Services - Vehicles  | 307  |
| Medical and Dental Services                 | 821  |
| Pest Control                                | 255  |
| Postal Charges                              | 1,245  |
| Printing, Stationery, and Forms             | 185  |
| Travel                                      | 1,541  |
| Disposal Fees                               | 1,223,723  |
| Permits                                     | 3,000  |
| Other Contracted Services                   | 42,969   |
| Crushed Stone                               | 871  |

(Continued)

Exhibit L-12

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund (Cont.)

|   | Business-type<br>Activities -<br>Enterprise<br>Fund<br>Solid<br>Waste<br>Disposal Fund |
|---|--|
| <u>Expenses (Cont.)</u>                           |  |
| <u>Operating Expenses (Cont.)</u>                 |  |
| <u>Landfill Operation and Maintenance (Cont.)</u> |  |
| Custodial Supplies                                | \$ 62  |
| Data Processing Supplies                          | 793  |
| Diesel Fuel                                       | 32,828   |
| Electricity                                       | 28,525   |
| Equipment and Machinery Parts                     | 14,725   |
| Gasoline  | 2,603  |
| Lubricants  | 1,542  |
| Natural Gas                                       | 11,681   |
| Office Supplies                                   | 1,333  |
| Small Tools                                       | 123  |
| Tires and Tubes                                   | 2,272  |
| Vehicle Parts                                     | 2,503  |
| Other Supplies and Materials                      | 24,694   |
| Building and Contents Insurance                   | 3,412  |
| Liability Insurance                               | 22,507   |
| Trustee's Commission                              | 42,930   |
| Vehicle and Equipment Insurance                   | 14,532   |
| Workers' Compensation Insurance                   | 87,947   |
| Depreciation                                      | 122,406  |
| Other Charges                                     | 1,471  |
| Furniture and Fixtures                            | 355  |
| Other Capital Outlay                              | 675  |
| Total Landfill Operation and Maintenance          | <u>\$ 2,130,807</u>  |
| Total Operating Expenses                          | <u>\$ 3,059,638</u>  |
| Total Expenses                                    | <u><u>\$ 3,059,638</u></u>   |

Exhibit L-13

Maury County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2008

|  | Cities -<br>Sales Tax<br>Fund |
|--|-------------------------------|
| <hr/>  |                               |
| <u>Cash Receipts</u>   |                               |
| Local Option Sales Tax   | \$ 8,974,295                  |
| Total Cash Receipts  | <u>\$ 8,974,295</u>           |
| <br><u>Cash Disbursements</u>                                  |                               |
| Remittance of Revenues Collected                               | \$ 8,884,552                  |
| Trustee's Commission   | 89,743                        |
| Total Cash Disbursements                                       | <u>\$ 8,974,295</u>           |
| <br>Excess of Cash Receipts Over<br>(Under) Cash Disbursements | <br>\$ 0                      |
| Cash Balance, July 1, 2007                                     | <u>0</u>                      |
| <br>Cash Balance, June 30, 2008                                | <br><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 37243-1402  
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

May 28, 2009

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2008, which collectively comprise Maury County's basic financial statements and have issued our report thereon dated May 28, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Maury Regional Hospital (major proprietary fund), the discretely presented Maury County Board of Public Utilities Water System, and the discretely presented Maury County Emergency Communications District as described in our report on Maury County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered Maury County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Maury County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Maury County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting: 08.01, 08.05, 08.08(A,B), 08.09, 08.10, and 08.11.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Maury County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 08.01, 08.05, and 08.11 to be material weaknesses.

## Compliance and Other Matters

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

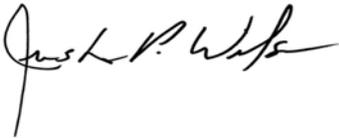
accompanying Schedule of Findings and Questioned Costs as items 08.02, 08.03, 08.04, 08.06, 08.07, and 08.08(C,D).

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

Maury County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Maury County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the county mayor, director of schools, road superintendent, County Commission, Board of Education, others within Maury County, 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, appearing to read "Justin P. Wilson". The signature is written in a cursive style with a large initial "J" and "W".

