

**ANNUAL FINANCIAL REPORT
CAMPBELL COUNTY, TENNESSEE**



FOR THE YEAR ENDED JUNE 30, 2008



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

DEPARTMENT OF AUDIT
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Comptroller of the Treasury

DIVISION OF COUNTY AUDIT
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State Auditors

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

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CAMPBELL COUNTY, TENNESSEE

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

Scope

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

Results

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

Our audit resulted in three findings and recommendations, which we have reviewed with Campbell 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 AMBULANCE SERVICE DIRECTOR

- ◆ The Ambulance Service had several internal control weaknesses over operations.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

- ◆ Docket trial balances were not reconciled with cash control records in Circuit and General Sessions Courts.

OTHER FINDING

- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Trustee, County Clerk, Clerk and Master, Register, and Sheriff.

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INTRODUCTORY SECTION

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Campbell County Officials

June 30, 2008

Officials

Jerry Cross, County Mayor
Dennis Potter, Road Superintendent
Dr. Judy Blevins, Director of Schools
Monty Bullock, Trustee
Bill Hicks, Assessor of Property
Don Nance, County Clerk
Bobby Vann, Circuit and General Sessions Courts Clerk
William Archer, Clerk and Master
Dormas Miller, Register
Gary Perkins, Sheriff
Jeff Marlow, Director of Finance

Board of County Commissioners

Jerry Cross, Chairman
Adrion Baird
Forster Baird
Clarence Bolton
Melvin Boshears
Johnny Bruce
Johnny Dower
David Goins

David Young
Scott Kitts
John Lynn Letner
Stanley Marlow
Lawrence Orick
Ann Smith
Bobby White
Whit Goins

Board of Education

Bobby Snodderly, Chairman
Delbert Buckner
Johnny Byrge
J.L. Collins
Mary Gillum

Walter Goins
Faye Heatherly
Eugene Lawson
Homer Rutherford
Mark Wells

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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

February 4, 2009

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of and for the year ended June 30, 2008, which collectively comprise Campbell County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Campbell County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

The financial statements of the Campbell County Emergency Communications District, a component unit requiring discrete presentation, had not been made available by other auditors as of the date of this report. Accordingly, the aggregate discretely presented component units' financial statements referred to above do not include amounts for the

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

In our opinion, except for the effects of not including the financial statements of the Campbell County Emergency Communications District, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of Campbell County, Tennessee, at June 30, 2008, and the results of operations of the aggregate discretely presented component units, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Additionally, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of June 30, 2008, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 4, 2009, on our consideration of Campbell 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.

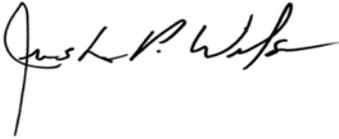
As described in Note V.B., Campbell County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions; GASB Statement No. 48, Sales and Pledges of Receivables and Future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

The management's discussion and analysis on pages 21 through 27 and the budgetary comparison, pension, and postemployment information on pages 77 through 85 are not required parts of the basic financial statements but they do provide supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Campbell 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 Campbell 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 Campbell County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent vertical stroke on the left side.

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

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**Campbell County, Tennessee
Management's Discussion and Analysis
For the Year Ended June 30, 2008**

As management of Campbell County, Tennessee, we offer readers of Campbell County's financial statements this narrative overview and analysis of the financial activities of the Campbell County Government for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at the county's financial performance as a whole. Readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the county's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the Campbell County primary government exceeded its liabilities at the close of the most recent fiscal year by \$43.9 million (net assets). Of this amount, \$64 million is invested in capital assets, net of related debt. Unrestricted net assets were a negative \$28.6 million on June 30, 2008.
- The government's total net assets decreased by \$17.8 million due to school buildings of over \$19 million being financed by the primary government while the asset title is held by the discretely presented School Department.
- As of the close of the current fiscal year, Campbell County's governmental funds reported combined ending fund balances of \$14 million, an increase of \$6.2 million in comparison with the prior year. Approximately \$3 million of this increase relates to unspent debt proceeds in the capital projects funds, which will be expended in the following year. The General Fund has \$3.5 million available for spending at the government's discretion (unreserved fund balance).
- Campbell County's total debt increased by \$7.6 million during the current fiscal year, due to normal retirements netted against new debt issues of \$9.7 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Campbell County's basic financial statements. Campbell County's basic financial statements comprise 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 themselves.

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

The Statement of Net Assets presents information on all of Campbell County Government'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 Campbell County Government is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in the net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only 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 Campbell County Government 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 Campbell County Government include General Government; Finance; Administration of Justice; Public Safety; Public Health and Welfare; Social, Cultural, and Recreational; Agriculture and Natural Resources; Other Operations; Highways; Education; Interest on Long-term Debt; and Debt Service. Campbell County Government reports no business-type activities.

The government-wide financial statements include Campbell County Government (known as the primary government), and a legally separate School Department – the Campbell County Board of Education, for which Campbell County Government is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. The government-wide financial statements do not include a legally separate Emergency Communications District, for which Campbell County Government is financially accountable. The Emergency Communications District issues separate financial statements, which were not available from other auditors in time to be included in this report.

The government-wide financial statements can be found as Exhibits A and B of this report.

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. Campbell County Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Campbell County Government can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus of 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.

Campbell County Government maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Solid Waste/Sanitation, Highway/Public Works, General Debt Service, and Other Capital Projects funds, all of which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Campbell County Government adopts an annual appropriated budget for most of its governmental funds. Budgetary comparison statements for the General, Solid Waste/Sanitation, and Highway/Public Works funds have been provided in the Required Supplementary Information section of this report. Budgets for the General Debt Service Fund and other applicable nonmajor governmental funds are located in the Combining and Individual Fund section of this report.

The basic governmental fund financial statements can be found as Exhibits C-1 through C-4 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 statements because the resources of those funds are not available to support Campbell County Government's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found as Exhibit D 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. Please refer to the Table of Contents for the location of the notes to the financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning Campbell County's major special revenue funds' budgetary statements. These budget statements are included in the RSI section of this report immediately following the notes to the financial statements and are labeled Exhibits E-1 through E-3.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the RSI. Combining and individual fund financial statements and schedules can be found as Exhibits F-1 through J-9 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 Campbell County Government, assets exceeded liabilities by \$43.9 million at the close of the most recent fiscal year.

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

The remaining portion of Campbell County Government's net assets represents resources that are subject to external restrictions on how they may be used, leaving a negative unrestricted net assets balance of \$28.6 million.

Campbell County, Tennessee - Net Assets

(Dollar amounts in thousands)

	Governmental Activities	
	2008	2007
Assets:		
Current and Other Assets	\$ 25,815	\$ 19,925
Capital Assets	66,544	83,670
Total Assets	<u>\$ 92,359</u>	<u>\$ 103,595</u>
Liabilities:		
Long-term Liabilities Outstanding	\$ 9,683	\$ 31,372
Other Liabilities	38,825	10,529
Total Liabilities	<u>\$ 48,508</u>	<u>\$ 41,901</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 63,965	\$ 64,068
Restricted	8,529	5,214
Unrestricted	(28,643)	(7,588)
Total Net Assets	<u>\$ 43,851</u>	<u>\$ 61,694</u>

Campbell County, Tennessee - Changes in Net Assets
(Dollar amount in thousands)

	Governmental Activities	
	2008	2007
Revenues:		
Program Revenues:		
Charges for Services	\$ 6,168	\$ 5,462
Operating Grants and Contributions	2,946	3,289
Capital Grants and Contributions	1,372	172
General Revenues:		
Property Taxes	8,793	8,388
Other Taxes	1,965	1,951
Grants and Contributions Not Restricted to Specific Programs	3,546	3,021
Unrestricted Investment Earnings	622	656
Other	45	46
Gain on Disposal of Capital Assets	631	13
Total Revenues	\$ 26,088	\$ 22,998
Expenses:		
General Government	\$ 1,225	\$ 1,345
Finance	2,184	2,104
Administration of Justice	1,032	1,096
Public Safety	5,105	4,592
Public Health and Welfare	5,442	4,669
Social, Cultural, and Recreational Services	165	111
Agriculture and Natural Resources	54	48
Other Operations	906	897
Highways/Public Works	6,713	5,787
Education	19,346	1,573
Interest on Long-term Debt	1,689	1,190
Debt Service	71	73
Total Expenses	\$ 43,932	\$ 23,485
Increase (Decrease) in Net Assets	\$ (17,844)	\$ (487)
Net Assets, July 1	61,695	62,182
Net Assets, June 30	\$ 43,851	\$ 61,695

Financial Analysis of the Government's Funds

As noted earlier, Campbell County Government uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements.

Governmental funds. The focus of Campbell County Government's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Campbell County Government'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, Campbell County Government's governmental funds reported combined ending fund balances of \$14 million, an increase of \$6.2 million. Of this amount, \$12.2 million constitutes unreserved fund balance, which is available for spending at the government's discretion. It should be noted; however, that \$3 million of this amount represents debt proceeds remaining in a capital projects fund, which has already been allocated for capital purposes. The remainder of fund balance (\$1.8 million) is reserved to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of Campbell County Government. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$3.5 million, while total fund balance was \$3.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 33 percent of total General Fund expenditures, while total fund balance represents 37 percent of that same amount.

The fund balance of Campbell County Government's General Fund increased by \$.6 million during the current fiscal year. The key factor in this increase was General Fund departments showing fiscal responsibility by turning back unspent budget amounts.

The fund balance of Campbell County Government's Solid Waste/Sanitation Fund decreased by \$.1 million, resulting in an ending fund balance of \$.7 million.

The fund balance for Campbell County Government's Highway/Public Works Fund decreased by approximately \$41 thousand during the current fiscal year, ending at \$.8 million.

The General Debt Service Fund has a total fund balance of \$2.7 million, which is reserved for the payment of debt service. The decrease in fund balance during the current fiscal year in the General Debt Service Fund was a nominal \$46 thousand.

The Other Capital Projects Fund had an ending fund balance of \$3.5 million, of which \$3 million represents unspent debt proceeds allocated for capital purposes.

Capital Assets and Debt Administration

Capital assets. The county's investment in capital assets for its governmental activities as of June 30, 2008, totals \$64 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and infrastructure (primarily roads and bridges).

Long-term debt. At the end of the current fiscal year, Campbell County Government had total debt outstanding of \$38.8 million. This entire amount of debt is backed by the full faith and credit of Campbell County Government. Of this amount, \$32.6 million is debt that Campbell County Government issued on behalf of the Board of Education. The county's debt increased by approximately \$8.3 million due to the issuance of debt for the School Department, the Road Department, and general government purposes.

Campbell County Government maintains an A3 rating from Moody's for general obligation debt.

In addition to bonded debt, Campbell County Government's long-term obligations included compensated absences and notes payable. Additional information on the county's long-term debt can be found on Exhibit J-1 of this report and footnote IV.E.

Economic Factors and Next Year's Budgets and Rates

When preparing the budget for the 2008-2009 fiscal year, the property tax rate total was unchanged.

Request for Information

This financial report is designed to provide a general overview of the Campbell County Government'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 information, should be addressed to:

Campbell County
Office of Accounts and Budgets
P.O. Box 843
Jacksboro, Tennessee 37757

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BASIC FINANCIAL STATEMENTS

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Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Campbell County School Department</u>
<u>ASSETS</u>		
Cash	\$ 4,075	\$ 9,602
Equity in Pooled Cash and Investments	14,020,027	3,342,807
Accounts Receivable	621,402	16,938
Due from Other Governments	1,745,812	2,174,816
Property Taxes Receivable	9,634,531	3,857,113
Allowance for Uncollectible Property Taxes	(658,599)	(269,010)
Deferred Charges - Debt Issuance Cost	447,689	0
Capital Assets		
Assets Not Depreciated:		
Land	1,727,481	1,131,561
Construction in Progress	525,905	133,400
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	8,070,078	42,716,516
Other Capital Assets	2,295,877	780,382
Infrastructure	53,924,730	0
Total Assets	<u>\$ 92,359,008</u>	<u>\$ 53,894,125</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 414,938	\$ 58,143
Contracts Payable	445,700	126,730
Retainage Payable	23,458	6,670
Accrued Interest Payable	168,218	0
Payroll Deductions Payable	173,181	412,695
Due to State of Tennessee	34	0
Deferred Revenue - Property Taxes	8,457,560	3,371,195
Noncurrent Liabilities:		
Due Within One Year	2,733,402	0
Due in More than One Year (Net of Deferred Amount on Refunding and Unamortized Premium on Debt)	36,091,342	1,076,070
Total Liabilities	<u>\$ 48,507,833</u>	<u>\$ 5,051,503</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Campbell County School Department</u>
<u>NET ASSETS</u>		
Invested in Capital Assets, Net of Related Debt	\$ 63,965,416	\$ 0
Invested in Capital Assets Restricted for:	0	44,761,859
Solid Waste/Sanitation	809,683	0
Ambulance Service	1,269,320	0
Highways	958,485	0
Debt Service	2,644,551	0
Capital Projects	1,681,847	0
Drug Court	61,423	0
Community Development	942,331	0
Drug Control	45,547	0
Computerized Systems	53,375	0
Career Ladder	0	149,482
Federal Assistance Programs	0	196,727
Food Service	0	567,335
Other Purposes	62,514	33,203
Unrestricted	<u>(28,643,317)</u>	<u>3,134,016</u>
Total Net Assets	<u>\$ 43,851,175</u>	<u>\$ 48,842,622</u>

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets						Component Unit
	Program Revenues		Primary		Campbell		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	County School Department		
Primary Government:							
Governmental Activities:							
General Government	\$ 1,225,321	\$ 564,879	\$ 0	\$ (574,514)	\$ 0	\$ 0	
Finance	2,184,139	856,365	0	(1,305,969)	0	0	
Administration of Justice	1,031,858	907,796	0	(87,785)	0	0	
Public Safety	5,105,073	750,692	0	(4,234,499)	0	0	
Public Health and Welfare	5,441,632	2,600,932	503,253	(1,791,837)	0	0	
Social, Cultural, and Recreational Services	165,338	0	0	(128,061)	0	0	
Agriculture and Natural Resources	54,077	0	0	(54,077)	0	0	
Other Operations	905,592	0	486,512	(86,323)	0	0	
Highways	6,712,584	487,490	381,803	(4,076,529)	0	0	
Education	19,345,667	0	0	(19,345,667)	0	0	
Interest on Long-term Debt	1,688,701	0	0	(1,688,701)	0	0	
Debt Service	71,400	0	0	(71,400)	0	0	
Total Primary Government	\$ 43,931,382	\$ 6,168,154	\$ 2,946,298	\$ (33,445,362)	\$ 0	\$ 0	
Component Unit:							
Campbell County School Department	\$ 48,408,008	\$ 812,599	\$ 7,391,113	\$ 19,157,030	\$ 0	\$ (21,047,266)	
Total Component Unit	\$ 48,408,008	\$ 812,599	\$ 7,391,113	\$ 19,157,030	\$ 0	\$ (21,047,266)	

(Continued)

Exhibit B

Campbell County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets					Component Unit
	Expenses	Program Revenues		Primary Governmental Activities	Campbell County School Department	
		Charges for Services	Operating Grants and Contributions			
General Revenues:						
Taxes:				\$	\$	
Property Taxes Levied for General Purposes				4,930,183	3,679,213	
Property Taxes Levied for Solid Waste				2,179,079	0	
Property Taxes Levied for Ambulance Service				62,438	0	
Property Taxes Levied for Economic Development				66,034	0	
Property Taxes Levied for Highways				557,576	0	
Property Taxes Levied for Debt Service				561,169	0	
Property Taxes Levied for Capital Projects				436,445	0	
Local Option Sales Taxes				821,222	3,214,605	
Other Local Taxes:						
Hotel/Motel Tax				187,138	0	
Wheel Tax				300	1,149,871	
Litigation Taxes				323,826	0	
Business Tax				238,949	0	
Mineral Severance Tax				146,933	0	
Wholesale Beer Tax				150,092	0	
Coal Severance Tax				38,157	38,157	
Other Local Taxes				57,897	3,293	
Grants and Contributions Not Restricted to Specific Programs				3,546,482	28,075,023	
Unrestricted Investment Income				622,109	14,055	
Miscellaneous				45,068	37,904	
Gain on Disposal of Capital Assets				630,747	0	
Total General Revenues				\$ 15,601,844	\$ 36,212,121	
Change in Net Assets				\$ (17,843,518)	\$ 15,164,855	
Net Assets, July 1, 2007				61,694,693	33,677,767	
Net Assets, June 30, 2008				\$ 43,851,175	\$ 48,842,622	

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

Exhibit C-1

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other		
						Governmental Funds	Governmental Funds	
Cash	\$ 108	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,967	\$ 4,075
Equity in Pooled Cash and Investments	3,733,897	697,201	673,570	2,544,813	3,952,324	2,418,222	2,418,222	14,020,027
Accounts Receivable	17,501	8,547	3,219	0	0	592,135	592,135	621,402
Due from Other Governments	356,069	42,907	367,986	237,058	659,424	82,368	82,368	1,745,812
Due from Other Funds	6,097	0	0	0	0	2,189	2,189	8,286
Property Taxes Receivable	5,390,661	2,238,116	607,124	791,506	0	607,124	607,124	9,634,531
Allowance for Uncollectible Property Taxes	(368,722)	(157,697)	(41,743)	(48,694)	0	(41,743)	(41,743)	(658,599)
Total Assets	\$ 9,135,611	\$ 2,829,074	\$ 1,610,156	\$ 3,524,683	\$ 4,611,748	\$ 3,664,262	\$ 3,664,262	\$ 25,375,534

ASSETS

LIABILITIES AND FUND BALANCES

Accounts Payable	\$ 54,381	\$ 47,702	\$ 103,146	\$ 0	\$ 112,510	\$ 97,199	\$ 97,199	\$ 414,938
Payroll Deductions Payable	116,332	19,944	16,231	0	0	20,674	20,674	173,181
Contracts Payable	0	0	0	0	445,700	0	0	445,700
Retainage Payable	0	0	0	0	23,458	0	0	23,458
Due to Other Funds	0	0	0	2,189	2,130	3,967	3,967	8,286
Due to State of Tennessee	34	0	0	0	0	0	0	34
Deferred Revenue - Current Property Taxes	4,731,502	1,951,745	532,294	709,725	0	532,294	532,294	8,457,560
Deferred Revenue - Delinquent Property Taxes	261,933	116,046	29,840	29,840	0	29,839	29,839	467,498
Other Deferred Revenues	120,171	0	156,782	122,197	508,019	453,579	453,579	1,360,748
Total Liabilities	\$ 5,284,353	\$ 2,135,437	\$ 838,293	\$ 863,951	\$ 1,091,817	\$ 1,137,552	\$ 1,137,552	\$ 11,351,403
Fund Balances	\$ 221,676	\$ 26,348	\$ 73,001	\$ 0	\$ 1,219,304	\$ 86,454	\$ 86,454	\$ 1,626,783
Reserved for Encumbrances	61,423	0	0	0	0	0	0	61,423
Reserved for Drug Court	6,847	0	0	0	0	0	0	6,847
Reserved for Sexual Offender Registration	2,120	0	0	0	0	0	0	2,120
Reserved for Victims Assistance Programs	34,486	0	0	0	0	0	0	34,486
Reserved for Computer System - Register	500	0	0	0	0	0	0	500
Reserved for Automation Purposes - Circuit Court	410	0	0	0	0	0	0	410
Reserved for Automation Purposes - Criminal Court	3,049	0	0	0	0	0	0	3,049

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other Governmental Funds	
\$ 14,930	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,930
53,547	0	0	0	0	0	0	53,547
3,452,270	0	0	0	0	0	0	3,452,270
0	667,289	698,862	0	0	0	1,887,806	3,253,957
0	0	0	2,660,732	0	0	0	2,660,732
0	0	0	0	2,300,627	552,450	0	2,853,077
<u>\$ 3,851,258</u>	<u>\$ 693,637</u>	<u>\$ 771,863</u>	<u>\$ 2,660,732</u>	<u>\$ 3,519,931</u>	<u>\$ 2,526,710</u>	<u>\$ 14,024,131</u>	
<u>\$ 9,135,611</u>	<u>\$ 2,829,074</u>	<u>\$ 1,610,156</u>	<u>\$ 3,524,683</u>	<u>\$ 4,611,748</u>	<u>\$ 3,664,262</u>	<u>\$ 25,375,534</u>	

LIABILITIES AND FUND BALANCES (Cont.)