Justin P. Wilson  
Comptroller of the Treasury

JPW/yu

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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 37243-1402  
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

May 28, 2009

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

To the County Mayor and Board of County Commissioners:

Compliance

We have audited the compliance of Maury 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, 2008. Maury 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 Maury County's management. Our responsibility is to express an opinion on Maury 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 Maury 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 Maury County's compliance with those requirements.

In our opinion, Maury 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, 2008.

#### Internal Control Over Compliance

The management of Maury 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 Maury 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Maury County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### Schedule of Expenditures of Federal Awards

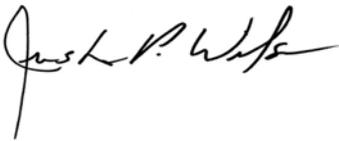
We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2008, and have issued our report thereon dated May 28, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Maury County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards 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.

Maury County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Maury County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the county mayor, director of schools, road superintendent, County Commission, Board of Education, others within Maury County, 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, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a long vertical stroke extending downwards from the end.

Justin P. Wilson  
Comptroller of the Treasury

JPW/yu

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Maury County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1)  
For the Year Ended June 30, 2008

| Federal/Pass-through Agency/State<br>Grantor Program Title                    | Federal<br>CFDA<br>Number | Pass-through<br>Entity<br>Identifying<br>Number | Expenditures        |
|---|---------------------------|---|---------------------|
| U.S. Department of Agriculture:   |                           |   |                     |
| Direct Program:   |                           |   |                     |
| Watershed Surveys and Planning  | 10.906                    | N/A   | \$ 33,547           |
| Passed-through State Department of Agriculture:                               |                           |   |                     |
| National School Lunch Program (Commodities - Noncash Assistance)              | 10.555                    | (2)   | 152,118 (4)         |
| Passed-through State Department of Education:                                 |                           |   |                     |
| Child Nutrition Cluster:  |                           |   |                     |
| School Breakfast Program  | 10.553                    | (2)   | 609,273             |
| National School Lunch Program   | 10.555                    | (2)   | 2,003,686 (4)       |
| Summer Food Service Program for Children                                      | 10.559                    | (2)   | 2,846               |
| Total U.S. Department of Agriculture  |                           |   | <u>\$ 2,801,470</u> |
| U.S. Department of Housing and Urban Development:                             |                           |   |                     |
| Passed-through State Department of Economic and Community<br>Development:     |                           |   |                     |
| Community Development Block Grants/State's Program                            | 14.228                    | GG-04-11363-00                                  | \$ 300,000          |
| Passed-through Tennessee Housing Development Agency:                          |                           |   |                     |
| HOME Investment Partnerships Program  | 14.239                    | (2)   | 305,202             |
| Total U.S. Department of Housing and Urban Development                        |                           |   | <u>\$ 605,202</u>   |
| U.S. Department of Justice:   |                           |   |                     |
| Direct Program:   |                           |   |                     |
| Bulletproof Vest Partnership Program  | 16.607                    | N/A   | \$ 1,089            |
| Total U.S. Department of Justice  |                           |   | <u>\$ 1,089</u>     |
| U.S. Department of Labor:   |                           |   |                     |
| Passed-through State Department of Education:                                 |                           |   |                     |
| WIA Youth Activities  | 17.259                    | (2)   | \$ 12,500           |
| Incentive Grants - WIA Section 503  | 17.267                    | GG-05-11243-01                                  | 24,736              |
| Total U.S. Department of Labor  |                           |   | <u>\$ 37,236</u>    |
| U.S. Department of Transportation:  |                           |   |                     |
| Passed-through State Department of Military:                                  |                           |   |                     |
| Interagency Hazardous Materials Public Sector Training and Planning<br>Grants | 20.703                    | GG-07-20658-00                                  | \$ 7,000            |
| Total U.S. Department of Transportation                                       |                           |   | <u>\$ 7,000</u>     |
| U.S. Institute of Museum and Library Services                                 |                           |   |                     |
| Passed-through Tennessee Secretary of State:                                  |                           |   |                     |
| Grants to States  | 45.310                    | Z-07-207450-00                                  | \$ 10,350           |
| Total U.S. Institute of Museum and Library Services                           |                           |   | <u>\$ 10,350</u>    |
| U.S. Department of Education:   |                           |   |                     |
| Direct Program:   |                           |   |                     |
| Safe and Drug-Free Schools and Communities - National Programs                | 84.184                    | N/A   | \$ 2,280            |
| Passed-through State Department of Education:                                 |                           |   |                     |
| Title I Grants to Local Educational Agencies                                  | 84.010                    | N/A   | 1,893,853           |
| Special Education Cluster:  |                           |   |                     |
| Special Education - Grants to States  | 84.027                    | N/A   | 2,452,310           |
| Special Education - Preschool Grants  | 84.173                    | N/A   | 97,857              |
| Career and Technical Education - Basic Grants to States                       | 84.048                    | N/A   | 266,309             |
| Safe and Drug - Free Schools and Communities - State Grants                   | 84.186                    | (2)   | 24,541              |

(Continued)

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

| Federal/Pass-through Agency/State<br>Grantor Program Title | Federal<br>CFDA<br>Number | Pass-through<br>Entity<br>Identifying<br>Number | Expenditures        |
|--|---------------------------|---|---------------------|
| U.S. Department of Education (Cont.):                      |                           |   |                     |
| Passed-through State Department of Education (Cont.):      |                           |   |                     |
| State Grants for Innovative Programs                       | 84.298                    | N/A   | \$ 14,348           |
| Education Technology State Grants                          | 84.318                    | N/A   | 13,660              |
| Reading First State Grants                                 | 84.357                    | (2)   | 296,958             |
| English Language Acquisition Grants                        | 84.365                    | N/A   | 37,798              |
| Improving Teacher Quality State Grants                     | 84.367                    | N/A   | 549,597             |
| Hurricane Education Recovery Act                           | 84.938                    | (2)   | 21,000              |
| Total U.S. Department of Education                         |                           |   | <u>\$ 5,670,511</u> |
| U.S. Elections Assistance Commission:                      |                           |   |                     |
| Passed-through Tennessee Secretary of State:               |                           |   |                     |
| Help America Vote Act Requirements Payments                | 90.401                    | Z-08-201100-00                                  | \$ 1,773            |
| Total U.S. Elections Assistance Commission                 |                           |   | <u>\$ 1,773</u>     |
| U.S. Department of Homeland Security:                      |                           |   |                     |
| Passed-through State Department of Military:               |                           |   |                     |
| Homeland Security Cluster:                                 |                           |   |                     |
| Hazard Mitigation Grant                                    | 97.039                    | GG-04-111141-00                                 | \$ 665              |
| Homeland Security Grant Program                            | 97.067                    | (3)   | 108,067             |
| Total U.S. Department of Homeland Security                 |                           |   | <u>\$ 108,732</u>   |
| Total Expenditures of Federal Awards                       |                           |   | <u>\$ 9,243,363</u> |

| <u>State Grants</u>   |     | <u>Contract<br/>Number</u> |                     |
|---|-----|----------------------------|---------------------|
| State Reappraisal Program - Comptroller of the Treasury                                 | N/A | (2)                        | \$ 23,609           |
| Tobacco Cessation Grant - State Department of Health                                    | N/A | GG-08-23196-00             | 15,789              |
| Community Enhancement Grants - Tennessee Secretary of State                             | N/A | (2)                        | 21,750              |
| Coordinated Health - State Department of Education                                      | N/A | (2)                        | 107,496             |
| Health Department Program - State Department of Health                                  | N/A | (2)                        | 552,057             |
| Safe Schools Act 1998 - State Department of Education                                   | N/A | (2)                        | 58,079              |
| Jobs for Tennessee Graduates - State Department of Education                            | N/A | (2)                        | 12,500              |
| Early Childhood Education - State Department of Education                               | N/A | (2)                        | 888,229             |
| Family Resource Center - State Department of Education                                  | N/A | (2)                        | 99,900              |
| Litter Program - State Department of Transportation                                     | N/A | Z-08-021025-00             | 49,024              |
| Waste Tire Grant - State Department of Environment<br>and Conservation                  | N/A | (2)                        | 41,195              |
| Juvenile Justice and Delinquency Prevention - State Commission<br>on Children and Youth | N/A | Z-08-022787-00             | 14,000              |
| Total State Grants  |     |                            | <u>\$ 1,883,628</u> |

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) Z-05-025187-00: \$78,224; GG-07-20678-00: \$29,843.
- (4) Total for CFDA No. 10.555 is \$2,155,804.