Fund Balances (Cont.)
Reserved for Automation Purposes - Sheriff
Reserved for Other General Purposes
Unreserved, Reported In:
General Fund
Special Revenue Funds
Debt Service Funds
Capital Projects Funds
Total Fund Balances

Total Liabilities and Fund Balances

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

Exhibit C-2

Campbell 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)		\$ 14,024,131
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,727,481	
Add: construction in progress	525,905	
Add: infrastructure net of accumulated depreciation	53,924,730	
Add: buildings and improvements net of accumulated depreciation	8,070,078	
Add: other capital assets net of accumulated depreciation	<u>2,295,877</u>	66,544,071
(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	\$ (1,950,000)	
Less: other loans payable	(23,175,000)	
Less: bonds payable	(12,940,000)	
Add: deferred amount on refunding	101,182	
Add: deferred charges - debt issuance costs	447,689	
Less: compensated absences payable	(437,804)	
Less: accrued interest on bonds and other loans	(168,218)	
Less: other deferred revenue - premium on debt	<u>(423,122)</u>	(38,545,273)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,828,246</u>
Net assets (deficit) of governmental activities (Exhibit A)		<u>\$ 43,851,175</u>

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

Exhibit C-3

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other		
						Governmental Funds	Governmental Funds	
Revenues								
Local Taxes	\$ 5,964,393	\$ 2,165,043	\$ 736,828	\$ 1,540,831	\$ 0	\$ 790,755	\$ 11,197,850	
Licenses and Permits	126,628	45	250	0	0	0	126,923	
Fines, Forfeitures, and Penalties	174,672	0	0	0	0	122,754	297,426	
Charges for Current Services	82,010	51,062	0	0	0	1,950,165	2,083,237	
Other Local Revenues	118,965	176,152	494,645	621,564	0	750,528	2,161,854	
Fees Received from County Officials	1,765,546	0	0	0	0	0	1,765,546	
State of Tennessee	2,437,913	42,907	2,302,944	0	94,593	21,450	4,899,807	
Federal Government	103,688	0	152,854	0	503,478	375,135	1,135,155	
Other Governments and Citizens Groups	286,874	0	7,430	1,807,506	0	1,958	2,103,768	
Total Revenues	\$ 11,060,689	\$ 2,435,209	\$ 3,694,951	\$ 3,969,901	\$ 598,071	\$ 4,012,745	\$ 25,771,566	
Expenditures								
Current:								
General Government	\$ 1,130,736	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,461	\$ 1,162,197	
Finance	2,104,008	0	0	0	0	0	2,104,008	
Administration of Justice	1,068,640	0	0	0	0	22,375	1,091,015	
Public Safety	4,789,982	0	0	0	0	102,548	4,892,530	
Public Health and Welfare	792,319	2,322,349	0	0	0	1,802,380	4,917,048	
Social, Cultural, and Recreational Services	98,484	0	0	0	0	0	98,484	
Agriculture and Natural Resources	54,077	0	0	0	0	0	54,077	
Other Operations	334,125	0	0	0	0	424,953	759,078	
Highways	0	0	3,689,587	0	0	0	3,689,587	
Operation of Non-Instructional Services	106,355	0	0	0	0	0	106,355	
Debt Service:								
Principal on Debt	0	0	27,530	2,230,000	0	0	2,257,530	
Interest on Debt	0	0	1,008	1,695,166	0	0	1,696,174	
Other Debt Service	0	0	0	276,679	0	0	276,679	
Capital Projects	0	0	0	0	6,062,948	247,087	6,310,035	
Total Expenditures	\$ 10,478,726	\$ 2,322,349	\$ 3,718,125	\$ 4,201,845	\$ 6,062,948	\$ 2,630,804	\$ 29,414,797	
Excess (Deficiency) of Revenues Over Expenditures	\$ 581,963	\$ 112,860	\$ (23,174)	\$ (231,944)	\$ (5,464,877)	\$ 1,381,941	\$ (3,643,231)	

(Continued)

Exhibit C-3

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other	Governmental Funds	
<u>Other Financing Sources (Uses)</u>								
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,025,000	\$ 0	\$ 0	\$ 3,025,000
Notes Issued	0	0	0	0	1,000,000	0	0	1,000,000
Refunding Debt Issued	0	0	0	8,200,000	0	0	0	8,200,000
Premiums on Debt Issued	0	0	0	22,374	0	0	0	22,374
Other Loans Issued	0	0	0	0	5,650,246	0	0	5,650,246
Transfers In	199,134	0	0	0	286,667	390,071	(482,375)	875,872
Transfers Out	(155,807)	(219,840)	(17,850)	0	0	0	0	(875,872)
Discounts on Debt Issued	0	0	0	(36,153)	0	0	0	(36,153)
Payments to Refunded Debt Escrow Agent	0	0	0	(8,000,000)	0	0	0	(8,000,000)
Total Other Financing Sources (Uses)	\$ 43,327	\$ (219,840)	\$ (17,850)	\$ 186,221	\$ 9,961,913	\$ (92,304)	\$ 0	\$ 9,861,467
Net Change in Fund Balances	\$ 625,290	\$ (106,980)	\$ (41,024)	\$ (45,723)	\$ 4,497,036	\$ 1,289,637	\$ 0	\$ 6,218,236
Fund Balance, July 1, 2007	3,225,968	800,617	812,887	2,706,455	(977,105)	1,237,073	0	7,805,895
Fund Balance, June 30, 2008	\$ 3,851,258	\$ 693,637	\$ 771,863	\$ 2,660,732	\$ 3,519,931	\$ 2,526,710	\$ 0	\$ 14,024,131

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

Exhibit C-4

Campbell 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)		\$	6,218,236
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital outlays in the current period	\$	4,901,936	
Less: current year depreciation expense		<u>(2,850,857)</u>	2,051,079
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.			
Add: gain on disposal of capital assets	\$	630,747	
Less: proceeds from disposal of capital assets		(708,545)	
Less: capital assets contributed to school department		<u>(19,099,766)</u>	(19,177,564)
(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	\$	1,828,246	
Less: deferred delinquent property taxes and other deferred June 30, 2007		<u>(1,434,150)</u>	394,096
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.			
Less: other loan proceeds	\$	(5,650,247)	
Less: note proceeds		(1,000,000)	
Less: bond proceeds		(3,025,000)	
Less: refunding debt proceeds		(8,200,000)	
Add: change in premium on debt issuances		22,346	
Add: change in deferred debt issuance costs		161,104	
Add: change in deferred amount of refunding debt		80,328	
Add: principal payments on notes		577,530	
Add: principal payments on other loans		150,000	
Add: principal payments on bonds		1,530,000	
Add: payment to refunded debt escrow agent		<u>8,000,000</u>	(7,353,939)
(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	\$	(37,246)	
Change in compensated absences payable		<u>61,820</u>	<u>24,574</u>
Change in net assets of governmental activities (Exhibit B)			<u>\$ (17,843,518)</u>

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 3,538,395
Due from Other Governments	<u>580,469</u>
Total Assets	<u>\$ 4,118,864</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 580,469
Due to Litigants, Heirs, and Others	<u>3,538,395</u>
Total Liabilities	<u>\$ 4,118,864</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Campbell 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 Campbell County:

A. Reporting Entity

Campbell County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Campbell 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 Campbell 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 Campbell County School Department operates the public school system in the county, and the voters of Campbell 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 Campbell County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Campbell County, and the Campbell County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the Campbell County Emergency Communications District were not available from other auditors in time for inclusion in this report.

The Campbell County Commission approved the incorporation of the Olde Colony Development Corporation to fund, develop, construct, and operate a public golf course in Campbell County, and the County Commission appointed its eight-member Board of Directors. In February 2002, the County Commission authorized the corporation to issue revenue bonds not to exceed \$17,500,000; however, these bonds have not been issued as of the date of this report. Management now believes that these bonds, as approved, will not be issued. Furthermore, there has been no financial activity conducted by the corporation since its creation.

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

Administrative Office:

Campbell County Emergency Communications District
P.O. Box 344
1111 Jacksboro Pike
LaFollette, TN 37766

Related Organization – The county’s officials are also responsible for appointing the members of the Campbell County Industrial Action Association; however, the county’s accountability for the organization does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

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

School Department component unit only reports governmental activities in the government-wide financial statements.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay

liabilities of the current period. For this purpose, the county considers revenues 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. Campbell 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.

Fiduciary fund financial statements are reported using the economic resources measurement focus (except for agency funds, which have no measurement focus) and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Campbell 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.

Solid Waste/Sanitation Fund – This fund accounts for transactions related to the garbage collection services.

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

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

Other Capital Projects Fund – This fund accounts for the construction of school facilities that will be donated to the School Department, as well as various airport improvement projects.

Additionally, Campbell County reports the following fund type:

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Campbell 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 Campbell 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.

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

Central Cafeteria Fund – This fund is used to account for transactions related to school food services.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Campbell 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. Campbell County 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.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 3.77 percent of total taxes levied.

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

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the

period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as deferred revenue as of June 30.

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

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

Most payables are disaggregated on the face of the financial statements.

Retainage payable in the Other 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 in the appropriate governmental fund.

3. Capital Assets

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	7 - 40
Other Capital Assets	5 - 15
Infrastructure:	
Roads	40
Bridges	40

4. Compensated Absences

It is the county’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The School Department does not have a policy to permit employees to accumulate earned but unused vacation. There is no liability for unpaid accumulated sick leave since Campbell 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.

5. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method. Debt issuance costs are reported as deferred charges and amortized over the term of the related debt. In 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 and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

6. Net Assets and Fund Equity

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

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

As of June 30, 2008, Campbell County had \$32,606,600 in outstanding debt for capital purposes for the discretely presented Campbell County School Department. This debt is a liability of Campbell County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Campbell 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>
General:	
Geographic Information Systems Program	\$ 30,244
Debt Service Contingency	750,000
Other Capital Projects:	
ROTC Building	50,000
Waterline Extension	212,495

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 Campbell County School Department

Exhibit I-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 Campbell County School Department

Exhibit I-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

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund) which is not budgeted, and the Other Capital Projects Fund, which adopts project length budgets. All annual appropriations lapse at fiscal year end.

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

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

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

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. 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. At June 30, 2008, Campbell County had \$2,855,000 invested in securities of the Sevier County Public Building Authority. Those securities do not meet the definition of authorized investments pursuant to state statutes. Management recently became aware that these investments did not meet statutory requirements and is currently researching its investment options.

Investment Balances. As of June 30, 2008, Campbell County had the following investments carried at fair value or cost. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Campbell County and the discretely presented Campbell County School Department since both pool their deposits and investments through the county trustee.

Investment	Maturities	Fair Value or Cost
Sevier County Public Building Authority Adjustable Local Government Public Improvement - III F	6-1-20 (1)	\$ 1,500,000
Sevier County Public Building Authority Adjustable Local Government Public Improvement - IV-D1	6-1-20 (2)	<u>1,355,000</u>
Total		<u>\$ 2,855,000</u>

(1) Callable on 10-15-08 at 100 continuously; putable on 9-16-08 at 100.

(2) Callable on 10-15-08 at 100 continuously, putable on 9-16-08 at 100.

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. Campbell 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. Campbell County has no investment policy that would further limit its investment choices. As of June 30, 2008, Campbell County's investments in Sevier County Public Building Authority Local Government Public Improvement Series III F Securities are rated Aa2 by Moody's Investor's Service and AA+ by Standard & Poor's. As of June 30, 2008, Campbell County's investments in Sevier County Public Building Authority Public Improvement Series IV-D1 are rated Aa3 by Moody's Investor's Service and AA by Standard and Poor's.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Campbell County places no limit on the amount the county may invest in one issuer. As of June 30, 2008, Campbell County's investments consisted of one type of security, Sevier County Public Building Authority Local Government Public Improvement securities.

B. Capital Assets

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

Primary Government

Governmental Activities

	Balance 7-1-07	Increases	Decreases	Balance 6-30-08
Capital Assets Not Depreciated:				
Land	\$ 1,731,498	\$ 65,892	\$ (69,909)	\$ 1,727,481
Construction in Progress	15,264,528	4,402,758	(19,141,381)	525,905
Total Capital Assets, Not Depreciated	<u>\$ 16,996,026</u>	<u>\$ 4,468,650</u>	<u>\$ (19,211,290)</u>	<u>\$ 2,253,386</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 9,834,247	\$ 41,615	\$ 0	\$ 9,875,862
Roads and Bridges	79,888,487	0	0	79,888,487
Other Capital Assets	5,624,088	433,286	(96,465)	5,960,909
Total Capital Assets, Depreciated	<u>\$ 95,346,822</u>	<u>\$ 474,901</u>	<u>\$ (96,465)</u>	<u>\$ 95,725,258</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 1,517,625	\$ 288,159	\$ 0	\$ 1,805,784
Roads and Bridges	23,966,545	1,997,212	0	25,963,757
Other Capital Assets	3,188,122	565,486	(88,576)	3,665,032
Total Accumulated Depreciation	<u>\$ 28,672,292</u>	<u>\$ 2,850,857</u>	<u>\$ (88,576)</u>	<u>\$ 31,434,573</u>
Total Capital Assets Depreciated, Net	<u>\$ 66,674,530</u>	<u>\$ (2,375,956)</u>	<u>\$ (7,889)</u>	<u>\$ 64,290,685</u>
Governmental Activities Capital Assets, Net	<u>\$ 83,670,556</u>	<u>\$ 2,092,694</u>	<u>\$ (19,219,179)</u>	<u>\$ 66,544,071</u>

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

Governmental Activities:

General Government	\$ 51,791
Finance	65,865
Administration of Justice	796
Public Safety	282,778
Public Health and Welfare	207,019
Other Operations	96,525
Highways/Public Works	<u>2,146,083</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,850,857</u>

Discretely Presented Campbell County School Department

Governmental Activities:

	Balance 7-1-07	Increases	Balance 6-30-08
Capital Assets Not Depreciated:			
Land	\$ 1,131,561	\$ 0	\$ 1,131,561
Construction in Progress	0	133,400	133,400
Total Capital Assets Not Depreciated	\$ 1,131,561	\$ 133,400	\$ 1,264,961
Capital Assets Depreciated:			
Buildings and Improvements	\$ 43,062,805	\$ 19,374,153	\$ 62,436,958
Other Capital Assets	2,322,503	148,092	2,470,595
Total Capital Assets Depreciated	\$ 45,385,308	\$ 19,522,245	\$ 64,907,553
Less Accumulated Depreciated For:			
Buildings and Improvements	\$ 18,432,655	\$ 1,287,787	\$ 19,720,442
Other Capital Assets	1,530,344	159,869	1,690,213
Total Accumulated Depreciation	\$ 19,962,999	\$ 1,447,656	\$ 21,410,655
Total Capital Assets Depreciated, Net	\$ 25,422,309	\$ 18,074,589	\$ 43,496,898
Governmental Activities Capital Assets, Net	\$ 26,553,870	\$ 18,207,989	\$ 44,761,859

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

Governmental Activities:

Instruction	\$ 23,563
Support Services	1,332,497
Operation of Non-Instructional Services	<u>91,596</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,447,656</u>

C. Construction Commitments

At June 30, 2008, the Other Capital Projects Fund had encumbrances of approximately \$1,219,000 for various projects including: public safety \$918,629; public health and welfare \$104,008; and Education \$196,606. Funding is being provided for these future expenditures through long-term debt proceeds and federal grants.

The General Purpose School Fund of the discretely presented School Department had encumbrances for building construction and building improvement projects of approximately \$350,000 at June 30, 2008. Funding has been provided for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Other Capital Projects	\$ 2,130
General	Nonmajor governmental	3,967
Nonmajor governmental	General Debt Service	2,189
Discretely Presented School Department:		
General Purpose School	School Federal Projects	257,121

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. However, \$250,000 of the above \$257,121 balance resulted from a General Purpose School Fund advance to the School Federal Projects Fund approved by the Board of Education and the Campbell County Commission for cash flow due to reimbursable grants.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		
	General Fund	Other Capital Projects Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 0	\$ 155,807
Solid Waste/Sanitation Fund	199,134	0	20,706
Highway/Public Works Fund	0	0	17,850
Nonmajor governmental funds	0	286,667	195,708
Total	\$ 199,134	\$ 286,667	\$ 390,071

Discretely Presented Campbell County School Department

Transfers Out	Transfers In		
	General Purpose School Fund	School Federal Projects Fund	Central Cafeteria Fund
General Purpose School Fund	\$ 0	\$ 5,048	\$ 77,785
School Federal Projects Fund	30,279	0	0
Total	\$ 30,279	\$ 5,048	\$ 77,785

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

E. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

The county issues general obligation bonds and other loans 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 debt. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 19 years for bonds, up to 10 years for notes, and up to 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2008, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Original Amount of Issue	Balance 6-30-08
General Obligation Bonds	3.5 to 5 %	\$ 3,025,000	\$ 3,025,000
General Obligation Bonds - Refunding	2 to 4.1	16,670,000	9,915,000
Capital Outlay Notes	3.94 to 4.53	2,500,000	1,950,000
Other Loans - Fixed Rate	4 to 5	12,550,000	12,550,000
Other Loans - Variable Rate	Variable	10,950,000	10,625,000

In prior years, Campbell County entered into variable rate loan agreements with public building authorities. Under these loan agreements, the authorities loaned \$8,000,000 and \$10,950,000 to Campbell County for various renovation and construction projects. Campbell County refunded the \$8,000,000 loan during the year. The \$10,950,000 loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2008, the variable interest rate was 4.5 percent and other fees totaled .28 percent of the outstanding loan principal.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2009	\$ 1,585,000	\$ 523,773	\$ 2,108,773
2010	180,000	455,368	635,368
2011	75,000	448,288	523,288
2012	75,000	445,575	520,575
2013	75,000	442,863	517,863
2014-2018	375,000	2,172,000	2,547,000
2019-2023	2,725,000	2,078,446	4,803,446
2024-2027	7,850,000	640,387	8,490,387
Total	\$ 12,940,000	\$ 7,206,700	\$ 20,146,700

Year Ending June 30	Notes		
	Principal	Interest	Total
2009	\$ 600,000	\$ 81,263	\$ 681,263
2010	600,000	54,112	654,112
2011	100,000	32,625	132,625
2012	100,000	28,125	128,125
2013	100,000	23,625	123,625
2014-2018	450,000	50,625	500,625
Total	\$ 1,950,000	\$ 270,375	\$ 2,220,375

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2009	\$ 150,000	\$ 1,078,063	\$ 29,488	\$ 1,257,551
2010	1,225,000	1,071,313	29,072	2,325,385
2011	1,350,000	1,021,188	28,447	2,399,635
2012	1,400,000	965,938	27,754	2,393,692
2013	1,475,000	897,188	27,060	2,399,248
2014-2018	8,575,000	3,324,940	123,365	12,023,305
2019-2023	9,000,000	1,084,938	63,765	10,148,703
Total	\$ 23,175,000	\$ 9,443,568	\$ 328,951	\$ 32,947,519

There is \$2,660,732 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$325, based on the 2000 federal census. Debt per capita, including bonds, notes, and other loans totaled \$955, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2008, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2007	\$ 3,245,000	\$ 1,527,530
Additions	11,225,000	1,000,000
Deductions	<u>(1,530,000)</u>	<u>(577,530)</u>
Balance, June 30, 2008	<u>\$ 12,940,000</u>	<u>\$ 1,950,000</u>
Balance Due Within One Year	<u>\$ 1,585,000</u>	<u>\$ 600,000</u>

	<u>Other Loans</u>	<u>Compensated Absences</u>
Balance, July 1, 2007	\$ 25,674,753	\$ 499,624
Additions	5,650,247	216,556
Deductions	<u>(8,150,000)</u>	<u>(278,376)</u>
Balance, June 30, 2008	<u>\$ 23,175,000</u>	<u>\$ 437,804</u>
Balance Due Within One Year	<u>\$ 150,000</u>	<u>\$ 398,402</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2008	\$ 38,502,804
Less: Balance Due Within One Year	(2,733,402)
Add: Unamortized Premium on Debt	423,122
Less: Deferred Amount on Refunding	<u>(101,182)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 36,091,342</u>

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

Current Refunding

During the year, Campbell County issued \$8,200,000 of fixed rate general obligation refunding bonds to provide resources for the current refunding of a variable rate loan agreement. As a result, the refunded loan was redeemed and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$93,758. This amount is netted against the new debt and amortized over the remaining life of the new debt, which is

the same as the life of the refunded debt. The county was not able to estimate the cumulative savings or economic gain due to the transaction involving the conversion of variable interest rate debt to fixed interest rate debt.

Discretely Presented Campbell County School Department

Changes in Long-term Liabilities

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

Governmental Activities:

	Other Postemployment Benefits
Balance, July 1, 2007	\$ 0
Additions	1,506,000
Deductions	(429,930)
Balance, June 30, 2008	\$ 1,076,070
Balance Due Within One Year	\$ 0

F. Other Commitments

During the year, the School Department paid \$1,807,506 to the primary government’s General Debt Service Fund to be applied toward the retirement of school debt. By resolution, the Campbell County Board of Education has committed future contributions of \$1,250,000 per fiscal year to the primary government’s General Debt Service Fund through the year ending June 30, 2026, to provide funds for the retirement of debt issued for school purposes.

G. On-Behalf Payments – Discretely Presented Campbell County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Campbell 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 \$221,464 and \$55,338, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

The county is exposed to various risks related to general liability, property, casualty, and workers' compensation losses. 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, casualty, and workers' compensation 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.

The county also continues to carry commercial health and accident insurance for its employees. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

Discretely Presented Campbell County School Department

For its certified teachers, the discretely presented Campbell 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, Tennessee Code Annotated (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.

The School Department continues to carry commercial health and accident insurance for its noncertified employees. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School Department is exposed to various risks related to general liability, property, casualty, and workers' compensation losses. The School Department joined the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Tort Liability Act to provide governmental insurance coverage. The School Department pays an annual premium to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

B. Accounting Changes

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, Campbell 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.

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 Campbell County. GASB Statement No. 48 had no effect on the financial statements of Campbell 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 Campbell 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 Campbell County to provide additional and more detailed pension plan note disclosures than in previous years.

C. Subsequent Events

Campbell County has adopted a policy, effective July 1, 2008, to provide postretirement health care benefits through commercial insurance to all employees: who retire from the county with at least 25 years of service and who have been covered under the county group medical plan for one year immediately prior to retirement; or who have reached age 55 and retire from the county with at least 20 years of service and who have been covered under the county group medical plan for one year immediately prior to retirement; or who have reached age 55 and retire from the county with ten years of service and who have been covered under the county group medical plan for a continuous three-year period immediately prior to retirement. The county has agreed to pay a percentage of the cost of an individual health insurance premium, ranging from 60 to 75 percent, based on the retiree's years of service. The benefit expires upon the retiree reaching age 65. During the year ended June 30, 2008, the Campbell County Commission established the Special Purpose Fund, a nonmajor special revenue fund, to accumulate funds designated for this benefit.

On June 30, 2008, Dr. Judy Blevins left the Office of Director of Schools and was succeeded by Dr. Michael Martin.

On August 31, 2008, Jerry Cross left the Office of County Mayor and was succeeded by William Baird, and Bill Hicks left the Office of Property Assessor and was succeeded by Brandon Partin.

D. Contingent Liabilities

The county is involved in several pending lawsuits. Management, based on letters from their attorneys, 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. Joint Ventures

The Campbell County Library Board is a joint venture in which the county is a participant with the cities of LaFollette, Jacksboro, Caryville, and Jellico to operate the library system within the county. Representatives from the four cities and the county comprise the Campbell County Library Board and have equal representation on the board. Campbell County contributed \$38,000 to the operation of the Library Board during the year ended June 30, 2008. Financial statements for the Library Board can be obtained from its administrative office at the following address:

Administrative Office:

Campbell County Library Board
P.O. Box 75
Jacksboro, TN 37757

The Eighth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the District Attorney General of the Eighth Judicial District; Scott, Campbell, Fentress, Claiborne, and Union counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by the Board of Directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Campbell County made no contributions to the DTF for the year ended June 30, 2008, and does not have any equity interest in this joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General
Eighth Judicial District Drug Task Force
P.O. Box 10
Huntsville, TN 37756

F. Retirement Commitments

Employees

Plan Description

Employees of Campbell 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 Campbell 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 <http://www.treasury.state.tn.us/tcrs/PS/>.

Funding Policy

Campbell 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 7.05 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Campbell County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2008, Campbell County's annual pension cost of \$821,219 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. Campbell 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 ten 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	\$821,219	100%	\$0
6-30-07	805,160	100	0
6-30-06	603,739	100	0

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 91.97 percent funded. The actuarial accrued liability for benefits was \$26.95 million, and the actuarial value of assets was \$24.78 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$2.17 million. The covered payroll (annual payroll of active employees covered by the plan) was \$11.28 million, and the ratio of the UAAL to the covered payroll was 19.18 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present 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 Campbell 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 <http://www.treasury.state.tn.us>.

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 Campbell County 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 Campbell County School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2008, 2007, and 2006, were \$1,236,925, \$1,192,432, and \$1,041,804, respectively, equal to the required contributions for each year.

G. Other Postemployment Benefits (OPEB)

Postemployment Healthcare Plan

Plan Description

The Campbell County 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 (TCA). 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 plan is 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 employers in each plan develop their 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. The required contribution rate for teachers ranges from zero to 35 percent based on the years of service and type of coverage. During the year ended June 30, 2008, the discretely presented Campbell County School Department contributed \$429,930 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	<u>Local Education Group Plan</u>
ARC	\$ 1,506,000
Interest on the NPO	0
Adjustment to the ARC	0
Annual OPEB cost	<u>\$ 1,506,000</u>
Amount of contribution	<u>(429,930)</u>
Increase/decrease in NPO	\$ 1,076,070
Net OPEB obligation, 7-1-07	<u>0</u>
Net OPEB obligation, 6-30-08	<u><u>\$ 1,076,070</u></u>

Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-08	Local Education Group	\$ 1,506,000	29 %	\$ 1,076,070

* 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 Education Group Plan</u>
Actuarial valuation date	6-30-07
Actuarial accrued liability (AAL)	\$ 13,608,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 13,608,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 23,807,851
UAAL as a % of covered payroll	57%

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 multi-year 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.

H. Office of Central Accounting and Budgeting

Office of Director of Finance

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

I. Purchasing Law

Purchasing procedures for the Offices of County Mayor, Road Superintendent, and Director of Schools are governed by provisions of the County Financial Management System of 1981, which provide for purchases to be made by the purchasing agent under the supervision of the Financial Management Committee. The director of finance serves as the purchasing agent for the county. The committee established a policy that purchases exceeding \$5,000 for the Offices of County Mayor and Director of Schools and \$10,000 for the Office of Road Superintendent are to be made on a competitive bid basis.

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**REQUIRED SUPPLEMENTARY
INFORMATION**

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Exhibit E-1

Campbell 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 (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 5,964,393	\$ 0	\$ 0	\$ 5,964,393	\$ 5,933,392	\$ 5,978,872	\$ (14,479)
Licenses and Permits	126,628	0	0	126,628	125,000	131,255	(4,627)
Fines, Forfeitures, and Penalties	174,672	0	0	174,672	182,790	188,303	(13,631)
Charges for Current Services	82,010	0	0	82,010	58,100	74,315	7,695
Other Local Revenues	118,965	0	0	118,965	65,750	49,354	69,611
Fees Received from County Officials	1,765,546	0	0	1,765,546	1,868,900	1,804,625	(39,079)
State of Tennessee	2,437,913	0	0	2,437,913	2,377,483	2,563,397	(125,484)
Federal Government	103,688	0	0	103,688	8,556	7,556	96,132
Other Governments and Citizens Groups	286,874	0	0	286,874	302,686	299,176	(12,302)
Total Revenues	\$ 11,060,689	\$ 0	\$ 0	\$ 11,060,689	\$ 10,922,657	\$ 11,096,553	\$ (36,164)

Expenditures							
General Government							
County Commission	\$ 178,775	(630)	3,152	\$ 181,297	\$ 217,027	\$ 240,755	\$ 59,458
Board of Equalization	3,659	0	0	3,659	4,700	4,700	1,041
County Mayor/Executive	186,004	(354)	1,307	186,957	262,073	253,068	66,111
County Attorney	43,881	0	0	43,881	44,611	44,170	289
Election Commission	273,892	(49,325)	61,365	285,932	300,455	301,573	15,641
Register of Deeds	241,192	(6,493)	539	235,238	271,779	270,444	35,206
County Buildings	189,671	(12,990)	3,156	179,837	211,784	210,123	30,286
Other Facilities	13,662	0	0	13,662	14,005	14,357	695
Preservation of Records	0	0	0	0	0	21,233	21,233
Finance							
Accounting and Budgeting	650,206	(2,520)	1,333	649,019	704,724	689,460	40,441
Property Assessor's Office	400,209	(3,859)	1,734	398,084	443,410	455,559	57,475
Reappraisal Program	34,770	0	0	34,770	34,770	34,770	0
County Trustee's Office	228,690	(2,083)	4,239	230,846	252,072	248,272	17,426

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
County Clerk's Office	\$ 496,363	\$ (1,979)	\$ 3,524	\$ 497,908	\$ 526,629	\$ 521,563	\$ 23,655
Other Finance	293,770	(27,180)	44,048	310,638	321,990	325,848	15,210
<u>Administration of Justice</u>							
Circuit Court	510,316	(6,716)	1,332	504,932	526,809	520,782	15,850
General Sessions Court	184,424	(1,344)	1,439	184,519	187,176	187,176	2,657
Drug Court	80,085	(8,624)	5,488	76,949	92,800	92,800	15,851
Chancery Court	223,337	(665)	0	222,672	276,319	262,721	40,049
District Attorney General	68,888	(3,900)	9,100	74,088	67,597	76,393	2,305
Other Administration of Justice	1,590	0	0	1,590	1,600	1,600	10
<u>Public Safety</u>							
Sheriff's Department	1,726,905	(49,572)	6,502	1,683,835	1,758,532	1,713,647	29,812
Special Patrols	246,349	(10,803)	3,708	239,254	260,585	252,949	13,695
Traffic Control	748	0	0	748	850	850	102
Drug Enforcement	5,400	0	0	5,400	0	6,000	600
Administration of the Sexual Offender Registry	716	0	146	862	1,200	1,200	338
Jail	2,132,761	(42,594)	22,763	2,112,930	2,162,210	2,234,695	121,765
Juvenile Services	38,203	(408)	767	38,562	46,676	55,365	16,803
Commissary	0	0	0	0	38,150	6,360	6,360
Fire Prevention and Control	132,283	0	0	132,283	129,175	137,760	5,477
Civil Defense	56,380	(22,453)	8,124	42,051	85,463	84,463	42,412
Rescue Squad	54,832	0	0	54,832	78,920	70,335	15,503
Other Emergency Management	186,605	0	0	186,605	188,355	188,355	1,750
County Coroner/Medical Examiner	24,106	0	1,158	25,264	23,692	30,410	5,146
Other Public Safety	184,694	(2,649)	24,270	206,315	144,819	233,709	27,394
<u>Public Health and Welfare</u>							
Local Health Center	76,416	(1,902)	993	75,507	86,255	85,908	10,401

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
					0 \$	\$	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Rabies and Animal Control	\$ 76,286	\$ 0	\$ 2,413	\$ 78,699	\$ 0	\$ 173,934	\$ 95,235
Dental Health Program	7,135	(504)	680	7,311	7,740	7,740	429
Alcohol and Drug Programs	8,269	0	0	8,269	12,000	12,000	3,731
Crippled Children Services	2,764	0	0	2,764	2,764	2,764	0
Other Local Health Services	481,201	0	0	481,201	521,900	503,388	22,187
Appropriation to State	24,852	(352)	0	24,500	24,500	24,500	0
General Welfare Assistance	63,957	(200)	200	63,957	66,500	66,500	2,543
Postclosure Care Costs	40,439	(28,505)	0	11,934	32,342	12,834	900
Other Public Health and Welfare	11,000	0	0	11,000	0	11,000	0
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	40,433	0	0	40,433	45,133	45,133	4,700
Libraries	38,000	0	0	38,000	38,000	38,000	0
Other Social, Cultural, and Recreational	20,051	0	0	20,051	20,100	20,100	49
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	53,827	(543)	48	53,332	54,915	54,915	1,583
Soil Conservation	250	0	0	250	250	5,250	5,000
<u>Other Operations</u>							
Airport	60,125	(8,670)	0	51,455	55,466	55,466	4,011
Veterans' Services	113,738	(1,789)	395	112,344	105,599	113,611	1,267
Contributions to Other Agencies	75,988	(110)	1,218	77,096	68,118	77,118	22
Employee Benefits	59,436	(802)	0	58,634	100,615	89,725	31,091
Miscellaneous	24,838	(6,150)	6,535	25,223	41,885	41,885	16,662
<u>Operation of Non-Instructional Services</u>							
Food Service	106,355	0	0	106,355	0	106,355	0
<u>Total Expenditures</u>	<u>\$ 10,478,726</u>	<u>\$ (306,668)</u>	<u>\$ 221,676</u>	<u>\$ 10,393,734</u>	<u>\$ 10,965,039</u>	<u>\$ 11,341,591</u>	<u>\$ 947,857</u>

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 581,963 \$	306,668 \$	(221,676) \$	666,955 \$	(42,382) \$	(244,738) \$	911,693
Other Financing Sources (Uses)							
Transfers In	\$ 199,134 \$	0 \$	0 \$	199,134 \$	30,695 \$	199,134 \$	0
Transfers Out	(155,807)	0	0	(155,807)	(106,355)	(155,807)	0
Total Other Financing Sources (Uses)	\$ 43,327 \$	0 \$	0 \$	43,327 \$	(75,660) \$	43,327 \$	0
Net Change in Fund Balance	\$ 625,290 \$	306,668 \$	(221,676) \$	710,282 \$	(118,042) \$	(201,411) \$	911,693
Fund Balance, July 1, 2007	3,225,968	(306,668)	0	2,919,300	2,944,635	2,944,635	(25,335)
Fund Balance, June 30, 2008	\$ 3,851,258 \$	0 \$	(221,676) \$	3,629,582 \$	2,826,593 \$	2,743,224 \$	886,358

Exhibit E-2

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2008

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 2,165,043	\$ 0	\$ 0	\$ 2,165,043	\$ 2,156,812	\$ 2,156,812	\$ 8,231
Licenses and Permits	45	0	0	45	6,300	45	0
Charges for Current Services	51,062	0	0	51,062	80,150	68,535	(17,473)
Other Local Revenues	176,152	0	0	176,152	135,000	171,815	4,337
State of Tennessee	42,907	0	0	42,907	83,341	83,341	(40,434)
Total Revenues	\$ 2,435,209	\$ 0	\$ 0	\$ 2,435,209	\$ 2,461,603	\$ 2,480,548	\$ (45,339)
Expenditures							
Public Health and Welfare							
Rabies and Animal Control	\$ 17,702	\$ (2,958)	\$ 0	\$ 14,744	\$ 199,754	\$ 14,940	\$ 196
Sanitation Management	366,858	(1,459)	499	365,898	362,261	370,800	4,902
Sanitation Education/Information	94,335	(500)	242	94,077	92,565	94,521	444
Convenience Centers	1,367,611	(26,714)	23,050	1,363,947	1,318,506	1,384,763	20,816
Transfer Stations	66,797	(26,676)	1,626	41,747	40,933	44,118	2,371
Recycling Center	280,989	(4,473)	931	277,447	325,526	311,511	34,064
Other Waste Disposal	128,057	0	0	128,057	136,683	129,870	1,813
Total Expenditures	\$ 2,322,349	\$ (62,780)	\$ 26,348	\$ 2,285,917	\$ 2,476,228	\$ 2,350,523	\$ 64,606
Excess (Deficiency) of Revenues Over Expenditures	\$ 112,860	\$ 62,780	\$ (26,348)	\$ 149,292	\$ (14,625)	\$ 130,025	\$ 19,267
Other Financing Sources (Uses)							
Transfers Out	\$ (219,840)	\$ 0	\$ 0	\$ (219,840)	\$ (30,695)	\$ (219,840)	\$ 0
Total Other Financing Sources (Uses)	\$ (219,840)	\$ 0	\$ 0	\$ (219,840)	\$ (30,695)	\$ (219,840)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (106,980)	\$ 62,780	\$ (26,348)	\$ (70,548)	\$ (45,320)	\$ (89,815)	\$ 19,267
Fund Balance, July 1, 2007	800,617	(62,780)	0	737,837	745,153	745,153	(7,316)
Fund Balance, June 30, 2008	\$ 693,637	\$ 0	\$ (26,348)	\$ 667,289	\$ 699,833	\$ 655,338	\$ 11,951

Exhibit E-3

Campbell 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 (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 736,828	\$ 0	\$ 0	\$ 736,828	\$ 768,363	\$ 731,330	\$ 5,498
Licenses and Permits	250	0	0	250	200	200	50
Other Local Revenues	494,645	0	0	494,645	323,500	440,950	53,695
State of Tennessee	2,302,944	0	0	2,302,944	2,768,982	2,772,106	(469,162)
Federal Government	152,854	0	0	152,854	0	152,854	0
Other Governments and Citizens Groups	7,430	0	0	7,430	0	7,430	0
Total Revenues	\$ 3,694,951	\$ 0	\$ 0	\$ 3,694,951	\$ 3,861,045	\$ 4,104,870	\$ (409,919)
Expenditures							
Highways							
Administration	\$ 157,009	\$ (164)	\$ 296	\$ 157,141	\$ 184,757	\$ 157,507	\$ 366
Highway and Bridge Maintenance	1,387,285	(21,203)	45,495	1,411,577	1,451,833	1,418,180	6,603
Operation and Maintenance of Equipment	904,949	(9,235)	7,582	903,296	768,402	905,552	2,256
Quarry Operations	206,055	0	6,493	212,548	226,001	216,140	3,592
Traffic Control	182,408	(40,000)	10,446	152,854	0	152,854	0
Other Charges	127,713	(1,842)	2,689	128,560	131,032	130,333	1,773
Employee Benefits	55,167	(118)	0	55,049	100,523	55,049	0
Capital Outlay	669,001	(44,895)	0	624,106	1,231,680	1,300,692	676,586
Principal on Debt							
Highways and Streets	27,530	0	0	27,530	27,125	27,535	5
Interest on Debt							
Highways and Streets	1,008	0	0	1,008	1,500	1,090	82
Total Expenditures	\$ 3,718,125	\$ (117,457)	\$ 73,001	\$ 3,673,669	\$ 4,122,853	\$ 4,364,932	\$ 691,263
Excess (Deficiency) of Revenues Over Expenditures	\$ (23,174)	\$ 117,457	\$ (73,001)	\$ 21,282	\$ (261,808)	\$ (260,062)	\$ 281,344
Other Financing Sources (Uses)							
Transfers Out	\$ (17,850)	\$ 0	\$ 0	\$ (17,850)	\$ 0	\$ (17,850)	\$ 0
Total Other Financing Sources (Uses)	\$ (17,850)	\$ 0	\$ 0	\$ (17,850)	\$ 0	\$ (17,850)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (41,024)	\$ 117,457	\$ (73,001)	\$ 3,432	\$ (261,808)	\$ (277,912)	\$ 281,344
	812,887	(117,457)	0	695,430	710,472	710,472	(15,042)
Fund Balance, June 30, 2008	\$ 771,863	\$ 0	\$ (73,001)	\$ 698,862	\$ 448,664	\$ 432,560	\$ 266,302

Exhibit E-4

Campbell County, Tennessee
Schedule of Funding Progress – Pension Plan
June 30, 2008

(Dollar amounts in thousands)

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	\$ 24,788	\$ 26,952	\$ 2,164	91.97 %	\$ 11,284	19.18 %

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.