Maury County, Tennessee  
Schedule of Audit Findings Not Corrected  
June 30, 2008

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 Maury County, Tennessee, for the year ended June 30, 2007, which have not been corrected.

**MAURY REGIONAL HOSPITAL**

| <u>Finding<br/>Number</u> | <u>Page<br/>Number</u> | <u>Subject</u>                                      |
|---------------------------|------------------------|---|
| 07.06                     | 229                    | Consolidated financial statements were not prepared |
| 07.07                     | 229                    | Deficiencies in management's estimates              |

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**MAURY COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2008**

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

1. Our report on the financial statements of Maury County is unqualified.
2. The audit of the financial statements of Maury County disclosed significant deficiencies in internal control. Three of these deficiencies were considered to be material weaknesses.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Maury County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children (CFDA Nos. 10.553, 10.555, and 10.559); the Community Development Block Grants/State's Program (CFDA No. 14.228); the HOME Investment Partnerships Program (CFDA No. 14.239); and the Title I Grants to Local Education Agencies (CFDA No. 84.010) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Maury 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 director of accounts and budgets, circuit court clerk, county commissioner, and sheriff are paraphrased in this report. Other officials offered oral responses to certain findings and recommendations; however, these oral responses have not been included in this report.

### **OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS**

**FINDING 08.01**      **MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED IN THE GENERAL DEBT SERVICE FUND FOR PROPER FINANCIAL STATEMENT PRESENTATION**  
(Internal Control – Material Weakness Under Government Auditing Standards)

At June 30, 2008, certain general ledger account balances in the General Debt Service Fund were not materially correct, and audit adjustments were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Maury County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

### **RECOMMENDATION**

Maury County should have appropriate processes in place to ensure that its general ledgers are materially correct.

### **MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

Management concurs with the finding. As stated in the finding, we have approved and made the correcting entries to properly present our financial statements. The department operated at a diminished capacity last year. Certain aspects of the year-end process were traditionally completed by the department head who was not available when the books were closed. The responsibility fell to a junior employee to close the books without adequate training and knowledge of all year-end processes; consequently, these entries fell through the cracks. Year-end closing for fiscal year 2008-2009 will be closely monitored by the department head and assistant to ensure all necessary entries are posted.

**FINDING 08.02      THE COUNTY VIOLATED THE CONFLICT OF INTEREST STATUTE AND MADE PURCHASES FROM A BUSINESS OWNED BY A COUNTY COMMISSIONER**  
(Noncompliance Under Government Auditing Standards)

During the year, the county paid \$1,673 to Lucille's Restaurant, a business owned by county commissioner Judy Vick, for meals for jury members. These payments to a business owned by a member of the County Commission violate the conflict of interest statute, Section 12-4-101(a)(1), Tennessee Code Annotated (TCA). This statute states that "it is unlawful for any officer, committee member, director, or other person whose duty it is to vote for, let out, overlook, or in any manner to superintend any work or any contract in which any municipal corporation, county ... shall or may be interested, to be directly interested in any such contract." The county has done business with this restaurant for several years prior to the county commissioner purchasing this business. Management advised that they did not realize this was a conflict of interest.

**RECOMMENDATION**

County officials should review these payments and resolve the conflict of interest.

**MANAGEMENT'S RESPONSE – COUNTY COMMISSIONER JUDY VICK**

Immediately upon being notified there was a conflict of interest, I took action to rectify the issue. I have sold Lucille's Restaurant to a private individual. The closing date is June 11, 2009. He will take possession on June 12, 2009.