Exhibit E-5

Campbell County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plan
Discretely Presented Campbell 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 (UAAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
Local Education Group Plan	6-30-07 \$ 0	\$ 13,608	\$ 13,608	0 %	\$ 23,808	57 %

*Data not available for two preceding years.

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

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 Campbell County Commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

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

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Nonmajor Governmental Funds

Special Revenue Funds

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

Ambulance Service Fund – The Ambulance Service Fund is used to account for transactions of the county ambulance service.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for various industrial, planning, and economic development programs of the county.

Special Purpose Fund – The Special Purpose Fund was established by the County Commission to account for a postemployment benefits plan that will provide health insurance to qualified retirees effective July 1, 2008.

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

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

Capital Projects Fund

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

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

Exhibit F-1

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

	Special Revenue Funds						Capital Projects Fund		Total Nonmajor Governmental Funds
	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Constitutional Officers - Fees	Total	General Capital Projects	Total	
\$	0	0	0	0	3,967	3,967	0	3,967	
	793,530	868,961	134,946	45,725	0	1,843,162	575,060	2,418,222	
	588,197	3,938	0	0	0	592,135	0	592,135	
	0	67,368	0	0	0	67,368	15,000	82,368	
	0	0	0	0	0	0	2,189	2,189	
	67,458	67,458	0	0	0	134,916	472,208	607,124	
	(4,638)	(4,638)	0	0	0	(9,276)	(32,467)	(41,743)	
\$	1,444,547	1,003,087	134,946	45,725	3,967	2,632,272	1,031,990	3,664,262	

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

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable
 Payroll Deductions Payable
 Due to Other Funds
 Deferred Revenue - Current Property Taxes
 Deferred Revenue - Delinquent Property Taxes
 Other Deferred Revenues
 Total Liabilities

Fund Balances

Reserved for Encumbrances
 Unreserved
 Total Fund Balances
 Total Liabilities and Fund Balances

\$	95,963	1,160	0	76	0	97,199	0	97,199
	20,120	452	0	102	0	20,674	0	20,674
	0	0	0	0	3,967	3,967	0	3,967
	59,144	59,144	0	0	0	118,288	414,006	532,294
	3,315	3,315	0	0	0	6,630	23,209	29,839
	453,579	0	0	0	0	453,579	0	453,579
\$	632,121	64,071	0	178	3,967	700,337	437,215	1,137,552
\$	30,451	7,241	0	6,437	0	44,129	42,325	86,454
	781,975	931,775	134,946	39,110	0	1,887,806	552,450	2,440,256
\$	812,426	939,016	134,946	45,547	0	1,931,935	594,775	2,526,710
\$	1,444,547	1,003,087	134,946	45,725	3,967	2,632,272	1,031,990	3,664,262

Exhibit F-2

Campbell 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						Capital Projects Fund		Total Nonmajor Governmental Funds
	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Constitutional Officers - Fees	Total	General Capital Projects		
Revenues									
Local Taxes	\$ 62,123	\$ 266,572	\$ 0	\$ 0	\$ 0	\$ 328,695	\$ 462,060	\$ 790,755	
Fines, Forfeitures, and Penalties	0	0	0	122,754	0	122,754	0	122,754	
Charges for Current Services	1,927,790	0	0	0	22,375	1,950,165	0	1,950,165	
Other Local Revenues	3,141	747,256	0	131	0	750,528	0	750,528	
State of Tennessee	0	0	0	0	0	0	21,450	21,450	
Federal Government	0	375,135	0	0	0	375,135	0	375,135	
Other Governments and Citizens Groups	0	1,958	0	0	0	1,958	0	1,958	
Total Revenues	\$ 1,993,054	\$ 1,390,921	\$ 0	\$ 122,885	\$ 22,375	\$ 3,529,235	\$ 483,510	\$ 4,012,745	
Expenditures									
Current:									
General Government	\$ 0	\$ 31,461	\$ 0	\$ 0	\$ 0	\$ 31,461	\$ 0	\$ 31,461	
Administration of Justice	0	0	0	0	22,375	22,375	0	22,375	
Public Safety	0	0	0	102,548	0	102,548	0	102,548	
Public Health and Welfare	1,802,380	0	0	0	0	1,802,380	0	1,802,380	
Other Operations	0	424,953	0	0	0	424,953	0	424,953	
Capital Projects	0	0	0	0	0	0	247,087	247,087	
Total Expenditures	\$ 1,802,380	\$ 456,414	\$ 0	\$ 102,548	\$ 22,375	\$ 2,383,717	\$ 247,087	\$ 2,630,804	
Excess (Deficiency) of Revenues Over Expenditures	\$ 190,674	\$ 934,507	\$ 0	\$ 20,337	\$ 0	\$ 1,145,518	\$ 236,423	\$ 1,381,941	
Other Financing Sources (Uses)									
Transfers In	\$ 0	\$ 0	\$ 134,946	\$ 0	\$ 0	\$ 134,946	\$ 255,125	\$ 390,071	
Transfers Out	(114,280)	(163,295)	0	0	0	(277,575)	(204,800)	(482,375)	
Total Other Financing Sources (Uses)	\$ (114,280)	\$ (163,295)	\$ 134,946	\$ 0	\$ 0	\$ (142,629)	\$ 50,325	\$ (92,304)	
Net Change in Fund Balances Fund Balance, July 1, 2007	\$ 76,394	\$ 771,212	\$ 134,946	\$ 20,337	\$ 0	\$ 1,002,889	\$ 286,748	\$ 1,289,637	
	736,032	167,804	0	25,210	0	929,046	308,027	1,237,073	
Fund Balance, June 30, 2008	\$ 812,426	\$ 939,016	\$ 134,946	\$ 45,547	\$ 0	\$ 1,931,935	\$ 594,775	\$ 2,526,710	

Exhibit F-3

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 62,123 \$	0 \$	0 \$	62,123 \$	61,868 \$	61,868 \$	255
Charges for Current Services	1,927,790	0	0	1,927,790	1,863,567	2,004,855	(77,065)
Other Local Revenues	3,141	0	0	3,141	0	0	3,141
Total Revenues	\$ 1,993,054 \$	0 \$	0 \$	1,993,054 \$	1,925,435 \$	2,066,723 \$	(73,669)
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Ambulance/Emergency Medical Services	\$ 1,802,380 \$	(19,091) \$	30,451 \$	1,813,740 \$	1,897,257 \$	1,924,265 \$	110,525
Total Expenditures	\$ 1,802,380 \$	(19,091) \$	30,451 \$	1,813,740 \$	1,897,257 \$	1,924,265 \$	110,525
Excess (Deficiency) of Revenues Over Expenditures	\$ 190,674 \$	19,091 \$	(30,451) \$	179,314 \$	28,178 \$	142,458 \$	36,856
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (114,280) \$	0 \$	0 \$	(114,280) \$	0 \$	(114,280) \$	0
Total Other Financing Sources (Uses)	\$ (114,280) \$	0 \$	0 \$	(114,280) \$	0 \$	(114,280) \$	0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 76,394 \$	19,091 \$	(30,451) \$	65,034 \$	28,178 \$	28,178 \$	36,856
Fund Balance, July 1, 2007	736,032	(19,091)	0	716,941	685,026	685,026	31,915
Fund Balance, June 30, 2008	\$ 812,426 \$	0 \$	(30,451) \$	781,975 \$	713,204 \$	713,204 \$	68,771

Exhibit F-4

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 266,572	\$ 0	\$ 0	\$ 266,572	\$ 204,712	\$ 256,579	\$ 9,993
Other Local Revenues	747,256	0	0	747,256	672,253	672,253	75,003
Federal Government	375,135	0	0	375,135	326,884	348,370	26,765
Other Governments and Citizens Groups	1,958	0	0	1,958	25,400	25,400	(23,442)
Total Revenues	\$ 1,390,921	\$ 0	\$ 0	\$ 1,390,921	\$ 1,229,249	\$ 1,302,602	\$ 88,319
Expenditures							
<u>General Government</u>							
Development	\$ 5,622	(150)	0	5,472	40,000	40,000	\$ 34,528
Planning	23,349	(1,000)	500	22,849	35,923	35,923	13,074
Other Facilities	2,490	(175)	0	2,315	11,300	11,300	8,985
<u>Other Operations</u>							
Tourism	45,000	0	0	45,000	45,000	45,000	0
Industrial Development	68,825	(1,404)	4,160	71,581	705,142	705,142	633,561
Other Economic and Community Development	311,128	(906)	2,581	312,803	326,884	346,942	34,139
Total Expenditures	\$ 456,414	\$ (3,635)	\$ 7,241	\$ 460,020	\$ 1,164,249	\$ 1,184,307	\$ 724,287
Excess (Deficiency) of Revenues Over Expenditures	\$ 934,507	\$ 3,635	\$ (7,241)	\$ 930,901	\$ 65,000	\$ 118,295	\$ 812,606
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (163,295)	0	0	(163,295)	(110,000)	(163,295)	0
Total Other Financing Sources (Uses)	\$ (163,295)	\$ 0	\$ 0	\$ (163,295)	\$ (110,000)	\$ (163,295)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 771,212	\$ 3,635	\$ (7,241)	\$ 767,606	\$ (45,000)	\$ (45,000)	\$ 812,606
Fund Balance, July 1, 2007	167,804	(3,635)	0	164,169	191,449	191,449	(27,280)
Fund Balance, June 30, 2008	\$ 939,016	\$ 0	\$ (7,241)	\$ 931,775	\$ 146,449	\$ 146,449	\$ 785,326

Exhibit F-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Ambulance/Emergency Medical Services	\$ 0	\$ 0	\$ 14,280	\$ 14,280
Sanitation Management	0	0	20,706	20,706
<u>Other Operations</u>				
Other Economic and Community Development	0	0	1,428	1,428
Employee Benefits	0	0	80,682	80,682
<u>Highways</u>				
Employee Benefits	0	0	17,850	17,850
Total Expenditures	\$ 0	\$ 0	\$ 134,946	\$ 134,946
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ (134,946)	\$ 134,946
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 134,946	\$ 0	\$ 134,946	\$ 0
Total Other Financing Sources (Uses)	\$ 134,946	\$ 0	\$ 134,946	\$ 0
Net Change in Fund Balance	\$ 134,946	\$ 0	\$ 0	\$ 134,946
Fund Balance, July 1, 2007	0	0	0	0
Fund Balance, June 30, 2008	\$ 134,946	\$ 0	\$ 0	\$ 134,946

Exhibit F-6

Campbell 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 (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 122,754	\$ 0	\$ 0	\$ 122,754	\$ 145,500	\$ 145,500	\$ (22,746)
Other Local Revenues	131	0	0	131	0	0	131
Total Revenues	\$ 122,885	\$ 0	\$ 0	\$ 122,885	\$ 145,500	\$ 145,500	\$ (22,615)
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 102,548	(10,336)	6,437	\$ 98,649	\$ 137,028	\$ 137,028	\$ 38,379
Total Expenditures	\$ 102,548	(10,336)	6,437	\$ 98,649	\$ 137,028	\$ 137,028	\$ 38,379
Excess (Deficiency) of Revenues Over Expenditures	\$ 20,337	\$ 10,336	(6,437)	\$ 24,236	\$ 8,472	\$ 8,472	\$ 15,764
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 20,337	\$ 10,336	(6,437)	\$ 24,236	\$ 8,472	\$ 8,472	\$ 15,764
	25,210	(10,336)	0	14,874	13,069	13,069	1,805
Fund Balance, June 30, 2008	\$ 45,547	\$ 0	(6,437)	\$ 39,110	\$ 21,541	\$ 21,541	\$ 17,569

Exhibit F-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 462,060	\$ 0	\$ 0	\$ 462,060	\$ 463,867	\$ 463,867	\$ (1,807)
State of Tennessee	21,450	0	0	21,450	112,550	119,050	(97,600)
Total Revenues	\$ 483,510	\$ 0	\$ 0	\$ 483,510	\$ 576,417	\$ 582,917	\$ (99,407)
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 69,382	(10,492)	24,710	\$ 83,600	\$ 178,100	\$ 163,100	\$ 79,500
Public Safety Projects	70,349	(5,935)	2,939	67,353	67,500	67,500	147
Public Health and Welfare Projects	11,643	(4,643)	4,250	11,250	69,000	25,000	13,750
Social, Cultural, and Recreation Projects	66,854	(36,935)	8,046	37,965	525,626	603,118	565,153
Highway and Street Capital Projects	28,859	0	2,380	31,239	30,000	31,240	1
Total Expenditures	\$ 247,087	\$ (58,005)	\$ 42,325	\$ 231,407	\$ 870,226	\$ 889,958	\$ 658,551
Excess (Deficiency) of Revenues Over Expenditures	\$ 236,423	\$ 58,005	\$ (42,325)	\$ 252,103	\$ (293,809)	\$ (307,041)	\$ 559,144
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 255,125	\$ 0	\$ 0	\$ 255,125	\$ 80,000	\$ 255,125	\$ 0
Transfers Out	(204,800)	0	0	(204,800)	(41,667)	(204,800)	0
Total Other Financing Sources (Uses)	\$ 50,325	\$ 0	\$ 0	\$ 50,325	\$ 38,333	\$ 50,325	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 286,748	\$ 58,005	\$ (42,325)	\$ 302,428	\$ (255,476)	\$ (256,716)	\$ 559,144
	308,027	(58,005)	0	250,022	265,495	265,495	(15,473)
Fund Balance, June 30, 2008	\$ 594,775	\$ 0	\$ (42,325)	\$ 552,450	\$ 10,019	\$ 8,779	\$ 543,671

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Major Governmental Fund

Debt Service Fund

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

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

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Exhibit G

Campbell 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 with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,540,831	\$ 1,765,820	\$ 1,490,820	\$ 50,011
Other Local Revenues	621,564	616,360	616,360	5,204
Other Governments and Citizens Groups	1,807,506	1,250,000	1,807,506	0
Total Revenues	<u>\$ 3,969,901</u>	<u>\$ 3,632,180</u>	<u>\$ 3,914,686</u>	<u>\$ 55,215</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 124,120	\$ 124,120	\$ 124,120	\$ 0
Highways and Streets	50,000	50,000	50,000	0
Education	2,055,880	1,555,880	2,055,880	0
<u>Interest on Debt</u>				
General Government	221,642	323,177	323,177	101,535
Highways and Streets	19,106	16,667	19,107	1
Education	1,454,418	1,411,571	1,469,077	14,659
<u>Other Debt Service</u>				
General Government	276,679	141,255	302,662	25,983
Total Expenditures	<u>\$ 4,201,845</u>	<u>\$ 3,622,670</u>	<u>\$ 4,344,023</u>	<u>\$ 142,178</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (231,944)</u>	<u>\$ 9,510</u>	<u>\$ (429,337)</u>	<u>\$ 197,393</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 8,200,000	\$ 0	\$ 8,200,000	\$ 0
Premiums on Debt Issued	22,374	0	0	22,374
Discounts on Debt Issued	(36,153)	0	(36,153)	0
Payments to Refunded Debt Escrow Agent	(8,000,000)	0	(8,000,000)	0
Total Other Financing Sources (Uses)	<u>\$ 186,221</u>	<u>\$ 0</u>	<u>\$ 163,847</u>	<u>\$ 22,374</u>
Net Change in Fund Balance	\$ (45,723)	\$ 9,510	\$ (265,490)	\$ 219,767
Fund Balance, July 1, 2007	<u>2,706,455</u>	<u>2,776,293</u>	<u>2,776,293</u>	<u>(69,838)</u>
Fund Balance, June 30, 2008	<u>\$ 2,660,732</u>	<u>\$ 2,785,803</u>	<u>\$ 2,510,803</u>	<u>\$ 149,929</u>

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Fiduciary Funds

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

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

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 H-1

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

	<u>Agency Funds</u>		
	Cities -	Constitu-	
	Sales	tional	
	Tax	Officers -	
		Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 3,538,395	\$ 3,538,395
Due from Other Governments	580,469	0	580,469
Total Assets	<u>\$ 580,469</u>	<u>\$ 3,538,395</u>	<u>\$ 4,118,864</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 580,469	\$ 0	\$ 580,469
Due to Litigants, Heirs, and Others	0	3,538,395	3,538,395
Total Liabilities	<u>\$ 580,469</u>	<u>\$ 3,538,395</u>	<u>\$ 4,118,864</u>

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 3,219,220	\$ 3,219,220	\$ 0
Due from Other Governments	583,068	580,469	583,068	580,469
Total Assets	\$ 583,068	\$ 3,799,689	\$ 3,802,288	\$ 580,469
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 583,068	\$ 3,799,689	\$ 3,802,288	\$ 580,469
Total Liabilities	\$ 583,068	\$ 3,799,689	\$ 3,802,288	\$ 580,469
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 3,511,646	\$ 10,039,251	\$ 10,012,502	\$ 3,538,395
Total Assets	\$ 3,511,646	\$ 10,039,251	\$ 10,012,502	\$ 3,538,395
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 3,511,646	\$ 10,039,251	\$ 10,012,502	\$ 3,538,395
Total Liabilities	\$ 3,511,646	\$ 10,039,251	\$ 10,012,502	\$ 3,538,395
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 3,219,220	\$ 3,219,220	\$ 0
Cash	3,511,646	10,039,251	10,012,502	3,538,395
Due from Other Governments	583,068	580,469	583,068	580,469
Total Assets	\$ 4,094,714	\$ 13,838,940	\$ 13,814,790	\$ 4,118,864
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 583,068	\$ 3,799,689	\$ 3,802,288	\$ 580,469
Due to Litigants, Heirs, and Others	3,511,646	10,039,251	10,012,502	3,538,395
Total Liabilities	\$ 4,094,714	\$ 13,838,940	\$ 13,814,790	\$ 4,118,864

Campbell County School Department

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

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.

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Exhibit I-1

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

Functions/Programs	Program Revenues			Net Expense (Revenue) and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
Instruction	\$ 25,146,302	\$ 2,027	\$ 4,888,969	\$ 0	\$ (20,255,306)
Support Services	16,717,984	8,592	517,874	19,157,030	2,965,512
Operation of Non-Instructional Services	4,736,216	801,980	1,984,270	0	(1,949,966)
Other Debt Service	1,807,506	0	0	0	(1,807,506)
Total Governmental Activities	\$ 48,408,008	\$ 812,599	\$ 7,391,113	\$ 19,157,030	\$ (21,047,266)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 3,679,213
Local Option Sales Taxes					3,214,605
Other Local Taxes:					
Wheel Tax					1,149,871
Coal Severance Tax					38,157
Other Local Taxes					3,293
Grants and Contributions Not Restricted to Specific Programs					28,075,023
Unrestricted Investment Income					14,055
Miscellaneous					37,904
Total General Revenues					\$ 36,212,121
Change in Net Assets					\$ 15,164,855
Net Assets, July 1, 2007					33,677,767
Net Assets, June 30, 2008					\$ 48,842,622

Exhibit I-2

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

	Major Funds			Total Govern- mental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 9,602	\$ 9,602
Equity in Pooled Cash and Investments	2,794,561	190,208	358,038	3,342,807
Accounts Receivable	7,840	1,747	7,351	16,938
Due from Other Governments	1,676,186	285,034	213,596	2,174,816
Due from Other Funds	257,121	0	0	257,121
Property Taxes Receivable	3,857,113	0	0	3,857,113
Allowance for Uncollectible Property Taxes	(269,010)	0	0	(269,010)
Total Assets	\$ 8,323,811	\$ 476,989	\$ 588,587	\$ 9,389,387
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 58,143	\$ 0	\$ 0	\$ 58,143
Payroll Deductions Payable	282,176	109,267	21,252	412,695
Contracts Payable	126,730	0	0	126,730
Retainage Payable	6,670	0	0	6,670
Due to Other Funds	0	257,121	0	257,121
Deferred Revenue - Current Property Taxes	3,371,195	0	0	3,371,195
Deferred Revenue - Delinquent Property Taxes	195,620	0	0	195,620
Other Deferred Revenues	565,086	0	0	565,086
Total Liabilities	\$ 4,605,620	\$ 366,388	\$ 21,252	\$ 4,993,260
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 599,724	\$ 0	\$ 34,579	\$ 634,303
Reserved for Career Ladder - Extended Contract	105,596	0	0	105,596
Reserved for Career Ladder Program	43,886	0	0	43,886
Reserved for Basic Education Program	33,166	0	0	33,166
Other State Education Reserves	37	0	0	37
Reserved for Title I Grants to Local Education Agencies	0	56,032	0	56,032
Reserved for Special Education - Grants to States	0	27,331	0	27,331
Other Federal Reserves	0	27,238	0	27,238
Unreserved, Reported In:				
General Fund	2,935,782	0	0	2,935,782
Special Revenue Funds	0	0	532,756	532,756
Total Fund Balances	\$ 3,718,191	\$ 110,601	\$ 567,335	\$ 4,396,127
Total Liabilities and Fund Balances	\$ 8,323,811	\$ 476,989	\$ 588,587	\$ 9,389,387

Exhibit I-3

Campbell County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
Discretely Presented Campbell County School Department
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 I-2)		\$	4,396,127
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,131,561	
Add: construction in progress		133,400	
Add: buildings and improvements net of accumulated depreciation		42,716,516	
Add: other capital assets net of accumulated depreciation		<u>780,382</u>	44,761,859
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other postemployment benefits			(1,076,070)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			
			<u>760,706</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>48,842,622</u></u>

Exhibit I-4

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

	Major Funds			Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>Revenues</u>				
Local Taxes	\$ 8,071,891	\$ 0	\$ 0	\$ 8,071,891
Licenses and Permits	1,781	0	0	1,781
Charges for Current Services	10,619	0	801,980	812,599
Other Local Revenues	123,970	0	122,868	246,838
State of Tennessee	27,667,406	0	33,141	27,700,547
Federal Government	409,763	4,990,045	1,951,129	7,350,937
Total Revenues	<u>\$ 36,285,430</u>	<u>\$ 4,990,045</u>	<u>\$ 2,909,118</u>	<u>\$ 44,184,593</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 20,588,617	\$ 3,465,752	\$ 0	\$ 24,054,369
Support Services	11,883,870	1,352,107	0	13,235,977
Operation of Non-Instructional Services	1,548,141	62,835	3,111,772	4,722,748
Capital Outlay	2,562,297	0	0	2,562,297
Debt Service:				
Other Debt Service	1,807,506	0	0	1,807,506
Total Expenditures	<u>\$ 38,390,431</u>	<u>\$ 4,880,694</u>	<u>\$ 3,111,772</u>	<u>\$ 46,382,897</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,105,001)</u>	<u>\$ 109,351</u>	<u>\$ (202,654)</u>	<u>\$ (2,198,304)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 30,279	\$ 5,048	\$ 77,785	\$ 113,112
Transfers Out	(82,833)	(30,279)	0	(113,112)
Total Other Financing Sources (Uses)	<u>\$ (52,554)</u>	<u>\$ (25,231)</u>	<u>\$ 77,785</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ (2,157,555)	\$ 84,120	\$ (124,869)	\$ (2,198,304)
Fund Balance, July 1, 2007	<u>5,875,746</u>	<u>26,481</u>	<u>692,204</u>	<u>6,594,431</u>
Fund Balance, June 30, 2008	<u>\$ 3,718,191</u>	<u>\$ 110,601</u>	<u>\$ 567,335</u>	<u>\$ 4,396,127</u>

Exhibit I-5

Campbell County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Campbell County School Department
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 I-4)		\$ (2,198,304)
(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	\$ 498,615	
Less: current year depreciation expense	<u>(1,447,656)</u>	(949,041)
(2) Donated capital assets do not generate current financial resources and are therefore not recognized in the governmental funds. This adjustment reflects capital assets donated during the current period.		19,157,030
(3) 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 other postemployment benefits		(1,076,070)
(4) 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	\$ 760,706	
Less: deferred delinquent property taxes and other deferred June 30, 2007	<u>(529,466)</u>	<u>231,240</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 15,164,855</u>

Exhibit I-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 8,071,891	\$ 0	\$ 0	\$ 8,071,891	\$ 8,060,584	\$ 8,060,584	\$ 11,307
Licenses and Permits	1,781	0	0	1,781	2,500	2,500	(719)
Charges for Current Services	10,619	0	0	10,619	13,151	13,743	(3,124)
Other Local Revenues	123,970	0	0	123,970	70,789	144,600	(20,630)
State of Tennessee	27,667,406	0	0	27,667,406	27,122,088	27,758,530	(91,124)
Federal Government	409,763	0	0	409,763	524,823	480,966	(71,203)
Total Revenues	\$ 36,285,430	\$ 0	\$ 0	\$ 36,285,430	\$ 35,793,935	\$ 36,460,923	\$ (175,493)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 16,780,575	\$ (5,533)	\$ 569	\$ 16,775,611	\$ 17,108,879	\$ 17,089,370	\$ 313,759
Alternative Instruction Program	176,252	0	0	176,252	176,797	176,869	617
Special Education Program	2,028,627	(1,421)	707	2,027,913	2,050,117	2,043,230	15,317
Vocational Education Program	1,527,352	(2,538)	408	1,525,222	1,557,835	1,560,527	35,305
Adult Education Program	75,811	(1,999)	0	73,812	103,863	74,104	292
<u>Support Services</u>							
Attendance	70,115	0	0	70,115	67,596	70,588	473
Health Services	286,257	(270)	569	286,556	293,720	296,804	10,248
Other Student Support	1,195,350	0	40	1,195,390	1,221,458	1,228,623	33,233
Regular Instruction Program	1,354,235	(20,163)	3,472	1,337,544	1,318,951	1,408,779	71,235
Special Education Program	387,835	(203)	0	387,632	422,331	390,052	2,420
Vocational Education Program	141,931	0	76	142,007	166,447	166,447	24,440
Adult Programs	45,842	0	0	45,842	72,339	46,310	468
Other Programs	276,802	0	0	276,802	0	276,802	0
Board of Education	726,812	(6,395)	2,083	722,500	743,544	757,064	34,564
Director of Schools	224,561	(5,172)	3,791	223,180	247,090	234,890	11,710

(Continued)

Exhibit I-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Office of the Principal	\$ 2,265,346	\$ (90)	\$ 90	\$ 2,265,346	\$ 2,215,475	\$ 2,325,168	\$ 59,822
Fiscal Services	98,684	0	0	98,684	98,684	98,684	0
Operation of Plant	3,012,475	(965)	8,732	3,020,242	3,202,965	3,186,650	166,408
Maintenance of Plant	612,884	(56,314)	27,013	583,583	635,285	639,114	55,531
Transportation	1,184,741	(5,145)	13,903	1,193,499	1,184,764	1,199,885	6,386
<u>Operation of Non-Instructional Services</u>							
Community Services	621,860	(16,258)	994	606,596	375,000	617,073	10,477
Early Childhood Education	926,281	0	225	926,506	846,552	970,230	43,724
<u>Capital Outlay</u>							
Regular Capital Outlay	2,562,297	(1,557,310)	537,052	1,542,039	1,377,027	1,647,761	105,722
<u>Principal on Debt</u>							
Education	0	0	0	0	469,310	0	0
Interest on Debt							
Education	0	0	0	0	80,705	0	0
<u>Other Debt Service</u>							
Education	1,807,506	0	0	1,807,506	1,250,000	1,807,506	0
<u>Total Expenditures</u>	<u>\$ 38,390,431</u>	<u>\$ (1,679,776)</u>	<u>\$ 599,724</u>	<u>\$ 37,310,379</u>	<u>\$ 37,286,734</u>	<u>\$ 38,312,530</u>	<u>\$ 1,002,151</u>
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ (2,105,001)	\$ 1,679,776	\$ (599,724)	\$ (1,024,949)	\$ (1,492,799)	\$ (1,851,607)	\$ 826,658
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 492,357	\$ 0	\$ 0
Transfers In	30,279	0	0	30,279	33,261	33,261	(2,982)
Transfers Out	(82,833)	0	0	(82,833)	(82,833)	(82,833)	0
<u>Total Other Financing Sources (Uses)</u>	<u>\$ (52,554)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (52,554)</u>	<u>\$ 442,785</u>	<u>\$ (49,572)</u>	<u>\$ (2,982)</u>
<u>Net Change in Fund Balance</u>	<u>\$ (2,157,555)</u>	<u>\$ 1,679,776</u>	<u>\$ (599,724)</u>	<u>\$ (1,077,503)</u>	<u>\$ (1,050,014)</u>	<u>\$ (1,901,179)</u>	<u>\$ 823,676</u>
<u>Fund Balance, July 1, 2007</u>	<u>5,875,746</u>	<u>(1,679,776)</u>	<u>0</u>	<u>4,195,970</u>	<u>3,508,295</u>	<u>3,508,295</u>	<u>687,675</u>
<u>Fund Balance, June 30, 2008</u>	<u>\$ 3,718,191</u>	<u>\$ 0</u>	<u>\$ (599,724)</u>	<u>\$ 3,118,467</u>	<u>\$ 2,458,281</u>	<u>\$ 1,607,116</u>	<u>\$ 1,511,351</u>

Exhibit I-7

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Campbell 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	\$ 4,990,045	\$ 5,047,831	\$ 5,402,264	\$ (412,219)
Total Revenues	\$ 4,990,045	\$ 5,047,831	\$ 5,402,264	\$ (412,219)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 2,349,341	\$ 1,860,085	\$ 2,499,763	\$ 150,422
Special Education Program	1,000,233	1,197,828	1,146,885	146,652
Vocational Education Program	116,178	102,665	178,201	62,023
<u>Support Services</u>				
Health Services	41,040	43,271	43,271	2,231
Other Student Support	82,255	127,908	126,268	44,013
Regular Instruction Program	950,138	885,425	974,530	24,392
Special Education Program	146,440	165,740	165,740	19,300
Vocational Education Program	57,205	62,420	65,719	8,514
Transportation	75,029	456,809	123,386	48,357
<u>Operation of Non-Instructional Services</u>				
Community Services	2,678	0	3,000	322
Early Childhood Education	60,157	117,467	60,403	246
Total Expenditures	\$ 4,880,694	\$ 5,019,618	\$ 5,387,166	\$ 506,472
Excess (Deficiency) of Revenues Over Expenditures	\$ 109,351	\$ 28,213	\$ 15,098	\$ 94,253
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 5,048	\$ 176,008	\$ 5,048	\$ 0
Transfers Out	(30,279)	(204,221)	(33,293)	3,014
Total Other Financing Sources (Uses)	\$ (25,231)	\$ (28,213)	\$ (28,245)	\$ 3,014
Net Change in Fund Balance	\$ 84,120	\$ 0	\$ (13,147)	\$ 97,267
Fund Balance, July 1, 2007	26,481	250,000	250,000	(223,519)
Fund Balance, June 30, 2008	\$ 110,601	\$ 250,000	\$ 236,853	\$ (126,252)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2007	Add: Encumbrances 6/30/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 801,980	\$ 0	\$ 0	\$ 801,980	\$ 859,628	\$ 792,421	\$ 9,559
Other Local Revenues	122,868	0	0	122,868	20,800	127,155	(4,287)
State of Tennessee	33,141	0	0	33,141	35,011	35,011	(1,870)
Federal Government	1,951,129	0	0	1,951,129	1,992,232	1,938,439	12,690
Total Revenues	\$ 2,909,118	\$ 0	\$ 0	\$ 2,909,118	\$ 2,907,671	\$ 2,893,026	\$ 16,092
<u>Expenditures</u>							
Operation of Non-Instructional Services	\$ 3,111,772	(48,897)	34,579	3,097,454	3,291,811	3,170,811	73,357
Food Service	3,111,772	(48,897)	34,579	3,097,454	3,291,811	3,170,811	73,357
Total Expenditures	\$ (202,654)	48,897	(34,579)	(188,336)	(384,140)	(277,785)	89,449
Excess (Deficiency) of Revenues Over Expenditures	\$ 77,785	0	0	77,785	184,140	77,785	0
Other Financing Sources (Uses)	\$ 77,785	0	0	77,785	184,140	77,785	0
Transfers In							
Total Other Financing Sources (Uses)	\$ (124,869)	48,897	(34,579)	(110,551)	(200,000)	(200,000)	89,449
Net Change in Fund Balance Fund Balance, July 1, 2007	692,204	(48,897)	0	643,307	575,963	575,963	67,344
Fund Balance, June 30, 2008	\$ 567,335	0	(34,579)	532,756	375,963	375,963	156,793

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MISCELLANEOUS SCHEDULES

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Exhibit J-1

Campbell County, Tennessee
Schedule of Changes in Long-term Notes, Bonds, and Other Loans
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	Matured During Period	Debt	
								Refunded	Outstanding 6-30-08
NOTES PAYABLE									
<u>Payable through Highway/Public Works Fund</u>									
Construction of Rock/Salt Facility	\$ 81,000	4.09%	11-15-05	11-15-08	\$ 27,530	\$ 0	\$ 27,530	\$ 0	\$ 0
Total Payable through Highway/Public Works Fund					\$ 27,530	\$ 0	\$ 27,530	\$ 0	\$ 0
<u>Payable through General Debt Service Fund</u>									
School Improvements	1,500,000	4.53	6-15-07	6-15-10	\$ 1,500,000	\$ 0	\$ 500,000	\$ 0	\$ 1,000,000
County Roads	1,000,000	3.94	11-20-07	11-15-17	0	1,000,000	50,000	0	950,000
Total Payable through General Debt Service Fund					\$ 1,500,000	\$ 1,000,000	\$ 550,000	\$ 0	\$ 1,950,000
Total Notes Payable					\$ 1,527,530	\$ 1,000,000	\$ 577,530	\$ 0	\$ 1,950,000
BONDS PAYABLE									
<u>Payable through General Debt Service Fund</u>									
Refunding	3,595,000	3.5 to 4.1	1-6-1999	4-1-10	\$ 1,225,000	\$ 0	\$ 535,000	\$ 0	\$ 690,000
Refunding	4,875,000	2 to 3	10-6-03	4-1-09	2,020,000	0	995,000	0	1,025,000
Refunding	8,200,000	3.85 to 4	5-29-08	6-1-26	0	8,200,000	0	0	8,200,000
General Obligation Bonds, Series 2008A	3,025,000	3.5 to 5	4-23-08	6-1-27	0	3,025,000	0	0	3,025,000
Total Bonds Payable					\$ 3,245,000	\$ 11,225,000	\$ 1,530,000	\$ 0	\$ 12,940,000
OTHER LOANS PAYABLE									
<u>Public Building Authority Loan Agreements</u>									
<u>Payable through General Debt Service Fund</u>									
Public Improvement and Refunding, Series B-6-A	12,550,000	4 to 5	7-27-04	6-1-19	\$ 12,550,000	\$ 0	\$ 0	\$ 0	\$ 12,550,000
Public Improvement, Series D-8-C	8,000,000	Variable	6-29-06	6-1-26	8,000,000	0	0	8,000,000	0
Public Improvement, Series VI-1-2	10,950,000	Variable	2-27-07	6-1-23	5,124,753	5,650,247	150,000	0	10,625,000
Total Other Loans Payable					\$ 25,674,753	\$ 5,650,247	\$ 150,000	\$ 8,000,000	\$ 23,175,000

Exhibit J-2

Campbell County, Tennessee
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Note Principal	Note Interest	Total Note Requirements
2009	\$ 600,000	\$ 81,263	\$ 681,263
2010	600,000	54,112	654,112
2011	100,000	32,625	132,625
2012	100,000	28,125	128,125
2013	100,000	23,625	123,625
2014	100,000	19,125	119,125
2015	100,000	14,625	114,625
2016	100,000	10,125	110,125
2017	100,000	5,625	105,625
2018	50,000	1,125	51,125