**MANAGEMENT'S RESPONSE – CIRCUIT COURT CLERK**

I respectfully make the following submission:

1. From my reading of TCA 12-4-101, I do not believe a conflict exists, as there is not a contract between this office and Lucille's Restaurant in which commissioner Judy Vick is now a co-owner with her husband.
2. The Office of Circuit Court Clerk for decades has utilized Lucille's Restaurant as a supplier of lunches for sequestered juries because:
  - a. Proximity to the courthouse: Jurors can walk to the restaurant, thus eliminating the need for specially arranged transportation (bus or van with driver) and an attendant expense.
  - b. Price: The menu prices are reasonable and below other general-service restaurants in the downtown area.
  - c. Convenience: No reservations are required. Lucille's can accommodate as many jurors that the court has sworn for any particular trial, and the restaurant has the capability to keep the jurors together, separate and apart from other patrons (which is not available at other downtown restaurants). Lucille's expeditiously services the jurors for prompt return

to court because time does not permit travel from the courthouse. General menu is available without prior notice. Frequently a jury's sequestration is not determined until the morning of the trial.

- d. With the availability of a full/traditional "meat and three" menu, the specific dietary requirements of jurors can be accommodated. The traditional menu is also pleasing to jurors as it offers choice and variety, which would not be available for delivery or order-in items such as pizza, barbecue, and the like.
- e. The availability of Lucille's Restaurant as a provider results in saving time and money to Maury County government.

It should be noted that Maury County Circuit Court has utilized Lucille's for decades irrespective of the owner at the time. Lucille's came into the ownership and management of Mr. Doug Vick, the husband of County Commissioner Judy Vick in September 2007. The Office of Circuit Court Clerk was not aware Mrs. Vick was listed as a co-owner.

The clerk's office does utilize other restaurants for morning and evening meals, with a sequestered jury. Generally, these restaurants are chosen for their proximity and convenience to the jurors lodging.

The purchases by our jurors are from the same menu offered to the public. Lucille's has no contract or exclusive agreement with the Office of Circuit Court Clerk. The decision to utilize their restaurant was and is made, without regard to its owners, to save time, money, and avoid travel in providing lunch for sequestered jurors while at the same time providing menu choices for the jurors.

If the court assesses cost to the state in felony cases, the clerk taxes the state for the costs involving the jury meals less the gratuity fee. These funds are deposited with the trustee for the jury meal line item.

#### AUDITOR'S REBUTTAL TO CIRCUIT COURT CLERK'S COMMENTS

The state attorney general has opined in opinions 99-185 and U90-72 that county commissioners vote on budgets and appropriations; therefore, they superintend county contracts. County commissioners contract with the county when they sell goods or services to the county. This would be a prohibited direct interest under Section 12-4-101(a), TCA, unless the commissioner was the sole supplier of such goods or services in the county. Lucille's Restaurant is not the sole supplier of meals in Maury County.

**FINDING 08.03 PURCHASES FROM THE GENERAL FUND FOR THE SCHOOL DEPARTMENT ARE OF QUESTIONABLE LEGALITY**  
(Noncompliance Under Government Auditing Standards)

During the year, the county purchased a school bus (\$66,000) and land (\$47,203) for a school from the General Fund. Opinion No. 92-03 issued by the Tennessee Attorney General's Office states "...a county legislative body cannot lawfully divert revenues collected for general county purposes, or other non-education purposes, and apply these moneys to education purposes." Therefore, we question the legality of using General Fund monies to purchase a school bus and land for educational purposes. Management advised that they were not aware of this attorney general's opinion.

**RECOMMENDATION**

General Fund monies should not be used to pay education expenses.

**MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

Management concurs with the finding. In the future, all funding requests will be reviewed for correctness and legality. Alternative funding solutions that meet Tennessee Code Annotated requirements will be recommended to the schools.

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**FINDING 08.04 THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS**  
(Noncompliance Under Government Auditing Standards)

The following deficiencies were noted in budget operations:

- A. During 2007-08, Maury County took over the operations of an animal shelter from the Maury County Animal Shelter Association. The county set up the Other Special Purpose Fund to account for the shelter's operations; however, the County Commission did not adopt a budget for the fund.
- B. Expenditures exceeded appropriations approved by the County Commission in several major appropriation categories (the legal level of control) of the following funds:

| <u>Fund/Major Category</u>                    | <u>Amount<br/>Overspent</u> |
|---|-----------------------------|
| General:                                      |                             |
| County Attorney                               | \$ 2,954                    |
| Courtroom Security                            | 2,754                       |
| Public Safety Grant Program                   | 15,042                      |
| Rabies and Animal Control                     | 18,149                      |
| Libraries                                     | 13,730                      |
| Miscellaneous                                 | 54,260                      |
| Capital Projects Donated to School Department | 65,903                      |
| Adequate Facilities/Development Tax:          |                             |
| Other General Government Projects             | 15,600                      |