Total	\$ 1,950,000	\$ 270,375	\$ 2,220,375
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Year Ending June 30	Bond Principal	Bond Interest	Total Bond Requirements
2009	\$ 1,585,000	\$ 523,773	\$ 2,108,773
2010	180,000	455,368	635,368
2011	75,000	448,288	523,288
2012	75,000	445,575	520,575
2013	75,000	442,863	517,863
2014	75,000	440,150	515,150
2015	75,000	437,313	512,313
2016	75,000	434,475	509,475
2017	75,000	431,512	506,512
2018	75,000	428,550	503,550
2019	105,000	425,087	530,087
2020	105,000	420,182	525,182
2021	105,000	415,279	520,279
2022	110,000	411,123	521,123
2023	2,300,000	406,775	2,706,775
2024	2,675,000	317,000	2,992,000
2025	2,825,000	209,937	3,034,937
2026	1,950,000	96,850	2,046,850
2027	400,000	16,600	416,600

Total	\$ 12,940,000	\$ 7,206,700	\$ 20,146,700
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(Continued)

Exhibit J-2

Campbell County, Tennessee
Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Other Loan Principal	Other Loan Interest	Other Loan Fees	Total Other Loan Requirements
2009	\$ 150,000	\$ 1,078,063	\$ 29,488	\$ 1,257,551
2010	1,225,000	1,071,313	29,072	2,325,385
2011	1,350,000	1,021,188	28,447	2,399,635
2012	1,400,000	965,938	27,754	2,393,692
2013	1,475,000	897,188	27,060	2,399,248
2014	1,550,000	824,813	26,297	2,401,110
2015	1,625,000	748,688	25,533	2,399,221
2016	1,700,000	668,938	24,701	2,393,639
2017	1,800,000	585,438	23,868	2,409,306
2018	1,900,000	497,063	22,966	2,420,029
2019	1,975,000	407,688	21,995	2,404,683
2020	2,100,000	316,125	19,497	2,435,622
2021	2,200,000	221,625	13,669	2,435,294
2022	2,350,000	122,625	7,563	2,480,188
2023	375,000	16,875	1,041	392,916
Total	\$ 23,175,000	\$ 9,443,568	\$ 328,951	\$ 32,947,519

Exhibit J-3

Campbell County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Campbell 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	Special Purpose	Postemployment health care	\$ 80,682
General	General Capital Projects	White bridge park project	75,125
Solid Waste/Sanitation	General	Indirect costs	30,695
Solid Waste/Sanitation	General	Animal shelter operations	168,439
Solid Waste/Sanitation	Special Purpose	Postemployment health care	20,706
Ambulance Service	Special Purpose	Postemployment health care	14,280
Ambulance Service	General Capital Projects	Jellico ambulance donation	100,000
Industrial/Economic Development	Special Purpose	Postemployment health care	1,428
Industrial/Economic Development	General Capital Projects	Waterline extension project	50,000
Industrial/Economic Development	General Capital Projects	White bridge park project	30,000
Industrial/Economic Development	Other Capital Projects	Waterline extension project	81,867
Highway/Public Works	Special Purpose	Postemployment health care	17,850
General Capital Projects	Other Capital Projects	Waterline extension project	204,800
Total Transfers Primary Government			<u>\$ 875,872</u>
<u>DISCRETELY PRESENTED CAMPBELL COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Central Cafeteria	Employee insurance	\$ 77,785
General Purpose School	School Federal Projects	Indirect costs - rent reimbursement	5,048
School Federal Projects	General Purpose School	Indirect costs - administrative	30,279
Total Transfers Discretely Presented Campbell County School Department			<u>\$ 113,112</u>

Exhibit J-4

Campbell County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Campbell 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, TCA	\$ 75,778	\$ 50,000	Western Surety Company
Director of Schools	State Board of Education and County Board of Education	105,378 (1)	50,000	"
Road Superintendent	Section 8-24-102, TCA	72,169	100,000	Auto Owners (Mutual) Insurance Company
Trustee	Section 8-24-102, TCA	65,607	1,052,400	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, TCA	67,152	10,000	Western Surety Company
County Clerk	Section 8-24-102, TCA	65,607	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	65,607	50,000	"
Clerk and Master	Section 8-24-102, TCA, and Chancery Court Judge	65,607 (2)	50,000	"
Register	Section 8-24-102, TCA	65,607	25,000	"
Sheriff	Section 8-24-102, TCA	72,170	25,000	"
Director of Finance	County Commission	67,435	50,000	"
Employee Blanket Bonds				
Public Employee Dishonesty - County Departments			150,000	Tennessee Risk Management Trust
Public Employee Dishonesty - School Department			150,000	"

(1) Includes \$3,000 career ladder supplement and \$2,400 annuity contribution.

(2) Does not include special commissioner fees of \$22,375.

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
Local Taxes					
<u>County Property Taxes</u>					
Current Property Tax	\$ 4,400,638	\$ 1,949,685	\$ 55,768	\$ 55,768	\$ 0
Discount on Property Taxes	(29,251)	(12,959)	(370)	(370)	0
Trustee's Collections - Prior Year	266,053	113,092	3,330	6,638	0
Circuit/Clerk & Master Collections - Prior Years	222,517	94,570	2,781	5,563	0
Interest and Penalty	48,315	20,655	614	1,120	0
Payments in-Lieu-of Taxes - T.V.A.	13,388	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	213,182	0	0	0	0
Payments in-Lieu-of Taxes - Other	119,320	0	0	10,715	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	0	0	0
Hotel/Motel Tax	0	0	0	187,138	0
Wheel Tax	300	0	0	0	0
Litigation Tax - General	163,261	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	238,949	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
Other County Local Option Taxes	52,692	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	119,945	0	0	0	0
Wholesale Beer Tax	135,084	0	0	0	0
Coal Severance Tax	0	0	0	0	0
Interstate Telecommunications Tax	0	0	0	0	0
Total Local Taxes	\$ 5,964,393	\$ 2,165,043	\$ 62,123	\$ 266,572	\$ 0
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	1,781	0	0	0	0
Animal Registration	1,743	45	0	0	0
Cable TV Franchise	118,720	0	0	0	0
<u>Permits</u>					
Beer Permits	1,021	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Licenses and Permits (Cont.)</u>					
<u>Permits (Cont.)</u>					
<u>Building Permits</u>	\$ 3,363	\$ 0	\$ 0	\$ 0	\$ 0
<u>Total Licenses and Permits</u>	\$ 126,628	\$ 45	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
<u>Fines</u>	\$ 4,655	\$ 0	\$ 0	\$ 0	\$ 0
<u>Officers Costs</u>	5,023	0	0	0	0
<u>Game and Fish Fines</u>	315	0	0	0	0
<u>Drug Control Fines</u>	0	0	0	0	33,189
<u>Drug Court Fees</u>	10,112	0	0	0	0
<u>Jail Fees</u>	842	0	0	0	0
<u>Data Entry Fee - Circuit Court</u>	455	0	0	0	0
<u>Criminal Court</u>					
<u>DUI Treatment Fines</u>	1,974	0	0	0	0
<u>Data Entry Fee - Criminal Court</u>	275	0	0	0	0
<u>Courtroom Security Fee</u>	165	0	0	0	0
<u>General Sessions Court</u>					
<u>Fines</u>	17,648	0	0	0	0
<u>Officers Costs</u>	42,620	0	0	0	0
<u>Game and Fish Fines</u>	894	0	0	0	0
<u>Drug Control Fines</u>	0	0	0	0	22,640
<u>Drug Court Fees</u>	23,627	0	0	0	0
<u>Jail Fees</u>	28,799	0	0	0	0
<u>DUI Treatment Fines</u>	6,295	0	0	0	0
<u>Data Entry Fee - General Sessions Court</u>	11,684	0	0	0	0
<u>Courtroom Security Fee</u>	968	0	0	0	0
<u>Juvenile Court</u>					
<u>Fines</u>	304	0	0	0	0
<u>Officers Costs</u>	1,853	0	0	0	0
<u>Chancery Court</u>					
<u>Officers Costs</u>	10,553	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Judicial District Drug Program</u>					
Courtroom Security Fee	\$ 14	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	5,135	0	0	0	66,925
Other Fines, Forfeitures, and Penalties	462	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 174,672	\$ 0	\$ 0	\$ 0	\$ 122,754
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Surcharge - General	\$ 6,598	\$ 1,285	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fees	0	40,212	0	0	0
Patient Charges	0	0	1,927,790	0	0
Work Release Charges for Board	5,419	0	0	0	0
Other General Service Charges	0	9,465	0	0	0
<u>Fees</u>					
Copy Fees	16,136	0	0	0	0
Telephone Commissions	4,748	0	0	0	0
Vending Machine Collections	100	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0
Data Processing Fee - Register	19,618	0	0	0	0
Data Processing Fee - Sheriff	26,048	0	0	0	0
Sexual Offender Registration Fees - Sheriff	3,175	0	0	0	0
<u>Other Charges for Services</u>					
Other Charges for Services	168	100	0	0	0
Total Charges for Current Services	\$ 82,010	\$ 51,062	\$ 1,927,790	\$ 0	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 545	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	70,656	0	0	47,256	0
Sale of Materials and Supplies	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0
Sale of Maps	10,075	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Other Local Revenues (Cont.)</u>					
<u>Recurring Items (Cont.)</u>					
Sale of Recycled Materials	\$ 0	\$ 166,545	\$ 0	\$ 0	\$ 0
Miscellaneous Refunds	32,149	1,062	3,141	0	131
<u>Nonrecurring Items</u>					
Sale of Property	0	8,545	0	700,000	0
<u>Other Local Revenues</u>	5,540	0	0	0	0
<u>Total Other Local Revenues</u>	\$ 118,965	\$ 176,152	\$ 3,141	\$ 747,256	\$ 131
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	\$ 361,774	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	434,079	0	0	0	0
Clerk and Master	204,497	0	0	0	0
Register	260,798	0	0	0	0
Sheriff	11,588	0	0	0	0
Trustee	492,810	0	0	0	0
<u>Total Fees Received from County Officials</u>	\$ 1,765,546	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 6,750	\$ 0	\$ 0	\$ 0	\$ 0
Airport Maintenance Program	9,770	0	0	0	0
Aging Programs	10,827	0	0	0	0
State Reappraisal Grant	21,805	0	0	0	0
Solid Waste Grants	0	28,800	0	0	0
Other General Government Grants	5,000	0	0	0	0
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	33,645	0	0	0	0
Drug Control Grants	48,459	0	0	0	0
Other Public Safety Grants	30,000	0	0	0	0
<u>Health and Welfare Grants</u>					
Health Department Programs	502,703	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>State of Tennessee (Cont.)</u>					
<u>Public Works Grants</u>					
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Litter Program	0	14,107	0	0	0
<u>Other State Revenues</u>					
Beer Tax	19,312	0	0	0	0
Alcoholic Beverage Tax	57,945	0	0	0	0
Mixed Drink Tax	5,984	0	0	0	0
State Revenue Sharing - T.V.A.	1,030,258	0	0	0	0
Contracted Prisoner Boarding	569,527	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	20,475	0	0	0	0
Other State Grants	18,273	0	0	0	0
Other State Revenues	47,180	0	0	0	0
Total State of Tennessee	\$ 2,437,913	\$ 42,907	\$ 0	\$ 375,135	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Job Training Partnership Act	\$ 0	\$ 0	\$ 0	\$ 375,135	\$ 0
Disaster Relief	0	0	0	0	0
Homeland Security Grants	74,161	0	0	0	0
Law Enforcement Grants	29,527	0	0	0	0
Other Federal through State	0	0	0	0	0
Total Federal Government	\$ 103,688	\$ 0	\$ 0	\$ 375,135	\$ 0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 400	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	98,684	0	0	0	0
Contracted Services	180,012	0	0	1,958	0
<u>Other</u>					
Other	7,778	0	0	0	0
Total Other Governments and Citizens Groups	\$ 286,874	\$ 0	\$ 0	\$ 1,958	\$ 0
Total	\$ 11,060,689	\$ 2,435,209	\$ 1,993,054	\$ 1,390,921	\$ 122,885

(Continued)

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

	Special Revenue Funds			Debt Service Fund			Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects	General Capital Projects	Other Capital Projects		
Local Taxes										
<u>County Property Taxes</u>										
Current Property Tax	\$ 0	\$ 501,271	\$ 501,270	\$ 0	\$ 389,862	\$ 0	\$ 7,854,262	0	\$ (52,206)	
Discount on Property Taxes	0	(3,332)	(3,332)	0	(2,592)	0		0		
Trustee's Collections - Prior Year	0	26,621	29,928	0	23,276	0	468,938	0		
Circuit/Clerk & Master Collections - Prior Years	0	22,252	25,033	0	19,470	0	392,186	0		
Interest and Penalty	0	4,926	5,432	0	4,222	0	85,284	0		
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	0	13,388	0		
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0	213,182	0		
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0	130,035	0		
<u>County Local Option Taxes</u>										
Local Option Sales Tax	0	0	844,622	0	0	0	844,622	0		
Hotel/Motel Tax	0	0	0	0	0	0	187,138	0		
Wheel Tax	0	0	0	0	0	0	300	0		
Litigation Tax - General	0	0	0	0	0	0	163,261	0		
Litigation Tax - Special Purpose	0	0	4,550	0	27,822	0	32,372	0		
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	128,193	0	0	0	128,193	0		
Business Tax	0	0	0	0	0	0	238,949	0		
Mineral Severance Tax	0	146,933	0	0	0	0	146,933	0		
Other County Local Option Taxes	0	0	0	0	0	0	52,692	0		
<u>Statutory Local Taxes</u>										
Bank Excise Tax	0	0	0	0	0	0	119,945	0		
Wholesale Beer Tax	0	0	0	0	0	0	135,084	0		
Coal Severance Tax	0	38,157	0	0	0	0	38,157	0		
Interstate Telecommunications Tax	0	0	5,135	0	0	0	5,135	0		
Total Local Taxes	\$ 0	\$ 736,828	\$ 1,540,831	\$ 462,060	\$ 0	\$ 11,197,850				
<u>Licenses and Permits</u>										
<u>Licenses</u>										
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,781	0		
Animal Registration	0	0	0	0	0	0	1,788	0		
Cable TV Franchise	0	0	0	0	0	0	118,720	0		
<u>Permits</u>										
Beer Permits	0	0	0	0	0	0	1,021	0		

(Continued)

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

	Special Revenue Funds		Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects		
<u>Licenses and Permits (Cont.)</u>								
<u>Permits (Cont.)</u>								
Building Permits	\$ 0	\$ 250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,613
Total Licenses and Permits	\$ 0	\$ 250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 126,923
<u>Fines, Forfeitures, and Penalties</u>								
<u>Circuit Court</u>								
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,655
Officers Costs	0	0	0	0	0	0	0	5,023
Game and Fish Fines	0	0	0	0	0	0	0	315
Drug Control Fines	0	0	0	0	0	0	0	33,189
Drug Court Fees	0	0	0	0	0	0	0	10,112
Jail Fees	0	0	0	0	0	0	0	842
Data Entry Fee - Circuit Court	0	0	0	0	0	0	0	455
<u>Criminal Court</u>								
DUI Treatment Fines	0	0	0	0	0	0	0	1,974
Data Entry Fee - Criminal Court	0	0	0	0	0	0	0	275
Courtroom Security Fee	0	0	0	0	0	0	0	165
<u>General Sessions Court</u>								
Fines	0	0	0	0	0	0	0	17,648
Officers Costs	0	0	0	0	0	0	0	42,620
Game and Fish Fines	0	0	0	0	0	0	0	894
Drug Control Fines	0	0	0	0	0	0	0	22,640
Drug Court Fees	0	0	0	0	0	0	0	23,627
Jail Fees	0	0	0	0	0	0	0	28,799
DUI Treatment Fines	0	0	0	0	0	0	0	6,295
Data Entry Fee - General Sessions Court	0	0	0	0	0	0	0	11,684
Courtroom Security Fee	0	0	0	0	0	0	0	968
<u>Juvenile Court</u>								
Fines	0	0	0	0	0	0	0	304
Officers Costs	0	0	0	0	0	0	0	1,853
<u>Chancery Court</u>								
Officers Costs	0	0	0	0	0	0	0	10,553

(Continued)

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	Other Capital Projects	Other Capital Projects			
<u>Fines, Forfeitures, and Penalties (Cont.)</u>									
<u>Judicial District Drug Program</u>									
Courtroom Security Fee	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	14
<u>Other Fines, Forfeitures, and Penalties</u>									
Proceeds from Confiscated Property	0	0	0	0	0	0	0	0	72,060
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	0	0	0	462
Total Fines, Forfeitures, and Penalties	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	297,426
<u>Charges for Current Services</u>									
<u>General Service Charges</u>									
Surcharge - General	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	7,883
Solid Waste Disposal Fees	0	0	0	0	0	0	0	0	40,212
Patient Charges	0	0	0	0	0	0	0	0	1,927,790
Work Release Charges for Board	0	0	0	0	0	0	0	0	5,419
Other General Service Charges	0	0	0	0	0	0	0	0	9,465
<u>Fees</u>									
Copy Fees	0	0	0	0	0	0	0	0	16,136
Telephone Commissions	0	0	0	0	0	0	0	0	4,748
Vending Machine Collections	0	0	0	0	0	0	0	0	100
Special Commissioner Fees/Special Master Fees	22,375	0	0	0	0	0	0	0	22,375
Data Processing Fee - Register	0	0	0	0	0	0	0	0	19,618
Data Processing Fee - Sheriff	0	0	0	0	0	0	0	0	26,048
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	0	0	0	3,175
<u>Other Charges for Services</u>									
Other Charges for Services	0	0	0	0	0	0	0	0	268
Total Charges for Current Services	\$ 22,375 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	2,083,237
<u>Other Local Revenues</u>									
<u>Recurring Items</u>									
Investment Income	\$ 0 \$	0 \$	621,564 \$	0 \$	0 \$	0 \$	0 \$	0 \$	622,109
Lease/Rentals	0	0	0	0	0	0	0	0	117,912
Sale of Materials and Supplies	0	765	0	0	0	0	0	0	765
Sale of Gasoline	0	482,819	0	0	0	0	0	0	482,819
Sale of Maps	0	0	0	0	0	0	0	0	10,075

(Continued)

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

	Special Revenue Funds		Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects		
<u>Other Local Revenues (Cont.)</u>								
<u>Recurring Items (Cont.)</u>								
Sale of Recycled Materials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 166,545
Miscellaneous Refunds	0	8,585	0	0	0	0	0	45,068
<u>Nonrecurring Items</u>								
Sale of Property	0	0	0	0	0	0	0	708,545
<u>Other Local Revenues</u>								
Other Local Revenues	0	2,476	0	0	0	0	0	8,016
Total Other Local Revenues	\$ 0	\$ 494,645	\$ 621,564	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,161,854
<u>Fees Received from County Officials</u>								
<u>Fees in-Lieu-of Salary</u>								
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 361,774
Circuit Court Clerk	0	0	0	0	0	0	0	434,079
Clerk and Master	0	0	0	0	0	0	0	204,497
Register	0	0	0	0	0	0	0	260,798
Sheriff	0	0	0	0	0	0	0	11,588
Trustee	0	0	0	0	0	0	0	492,810
Total Fees Received from County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,765,546
<u>State of Tennessee</u>								
<u>General Government Grants</u>								
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,750
Airport Maintenance Program	0	0	0	0	0	94,593	0	104,363
Aging Programs	0	0	0	0	0	0	0	10,827
State Reappraisal Grant	0	0	0	0	0	0	0	21,805
Solid Waste Grants	0	0	0	0	0	0	0	28,800
Other General Government Grants	0	0	0	0	0	0	0	5,000
<u>Public Safety Grants</u>								
Law Enforcement Training Programs	0	0	0	0	0	0	0	33,645
Drug Control Grants	0	0	0	0	0	0	0	48,459
Other Public Safety Grants	0	0	0	0	0	0	0	30,000
<u>Health and Welfare Grants</u>								
Health Department Programs	0	0	0	0	0	0	0	502,703

(Continued)

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

	Special Revenue Funds		Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects			
<u>State of Tennessee (Cont.)</u>								
<u>Public Works Grants</u>								
State Aid Program	\$ 0	\$ 381,803	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 381,803
Litter Program	0	0	0	0	0	0	0	14,107
<u>Other State Revenues</u>								
Beer Tax	0	0	0	0	0	0	0	19,312
Alcoholic Beverage Tax	0	0	0	0	0	0	0	57,945
Mixed Drink Tax	0	0	0	0	0	0	0	5,984
State Revenue Sharing - T.V.A.	0	0	0	0	0	0	0	1,030,258
Contracted Prisoner Boarding	0	0	0	0	0	0	0	569,527
Gasoline and Motor Fuel Tax	0	1,889,134	0	0	0	0	0	1,889,134
Petroleum Special Tax	0	32,007	0	0	0	0	0	32,007
Registrar's Salary Supplement	0	0	0	0	0	0	0	20,475
Other State Grants	0	0	0	21,450	0	0	0	39,723
Other State Revenues	0	0	0	0	0	0	0	47,180
Total State of Tennessee	\$ 0	\$ 2,302,944	\$ 0	\$ 21,450	\$ 0	\$ 94,593	\$ 0	\$ 4,899,807
<u>Federal Government</u>								
<u>Federal Through State</u>								
Job Training Partnership Act	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 375,135
Disaster Relief	0	152,854	0	0	0	0	0	152,854
Homeland Security Grants	0	0	0	0	0	0	0	74,161
Law Enforcement Grants	0	0	0	0	0	0	0	29,527
Other Federal through State	0	0	0	0	0	503,478	0	503,478
Total Federal Government	\$ 0	\$ 152,854	\$ 0	\$ 0	\$ 0	\$ 503,478	\$ 0	\$ 1,135,155
<u>Other Governments and Citizens Groups</u>								
<u>Other Governments</u>								
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 400
Contributions	0	6,000	1,807,506	0	0	0	0	1,912,190
Contracted Services	0	1,430	0	0	0	0	0	183,400
<u>Other</u>								
Other	0	0	0	0	0	0	0	7,778
Total Other Governments and Citizens Groups	\$ 0	\$ 7,430	\$ 1,807,506	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,103,768
Total	\$ 22,375	\$ 3,694,951	\$ 3,969,901	\$ 483,510	\$ 598,071	\$ 598,071	\$ 598,071	\$ 25,771,566

Exhibit J-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 3,286,447	\$ 0	\$ 0	\$ 3,286,447
Discount on Property Taxes	(21,845)	0	0	(21,845)
Trustee's Collections - Prior Year	196,229	0	0	196,229
Circuit/Clerk & Master Collections - Prior Years	164,106	0	0	164,106
Interest and Penalty	35,672	0	0	35,672
<u>County Local Option Taxes</u>				
Local Option Sales Tax	3,220,005	0	0	3,220,005
Wheel Tax	1,149,871	0	0	1,149,871
<u>Statutory Local Taxes</u>				
Coal Severance Tax	38,157	0	0	38,157
Interstate Telecommunications Tax	3,249	0	0	3,249
Total Local Taxes	\$ 8,071,891	\$ 0	\$ 0	\$ 8,071,891
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 1,781	\$ 0	\$ 0	\$ 1,781
Total Licenses and Permits	\$ 1,781	\$ 0	\$ 0	\$ 1,781
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Other State Systems	\$ 2,027	\$ 0	\$ 0	\$ 2,027
Lunch Payments - Children	0	0	386,261	386,261
Lunch Payments - Adults	0	0	77,264	77,264
Income from Breakfast	0	0	153,390	153,390
A la carte Sales	0	0	185,065	185,065
TBI Criminal Background Fees	8,592	0	0	8,592
Total Charges for Current Services	\$ 10,619	\$ 0	\$ 801,980	\$ 812,599
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 0	\$ 14,055	\$ 14,055
Refund of Telecommunication and Internet Fees (E-Rate)	30,175	0	0	30,175
Miscellaneous Refunds	39,676	0	1,071	40,747
<u>Nonrecurring Items</u>				
Sale of Equipment	0	0	1,387	1,387
Contributions and Gifts	54,119	0	106,355	160,474
Total Other Local Revenues	\$ 123,970	\$ 0	\$ 122,868	\$ 246,838
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-Behalf Contributions for OPEB	\$ 276,802	\$ 0	\$ 0	\$ 276,802
<u>State Education Funds</u>				
Basic Education Program	25,709,998	0	0	25,709,998
School Food Service	0	0	33,141	33,141
Driver Education	16,056	0	0	16,056
Other State Education Funds	1,045,329	0	0	1,045,329
Career Ladder Program	403,992	0	0	403,992
Career Ladder - Extended Contract	151,176	0	0	151,176

(Continued)

Exhibit J-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues</u>				
Other State Grants	\$ 64,053	\$ 0	\$ 0	\$ 64,053
Total State of Tennessee	\$ 27,667,406	\$ 0	\$ 33,141	\$ 27,700,547
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,429,391	\$ 1,429,391
Breakfast	0	0	498,551	498,551
USDA - Other	0	0	23,187	23,187
Adult Education State Grant Program	104,990	0	0	104,990
Vocational Education - Basic Grants to States	0	159,919	0	159,919
Other Vocational	0	14,698	0	14,698
Title I Grants to Local Education Agencies	0	2,181,824	0	2,181,824
Innovative Education Program Strategies	0	20,946	0	20,946
Special Education - Grants to States	25,760	1,240,229	0	1,265,989
Special Education Preschool Grants	0	51,029	0	51,029
Safe and Drug-Free Schools - State Grants	0	36,531	0	36,531
Rural Education	0	262,735	0	262,735
Eisenhower Professional Development State Grants	0	502,166	0	502,166
Other Federal through State	155,000	519,968	0	674,968
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	124,013	0	0	124,013
Total Federal Government	\$ 409,763	\$ 4,990,045	\$ 1,951,129	\$ 7,350,937
Total	\$ 36,285,430	\$ 4,990,045	\$ 2,909,118	\$ 44,184,593

Exhibit J-7

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

General Fund

General Government

County Commission

Other Salaries and Wages	\$	1,050	
Board and Committee Members Fees		95,632	
Social Security		5,672	
State Retirement		4,119	
Life Insurance		593	
Medical Insurance		25,223	
Employer Medicare		1,327	
Audit Services		9,207	
Communication		567	
Contracts with Government Agencies		948	
Contracts with Private Agencies		558	
Dues and Memberships		1,800	
Legal Services		21,837	
Maintenance and Repair Services - Office Equipment		622	
Travel		9,120	
Office Supplies		500	
Total County Commission			\$ 178,775

Board of Equalization

Board and Committee Members Fees	\$	3,360	
Travel		299	
Total Board of Equalization			3,659

County Mayor/Executive

County Official/Administrative Officer	\$	75,778	
Assistant(s)		67,834	
Other Salaries and Wages		4,620	
Social Security		8,949	
State Retirement		4,734	
Life Insurance		208	
Medical Insurance		8,157	
Employer Medicare		2,093	
Communication		2,671	
Contracts with Private Agencies		126	
Legal Notices, Recording, and Court Costs		816	
Maintenance and Repair Services - Office Equipment		1,533	
Maintenance and Repair Services - Vehicles		58	
Postal Charges		605	
Travel		2,068	
Office Supplies		2,370	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Other Charges	\$	1,001	
Office Equipment		2,383	
Total County Mayor/Executive			\$ 186,004

County Attorney

County Official/Administrative Officer	\$	26,678	
Social Security		1,433	
State Retirement		1,881	
Life Insurance		71	
Medical Insurance		10,447	
Employer Medicare		335	
Contracts with Private Agencies		36	
Legal Notices, Recording, and Court Costs		3,000	
Total County Attorney			43,881

Election Commission

County Official/Administrative Officer	\$	60,437	
Supervisor/Director		28,889	
Data Processing Personnel		27,600	
Overtime Pay		3,181	
Election Commission		22,978	
Election Workers		20,699	
Social Security		6,967	
State Retirement		8,467	
Life Insurance		179	
Medical Insurance		15,761	
Employer Medicare		1,629	
Communication		2,685	
Contracts with Private Agencies		108	
Data Processing Services		10,165	
Legal Notices, Recording, and Court Costs		2,609	
Maintenance and Repair Services - Office Equipment		4,718	
Postal Charges		8,600	
Rentals		1,000	
Transportation - Other than Students		1,239	
Travel		12,683	
Office Supplies		3,141	
Utilities		5,284	
Office Equipment		14,108	
Voting Machines		10,765	
Total Election Commission			273,892

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds

County Official/Administrative Officer	\$	65,607	
Deputy(ies)		35,405	
Data Processing Personnel		53,087	
Social Security		8,755	
State Retirement		10,864	
Life Insurance		282	
Medical Insurance		31,963	
Employer Medicare		2,048	
Communication		2,571	
Contracts with Private Agencies		144	
Dues and Memberships		617	
Maintenance and Repair Services - Office Equipment		2,193	
Postal Charges		3,683	
Rentals		14,052	
Travel		97	
Data Processing Supplies		1,333	
Office Supplies		2,143	
Premiums on Corporate Surety Bonds		100	
Office Equipment		6,248	
Total Register of Deeds			\$ 241,192

County Buildings

Supervisor/Director	\$	39,597	
Custodial Personnel		42,357	
Part-time Personnel		6,068	
Social Security		5,082	
State Retirement		5,778	
Life Insurance		165	
Medical Insurance		17,168	
Employer Medicare		1,189	
Communication		567	
Contracts with Private Agencies		608	
Maintenance and Repair Services - Buildings		23,905	
Maintenance and Repair Services - Equipment		11,989	
Custodial Supplies		13,972	
Electricity		14,345	
Uniforms		1,978	
Water and Sewer		4,903	
Total County Buildings			189,671

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Other Facilities

Maintenance and Repair Services - Buildings	\$	7,957	
Utilities		5,233	
Building and Contents Insurance		472	
Total Other Facilities			\$ 13,662

Finance

Accounting and Budgeting

Supervisor/Director	\$	67,435	
Accountants/Bookkeepers		417,494	
Overtime Pay		1,076	
Social Security		28,363	
State Retirement		32,626	
Life Insurance		711	
Medical Insurance		50,517	
Employer Medicare		6,633	
Communication		5,429	
Contracts with Private Agencies		468	
Data Processing Services		6,183	
Dues and Memberships		1,482	
Maintenance and Repair Services - Equipment		3,704	
Postal Charges		6,913	
Travel		534	
Data Processing Supplies		9,219	
Office Supplies		4,873	
Premiums on Corporate Surety Bonds		175	
Office Equipment		6,371	
Total Accounting and Budgeting			650,206

Property Assessor's Office

County Official/Administrative Officer	\$	67,152	
Assessment Personnel		193,247	
Salary Supplements		1,500	
Social Security		14,762	
State Retirement		18,464	
Life Insurance		464	
Medical Insurance		53,386	
Employer Medicare		3,452	
Communication		4,360	
Consultants		11,500	
Contracts with Private Agencies		288	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Dues and Memberships	\$	1,935	
Legal Services		1,969	
Maintenance and Repair Services - Office Equipment		875	
Maintenance and Repair Services - Vehicles		1,611	
Postal Charges		2,801	
Travel		5,205	
Data Processing Supplies		5,513	
Gasoline		2,491	
Office Supplies		2,959	
Other Charges		4,385	
Office Equipment		1,890	
Total Property Assessor's Office			\$ 400,209

Reappraisal Program

Assessment Personnel	\$	30,314	
Social Security		1,879	
State Retirement		2,137	
Employer Medicare		440	
Total Reappraisal Program			34,770

County Trustee's Office

County Official/Administrative Officer	\$	65,607	
Supervisor/Director		29,966	
Deputy(ies)		37,289	
Data Processing Personnel		25,034	
Part-time Personnel		2,330	
Social Security		9,536	
State Retirement		11,132	
Life Insurance		282	
Medical Insurance		18,461	
Employer Medicare		2,230	
Communication		2,677	
Contracts with Private Agencies		565	
Data Processing Services		4,107	
Dues and Memberships		616	
Legal Notices, Recording, and Court Costs		78	
Maintenance and Repair Services - Office Equipment		596	
Postal Charges		7,282	
Rentals		635	
Travel		1,339	

(Continued)

Exhibit J-7

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

General Fund (Cont.)Finance (Cont.)County Trustee's Office (Cont.)

Office Supplies	\$	2,020	
Premiums on Corporate Surety Bonds		4,892	
Data Processing Equipment		1,243	
Office Equipment		773	
Total County Trustee's Office			\$ 228,690

County Clerk's Office

County Official/Administrative Officer	\$	65,607	
Supervisor/Director		93,605	
Deputy(ies)		37,289	
Data Processing Personnel		47,264	
Clerical Personnel		98,770	
Other Salaries and Wages		10,863	
Social Security		21,136	
State Retirement		23,464	
Life Insurance		695	
Medical Insurance		41,155	
Employer Medicare		4,943	
Communication		6,393	
Contracts with Private Agencies		396	
Data Processing Services		9,457	
Dues and Memberships		632	
Maintenance and Repair Services - Office Equipment		8,199	
Postal Charges		10,125	
Rentals		6,000	
Travel		2,239	
Office Supplies		5,076	
Utilities		1,306	
Premiums on Corporate Surety Bonds		350	
Office Equipment		1,399	
Total County Clerk's Office			496,363

Other Finance

Contracts with Government Agencies	\$	15,000	
Data Processing Services		9,800	
Legal Notices, Recording, and Court Costs		2,869	
Maintenance and Repair Services - Office Equipment		4,362	
Postal Charges		1,520	
Printing, Stationery, and Forms		1,597	
Rentals		4,800	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Other Finance (Cont.)

Data Processing Supplies	\$	9,349	
Library Books/Media		698	
Utilities		4,485	
Other Supplies and Materials		4,445	
Building and Contents Insurance		18,356	
Liability Insurance		70,602	
Trustee's Commission		124,241	
Other Charges		5,255	
Office Equipment		16,391	
Total Other Finance			\$ 293,770

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	65,607	
Supervisor/Director		147,576	
Deputy(ies)		35,103	
Data Processing Personnel		49,026	
Clerical Personnel		7,527	
Part-time Personnel		36,120	
Overtime Pay		4,524	
Other Salaries and Wages		1,485	
Jury and Witness Fees		26,150	
Social Security		20,810	
State Retirement		21,279	
Life Insurance		625	
Medical Insurance		32,035	
Employer Medicare		4,867	
Communication		6,312	
Contracts with Private Agencies		378	
Data Processing Services		4,955	
Dues and Memberships		492	
Operating Lease Payments		6,567	
Maintenance and Repair Services - Office Equipment		4,154	
Matching Share		901	
Postal Charges		4,787	
Travel		4,138	
Office Supplies		10,029	
Uniforms		606	
Premiums on Corporate Surety Bonds		350	
Office Equipment		13,913	
Total Circuit Court			510,316

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

Judge(s)	\$	129,959	
Assistant(s)		26,744	
Social Security		7,848	
State Retirement		11,118	
Life Insurance		128	
Employer Medicare		2,272	
Communication		2,238	
Contracts with Private Agencies		72	
Dues and Memberships		615	
Maintenance and Repair Services - Office Equipment		388	
Postal Charges		125	
Travel		2,000	
Library Books/Media		340	
Office Supplies		577	
Total General Sessions Court			\$ 184,424

Drug Court

Other Salaries and Wages	\$	36,433	
Social Security		2,174	
State Retirement		2,568	
Life Insurance		68	
Employer Medicare		508	
Communication		2,021	
Consultants		1,800	
Contracts with Private Agencies		2,586	
Postal Charges		168	
Rentals		3,000	
Travel		9,396	
Drugs and Medical Supplies		9,670	
Office Supplies		1,710	
Other Supplies and Materials		4,055	
Workers' Compensation Insurance		119	
In Service/Staff Development		1,250	
Other Charges		759	
Office Equipment		1,800	
Total Drug Court			80,085

Chancery Court

County Official/Administrative Officer	\$	65,607
Supervisor/Director		30,802

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Deputy(ies)	\$	34,765	
Data Processing Personnel		27,879	
Overtime Pay		6,062	
Social Security		9,461	
State Retirement		11,641	
Life Insurance		266	
Medical Insurance		22,342	
Employer Medicare		2,213	
Communication		1,923	
Contracts with Private Agencies		144	
Dues and Memberships		592	
Maintenance and Repair Services - Office Equipment		127	
Postal Charges		2,000	
Travel		122	
Office Supplies		5,091	
Premiums on Corporate Surety Bonds		300	
Office Equipment		2,000	
Total Chancery Court			\$ 223,337

District Attorney General

Clerical Personnel	\$	19,226	
Social Security		1,192	
State Retirement		1,355	
Employer Medicare		279	
Contracts with Private Agencies		46,836	
Total District Attorney General			68,888

Other Administration of Justice

Rentals	\$	1,590	
Total Other Administration of Justice			1,590

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	36,085	
Assistant(s)		15,643	
Supervisor/Director		41,273	
Deputy(ies)		385,281	
Detective(s)		107,611	
Lieutenant(s)		37,345	
Sergeant(s)		166,086	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Data Processing Personnel	\$	40,404	
Part-time Personnel		31,170	
Overtime Pay		77,261	
Other Salaries and Wages		2,061	
Other Per Diem and Fees		32,875	
Social Security		56,292	
State Retirement		65,692	
Life Insurance		1,689	
Medical Insurance		199,037	
Employer Medicare		13,165	
Communication		19,776	
Contracts with Private Agencies		2,933	
Dues and Memberships		1,600	
Evaluation and Testing		1,734	
Legal Notices, Recording, and Court Costs		312	
Maintenance and Repair Services - Equipment		3,101	
Maintenance and Repair Services - Vehicles		63,484	
Pest Control		235	
Postal Charges		898	
Rentals		3,318	
Tow-in Services		865	
Travel		2,969	
Gasoline		173,594	
Law Enforcement Supplies		23,912	
Office Supplies		4,708	
Uniforms		10,195	
Liability Insurance		25,752	
Premiums on Corporate Surety Bonds		3,475	
Vehicle and Equipment Insurance		36,894	
In Service/Staff Development		5,447	
Motor Vehicles		32,733	
Total Sheriff's Department			\$ 1,726,905

Special Patrols

Sergeant(s)	\$	1,494
School Resource Officer		156,408
Social Security		8,963
State Retirement		11,132
Life Insurance		399
Medical Insurance		37,223

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Special Patrols (Cont.)