Section 5-9-401, Tennessee Code Annotated, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such uses by the county legislative bodies.” These deficiencies can be attributed to a lack of management oversight and the failure of management to keep spending within limits authorized by the County Commission. These deficiencies resulted in unauthorized expenditures.

#### RECOMMENDATION

The County Commission should adopt a budget for the Other Special Revenue Fund. Expenditures should be held within appropriations approved by the County Commission.

#### MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

- A. Management concurs with the finding. The operation of the animal shelter was a joint venture between Maury County and the City of Columbia. Agreements existed between the entities as to the operation/funding of the facility, although a formal budget was not adopted. Subsequently, the agreement between the entities has been revised and full responsibility for the operation of the facility now rests with Maury County. A budget was adopted by the County Commission for fiscal year 2008-2009, and the facility has been operating under the budget since that approval.
- B. Management concurs with the finding. The Department of Accounts and Budgets will review all budgets to ensure expenditures do not exceed appropriations and will require that budget amendments be presented to the County Commission to amend the budget when necessary.

**FINDING 08.05      THE HEALTH DEPARTMENT BUILDING WAS OMITTED FROM THE CAPITAL ASSETS RECORDS AT JUNE 30, 2008**  
(Internal Control – Material Weakness Under Government Auditing Standards)

At June 30, 2008, the value of the Health Department building (\$4,352,469) was omitted from the capital assets records. Generally accepted accounting principles require the proper reporting of capital assets. Due to a clerical error, the building was entered into the capital assets software as being completed July 1, 2008, instead of February 7, 2008. We presented audit adjustments to management that they approved and posted to properly present capital assets in the financial statements in this report.

**RECOMMENDATION**

Management should provide the necessary oversight to ensure that its capital assets records are accurately maintained.

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**FINDING 08.06      THE ANIMAL SHELTER AND MEMORIAL BUILDING OFFICES DID NOT ISSUE OFFICIAL PRENUMBERED RECEIPTS FOR COLLECTIONS**  
(Noncompliance Under Government Auditing Standards)

Official prenumbered receipts were not issued for some collections at the animal shelter and the memorial building offices. Section 9-2-103, Tennessee Code Annotated, requires official prenumbered receipts to be issued when collections are received. Without official prenumbered receipts, we were unable to determine if all funds had been accounted for and whether the offices deposited public funds to the county trustee's bank account within three days of collection. This noncompliance is the result of management's decision and is a deficiency in internal controls that increases the risk of fraud and abuse.

**RECOMMENDATION**

To strengthen internal controls over cash collections and deposits, official prenumbered receipts should be issued for all collections when the payments are received as required by state statute.

**MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS**

Management concurs with the finding. The use of a sequentially numbered receipt book will be implemented at the animal shelter with periodic review/reconciliation of receipts recorded in the book to deposits with the County Mayor's Office. All receipt of funds at the Memorial Building will now be handled through the warrant procedure in the County Mayor's Office.

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## **OFFICE OF SHERIFF**

### **FINDING 08.07      FEDERAL EQUITABLE SHARED FUNDS WERE NOT CHanneLED THROUGH THE COUNTY'S BUDGETARY PROCESS (Noncompliance Under Government Auditing Standards)**

The office maintained a bank account for federal equitable shared funds forfeited to the county. These funds were not channeled through the county's budgetary process but were expended by the Sheriff's Department for various program operations. During the year under examination, the sheriff expended \$8,797 and had a balance in this account of \$30,518 on June 30, 2008. Section 5-9-401, Tennessee Code Annotated, requires that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such use by the county legislative bodies." Management advised that they were not aware of this law as it relates to federal equitable shared funds. This deficiency resulted in unauthorized expenditures.

### **RECOMMENDATION**

The office should remit the federal equitable shared funds to the county's General Fund or a special revenue fund. These funds should then be accounted for in separate accounts within the fund for tracking purposes. These funds should be appropriated by the County Commission and channeled through the county's budgetary process as required by state statute.

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### **FINDING 08.08      THE OFFICE HAD ACCOUNTING DEFICIENCIES (A. and B. – Internal Control – Significant Deficiency Under Government Auditing Standards, C. and D. – Noncompliance Under Government Auditing Standards)**

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies can be attributed to a lack of management oversight.

- A. The official cash journal was not properly maintained. Numerous posting errors were noted during the audit period. For example, ending balances for the month were not forwarded to the next month, and entries for bank charges were not posted to the accounting records. We performed alternate auditing procedures to determine cash receipts and disbursements for the Sheriff's Office.
- B. Bank statements were not accurately reconciled with cash journal controls at June 30, 2008.
- C. The office failed to remit some revenues to the county in compliance with state statute. Revenues collected in October 2007 and November 2007 were remitted to the county in January 2008, while revenues collected in April 2008

and May 2008 were remitted to the county in July 2008. Section 67-4-213(d), Tennessee Code Annotated, (TCA), provides that county revenues collected should be reported and paid to the proper agency within 15 days after the last day of each calendar month.

- D. The office did not prepare an annual financial report. Section 5-8-505, TCA, states, “All appointive or elective county public officials, official county boards, committees and commissions ... having in their charge and custody public funds or moneys are required to file with the county executive and with the county clerk ... an annual financial report...”

#### RECOMMENDATION

The official cash journal should be properly posted, all columns should be properly totaled and balanced, and all ending balances should be carried forward as the next month’s beginning balances. Bank statements should be reconciled with the cash journal monthly, and any errors noted should be corrected promptly. The office should remit county revenues to the county trustee timely, and the office should prepare an annual financial report as required by state statutes.

#### MANAGEMENT’S RESPONSE – SHERIFF

It has been brought to my attention that we had several accounting deficiencies. The supervisor and the accountant are working diligently to correct this matter so we will not have these problems in the future.

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#### OTHER FINDING AND RECOMMENDATION

FINDING 08.09      **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICE OF REGISTER AND THE MEMORIAL BUILDING DEPARTMENT**  
(Internal Control – Significant Deficiency Under Government Auditing Standards)

Duties were not segregated adequately among the officials and employees in the Office of Register and the Memorial Building Department. Employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide reasonable assurance of the reliability in financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management’s decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions.

#### RECOMMENDATION

Officials should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Management concurs with the finding. To segregate the duties of receipting and depositing funds connected with the operation of the Memorial Building, the actual receipting and depositing functions will be transferred to the staff at the County Mayor's Office.

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**MAURY REGIONAL HOSPITAL (ENTERPRISE FUND)**

The following two findings were included in the other independent auditor's report issued on Maury County Regional Hospital for the year ended June 30, 2008:

**FINDING 08.10**      **CONSOLIDATED FINANCIAL STATEMENTS WERE NOT PREPARED**  
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The hospital does not prepare consolidated financial statements for interim or year-end reporting purposes.

**RECOMMENDATION**

The hospital should produce consolidated financial statements at least on a quarterly basis for board review.

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**FINDING 08.11**      **DEFICIENCIES IN MANAGEMENT'S ESTIMATES**  
(Internal Control – Material Weakness Under Government Auditing Standards)

During our audit, we identified certain adjustments to management's estimates, which were material to the financial statements. Those adjustments indicate a significant deficiency in the financial statement estimation process related to contractual and bad debt allowances for patient accounts receivable that we consider to be a material weakness.

**RECOMMENDATION**

Management should review its financial statement estimation process for allowances on patient accounts receivable and refine the processes to increase the resources devoted to preparation, review, and monitoring of critical financial statement estimates.

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

There were no findings and questioned costs for federal programs.

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**MAURY COUNTY, TENNESSEE  
AUDITEE REPORTING RESPONSIBILITIES  
For the Year Ended June 30, 2008**

There were no audit findings relative to federal awards presented in the prior- or current-years' Schedules of Findings and Questioned Costs.