Employer Medicare	\$	2,096	
Contracts with Private Agencies		180	
Evaluation and Testing		132	
Maintenance and Repair Services - Vehicles		4,161	
Gasoline		3,000	
Law Enforcement Supplies		2,730	
Uniforms		5,859	
In Service/Staff Development		2,169	
Motor Vehicles		10,403	
Total Special Patrols			\$ 246,349

Traffic Control

Contracts with Private Agencies	\$	650	
Electricity		98	
Total Traffic Control			748

Drug Enforcement

Motor Vehicles	\$	5,400	
Total Drug Enforcement			5,400

Administration of the Sexual Offender Registry

Other Charges	\$	716	
Total Administration of the Sexual Offender Registry			716

Jail

County Official/Administrative Officer	\$	36,085	
Assistant(s)		15,643	
Supervisor/Director		13,758	
Captain(s)		40,487	
Sergeant(s)		68,596	
Data Processing Personnel		40,404	
Guards		518,462	
Cafeteria Personnel		19,909	
Part-time Personnel		3,653	
Overtime Pay		53,828	
Other Salaries and Wages		681	
Other Per Diem and Fees		19,821	
Social Security		48,761	
State Retirement		57,262	
Life Insurance		1,604	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Medical Insurance	\$	152,910	
Employer Medicare		11,404	
Communication		3,491	
Contracts with Private Agencies		999	
Data Processing Services		9,100	
Evaluation and Testing		4,064	
Maintenance and Repair Services - Buildings		14,251	
Maintenance and Repair Services - Equipment		4,709	
Maintenance and Repair Services - Office Equipment		1,499	
Medical and Dental Services		460,528	
Pest Control		800	
Postal Charges		1,000	
Travel		5,195	
Electricity		85,192	
Food Preparation Supplies		40,545	
Food Supplies		156,633	
Natural Gas		34,187	
Office Supplies		4,665	
Prisoners Clothing		3,545	
Uniforms		1,394	
Water and Sewer		50,154	
Other Supplies and Materials		14,861	
Building and Contents Insurance		14,532	
Liability Insurance		86,405	
Vehicle and Equipment Insurance		4,099	
Workers' Compensation Insurance		23,955	
In Service/Staff Development		1,436	
Communication Equipment		233	
Office Equipment		2,021	
Total Jail			\$ 2,132,761

Juvenile Services

Youth Service Officer(s)	\$	17,523
Other Salaries and Wages		7,080
Social Security		1,525
Employer Medicare		357
Contracts with Government Agencies		10,435
Contracts with Private Agencies		36
Postal Charges		250
Travel		449

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Instructional Supplies and Materials	\$	421	
Other Supplies and Materials		127	
Total Juvenile Services			\$ 38,203

Fire Prevention and Control

Contributions	\$	74,150	
Liability Insurance		4,100	
Vehicle and Equipment Insurance		46,311	
Workers' Compensation Insurance		7,722	
Total Fire Prevention and Control			132,283

Civil Defense

Other Contracted Services	\$	240	
Gasoline		527	
Other Supplies and Materials		22,328	
Vehicle and Equipment Insurance		8,320	
Other Equipment		24,965	
Total Civil Defense			56,380

Rescue Squad

Contributions	\$	24,000	
Liability Insurance		1,426	
Vehicle and Equipment Insurance		24,449	
Workers' Compensation Insurance		4,957	
Total Rescue Squad			54,832

Other Emergency Management

Communication	\$	1,500	
Contracts with Government Agencies		185,105	
Total Other Emergency Management			186,605

County Coroner/Medical Examiner

County Official/Administrative Officer	\$	7,496	
Social Security		303	
Life Insurance		71	
Medical Insurance		8,157	
Employer Medicare		71	
Contracts with Private Agencies		36	
Contracts with Vehicle Owners		7,972	
Total County Coroner/Medical Examiner			24,106

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety

Deputy(ies)	\$	10,572	
Salary Supplements		28,800	
Guards		69,929	
Overtime Pay		9,731	
Social Security		6,451	
State Retirement		3,320	
Medical Insurance		2,886	
Employer Medicare		1,509	
Contracts with Private Agencies		72	
Matching Share		2,688	
Postal Charges		7,239	
Law Enforcement Supplies		9,226	
In Service/Staff Development		5,200	
Law Enforcement Equipment		27,071	
Total Other Public Safety			\$ 184,694

Public Health and Welfare

Local Health Center

Custodial Personnel	\$	12,859
Social Security		629
State Retirement		907
Life Insurance		71
Medical Insurance		8,157
Employer Medicare		147
Communication		4,116
Contracts with Private Agencies		485
Dues and Memberships		250
Operating Lease Payments		2,316
Maintenance and Repair Services - Buildings		8,660
Maintenance and Repair Services - Office Equipment		2,126
Pest Control		490
Postal Charges		994
Custodial Supplies		3,800
Drugs and Medical Supplies		2,283
Electricity		11,687
Natural Gas		3,092
Office Supplies		7,914
Water and Sewer		1,782
Building and Contents Insurance		2,206
In Service/Staff Development		280

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Office Equipment	\$ 1,165	
Total Local Health Center		\$ 76,416

Rabies and Animal Control

Deputy(ies)	\$ 21,822	
Attendants	17,068	
Social Security	2,411	
State Retirement	1,538	
Life Insurance	59	
Employer Medicare	564	
Communication	1,489	
Contracts with Private Agencies	72	
Licenses	100	
Maintenance and Repair Services - Equipment	935	
Maintenance and Repair Services - Vehicles	622	
Disposal Fees	762	
Animal Food and Supplies	746	
Custodial Supplies	1,087	
Drugs and Medical Supplies	1,151	
Gasoline	2,876	
Law Enforcement Supplies	4,799	
Office Supplies	3,982	
Uniforms	219	
Utilities	13,322	
In Service/Staff Development	450	
Office Equipment	212	
Total Rabies and Animal Control		76,286

Dental Health Program

Drugs and Medical Supplies	\$ 6,804	
Health Equipment	331	
Total Dental Health Program		7,135

Alcohol and Drug Programs

Contracts with Private Agencies	\$ 8,269	
Total Alcohol and Drug Programs		8,269

Crippled Children Services

Contributions	\$ 2,764	
Total Crippled Children Services		2,764

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services

Social Workers	\$	104,881	
Medical Personnel		165,883	
Clerical Personnel		85,944	
Social Security		20,710	
State Retirement		23,343	
Life Insurance		705	
Medical Insurance		56,718	
Employer Medicare		4,843	
Contracts with Private Agencies		396	
Travel		15,559	
Liability Insurance		857	
Workers' Compensation Insurance		1,362	
Total Other Local Health Services			\$ 481,201

Appropriation to State

Contracts with Other Public Agencies	\$	24,500	
Maintenance and Repair Services - Buildings		352	
Total Appropriation to State			24,852

General Welfare Assistance

Pauper Burials	\$	4,600	
Other Charges		59,357	
Total General Welfare Assistance			63,957

Postclosure Care Costs

Motor Vehicles	\$	19,510	
Solid Waste Equipment		8,995	
Other Capital Outlay		11,934	
Total Postclosure Care Costs			40,439

Other Public Health and Welfare

Contributions	\$	11,000	
Total Other Public Health and Welfare			11,000

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Assistant(s)	\$	22,310	
Social Security		1,383	
Employer Medicare		324	
Contracts with Private Agencies		54	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Contributions	\$	12,800	
Matching Share		2,576	
Office Supplies		986	
Total Senior Citizens Assistance			\$ 40,433

Libraries

Contributions	\$	38,000	
Total Libraries			38,000

Other Social, Cultural, and Recreational

Contributions	\$	19,600	
Utilities		451	
Total Other Social, Cultural, and Recreational			20,051

Agriculture and Natural Resources

Agriculture Extension Service

Communication	\$	1,730	
Contracts with Government Agencies		47,515	
Maintenance and Repair Services - Office Equipment		702	
Postal Charges		150	
Travel		2,380	
Office Equipment		1,350	
Total Agriculture Extension Service			53,827

Soil Conservation

Dues and Memberships	\$	250	
Total Soil Conservation			250

Other Operations

Airport

Supervisor/Director	\$	15,600	
Medical Insurance		3,207	
Communication		1,238	
Licenses		85	
Maintenance and Repair Services - Buildings		28,211	
Electricity		8,310	
Water and Sewer		299	
Liability Insurance		3,175	
Total Airport			60,125

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

Supervisor/Director	\$	32,042	
Secretary(ies)		27,258	
Clerical Personnel		13,957	
Social Security		4,499	
State Retirement		4,901	
Life Insurance		202	
Medical Insurance		16,129	
Employer Medicare		1,052	
Communication		2,141	
Contracts with Private Agencies		108	
Data Processing Services		765	
Maintenance and Repair Services - Office Equipment		718	
Postal Charges		900	
Travel		4,685	
Office Supplies		1,867	
Uniforms		462	
Office Equipment		2,052	
Total Veterans' Services			\$ 113,738

Contributions to Other Agencies

Contributions	\$	68,118	
Other Supplies and Materials		7,870	
Total Contributions to Other Agencies			75,988

Employee Benefits

Other Salaries and Wages	\$	8,256	
Social Security		512	
State Retirement		240	
Unemployment Compensation		7,352	
Employer Medicare		120	
Data Processing Services		1,573	
Premiums on Corporate Surety Bonds		50	
Workers' Compensation Insurance		41,333	
Total Employee Benefits			59,436

Miscellaneous

Part-time Personnel	\$	20,205	
Social Security		1,253	
Employer Medicare		293	
Travel		424	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Other Supplies and Materials	\$	283	
Other Charges		<u>2,380</u>	
Total Miscellaneous	\$		24,838

Operation of Non-Instructional Services

Food Service

Contributions	\$	<u>106,355</u>	
Total Food Service			<u>106,355</u>

Total General Fund \$ 10,478,726

Solid Waste/Sanitation Fund

Public Health and Welfare

Rabies and Animal Control

Supervisor/Director	\$	1,799	
Deputy(ies)		4,385	
Attendants		2,807	
Social Security		551	
State Retirement		436	
Life Insurance		12	
Medical Insurance		248	
Employer Medicare		129	
Communication		273	
Maintenance and Repair Services - Equipment		65	
Drugs and Medical Supplies		1,165	
Gasoline		419	
Law Enforcement Supplies		1,460	
Utilities		1,238	
Building and Contents Insurance		1,045	
Vehicle and Equipment Insurance		<u>1,670</u>	
Total Rabies and Animal Control	\$		17,702

Sanitation Management

Supervisor/Director	\$	48,203	
Data Processing Personnel		50,223	
Other Salaries and Wages		3,645	
Social Security		5,629	
State Retirement		7,116	
Life Insurance		212	
Medical Insurance		22,031	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Unemployment Compensation	\$	12,017	
Employer Medicare		1,316	
Communication		469	
Contracts with Private Agencies		108	
Postal Charges		500	
Travel		133	
Disposal Fees		39,955	
Office Supplies		349	
Building and Contents Insurance		4,741	
Liability Insurance		20,523	
Trustee's Commission		43,340	
Vehicle and Equipment Insurance		34,809	
Workers' Compensation Insurance		71,539	
Total Sanitation Management			\$ 366,858

Sanitation Education/Information

Deputy(ies)	\$	55,971	
Other Salaries and Wages		4,800	
Social Security		3,695	
State Retirement		4,285	
Life Insurance		141	
Medical Insurance		10,447	
Employer Medicare		865	
Communication		1,619	
Contracts with Private Agencies		72	
Maintenance and Repair Services - Vehicles		1,060	
Gasoline		8,584	
Instructional Supplies and Materials		2,296	
Uniforms		500	
Total Sanitation Education/Information			94,335

Convenience Centers

Foremen	\$	37,664	
Mechanic(s)		24,993	
Truck Drivers		149,889	
Attendants		281,425	
Overtime Pay		16,492	
Other Salaries and Wages		8,552	
Other Per Diem and Fees		15,250	
Social Security		31,411	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

State Retirement	\$	34,200	
Life Insurance		1,258	
Medical Insurance		108,425	
Employer Medicare		7,346	
Communication		5,559	
Contracts with Private Agencies		422,404	
Maintenance and Repair Services - Buildings		1,400	
Maintenance and Repair Services - Equipment		2,810	
Maintenance and Repair Services - Vehicles		38,854	
Rentals		8,589	
Custodial Supplies		945	
Diesel Fuel		138,589	
Gasoline		2,578	
Office Supplies		205	
Uniforms		8,768	
Utilities		6,503	
Site Development		9,252	
Other Capital Outlay		4,250	
Total Convenience Centers			\$ 1,367,611

Transfer Stations

Equipment Operators	\$	24,743	
Overtime Pay		1,365	
Other Salaries and Wages		221	
Other Per Diem and Fees		941	
Social Security		1,439	
State Retirement		1,923	
Life Insurance		65	
Medical Insurance		9,004	
Employer Medicare		337	
Contracts with Private Agencies		36	
Licenses		1,033	
Rentals		690	
Solid Waste Equipment		25,000	
Total Transfer Stations			66,797

Recycling Center

Foremen	\$	31,790
Equipment Operators		24,360
Truck Drivers		50,202

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center (Cont.)

Laborers	\$	49,357	
Overtime Pay		583	
Other Salaries and Wages		265	
Other Per Diem and Fees		1,322	
Social Security		9,116	
State Retirement		11,110	
Life Insurance		373	
Medical Insurance		29,320	
Employer Medicare		2,132	
Communication		2,160	
Contracts with Private Agencies		234	
Maintenance and Repair Services - Buildings		791	
Maintenance and Repair Services - Equipment		4,461	
Maintenance and Repair Services - Vehicles		10,029	
Pest Control		310	
Custodial Supplies		1,271	
Diesel Fuel		16,376	
Gasoline		5,390	
Office Supplies		888	
Propane Gas		459	
Uniforms		8,979	
Utilities		11,957	
Wire		2,904	
Solid Waste Equipment		4,850	
Total Recycling Center			\$ 280,989

Other Waste Disposal

Foremen	\$	26,831
Equipment Operators		36,485
Nightwatchmen		17,354
Overtime Pay		2,246
Other Salaries and Wages		3,489
Other Per Diem and Fees		2,880
Social Security		5,050
State Retirement		5,820
Life Insurance		255
Medical Insurance		20,163
Employer Medicare		1,181
Contracts with Private Agencies		180
Licenses		2,083

(Continued)

Exhibit J-7

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

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

Utilities	\$ 4,040	
Total Other Waste Disposal		\$ 128,057

Total Solid Waste/Sanitation Fund		\$ 2,322,349
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Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

Supervisor/Director	\$ 4,898
Medical Personnel	692,548
Clerical Personnel	68,755
Maintenance Personnel	19,333
Part-time Personnel	119,950
Overtime Pay	68,615
Other Per Diem and Fees	19,866
Social Security	58,670
State Retirement	60,608
Life Insurance	1,616
Medical Insurance	146,065
Unemployment Compensation	6
Employer Medicare	13,721
Communication	14,767
Contracts with Government Agencies	91,667
Contracts with Private Agencies	1,350
Data Processing Services	6,600
Dues and Memberships	270
Operating Lease Payments	1,060
Licenses	1,100
Maintenance and Repair Services - Buildings	978
Maintenance and Repair Services - Equipment	7,735
Maintenance and Repair Services - Vehicles	17,868
Medical and Dental Services	12,500
Postal Charges	3,045
Travel	660
Custodial Supplies	2,811
Diesel Fuel	67,819
Drugs and Medical Supplies	38,393
Gasoline	2,157
Office Supplies	2,769
Uniforms	3,275

(Continued)

Exhibit J-7

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Utilities	\$	13,249	
Building and Contents Insurance		2,899	
Liability Insurance		11,308	
Trustee's Commission		20,995	
Vehicle and Equipment Insurance		8,199	
Workers' Compensation Insurance		83,870	
In Service/Staff Development		5,173	
Other Charges		753	
Building Improvements		1,762	
Office Equipment		5,967	
Health Equipment		96,730	
Total Ambulance/Emergency Medical Services			\$ 1,802,380

Total Ambulance Service Fund \$ 1,802,380

Industrial/Economic Development Fund

General Government

Development

Board and Committee Members Fees	\$	3,629	
Social Security		101	
State Retirement		74	
Employer Medicare		24	
Travel		269	
Other Charges		1,525	
Total Development			\$ 5,622

Planning

Board and Committee Members Fees	\$	8,300	
Social Security		171	
State Retirement		49	
Employer Medicare		40	
Contributions		11,250	
Legal Services		3,539	
Total Planning			23,349

Other Facilities

Contracts with Private Agencies	\$	1,915	
Maintenance and Repair Services - Equipment		575	
Total Other Facilities			2,490

(Continued)

Exhibit J-7

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

Industrial/Economic Development Fund (Cont.)

Other Operations

Tourism

Contributions	\$ 45,000	
Total Tourism		\$ 45,000

Industrial Development

Communication	\$ 1,210	
Contributions	42,000	
Dues and Memberships	4,056	
Legal Notices, Recording, and Court Costs	253	
Asphalt - Hot Mix	11,595	
Other Supplies and Materials	717	
Building and Contents Insurance	4,541	
Trustee's Commission	3,173	
Other Charges	1,280	
Total Industrial Development		68,825

Other Economic and Community Development

Supervisor/Director	\$ 37,734	
Part-time Personnel	17,314	
Other Salaries and Wages	50,522	
Social Security	6,124	
State Retirement	5,755	
Life Insurance	164	
Medical Insurance	17,650	
Employer Medicare	1,432	
Contracts with Private Agencies	54	
Fiscal Agent Charges	16,735	
Postal Charges	230	
Travel	5,267	
Office Supplies	226	
Workers' Compensation Insurance	1,120	
Other Charges	150,801	
Total Other Economic and Community Development		311,128

Total Industrial/Economic Development Fund \$ 456,414

Drug Control Fund

Public Safety

Drug Enforcement

Overtime Pay	\$ 17,088
Social Security	1,060

(Continued)

Exhibit J-7

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

State Retirement	\$	1,205	
Employer Medicare		248	
Communication		2,532	
Operating Lease Payments		9,521	
Maintenance and Repair Services - Vehicles		3,916	
Postal Charges		54	
Rentals		2,160	
Tow-in Services		265	
Travel		452	
Animal Food and Supplies		1,317	
Diesel Fuel		531	
Gasoline		7,590	
Law Enforcement Supplies		8,247	
Uniforms		1,785	
Workers' Compensation Insurance		671	
In Service/Staff Development		4,000	
Motor Vehicles		39,906	
Total Drug Enforcement			\$ 102,548
Total Drug Control Fund			\$ 102,548

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	22,375	
Total Chancery Court			\$ 22,375

Total Constitutional Officers - Fees Fund 22,375

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	72,169	
Assistant(s)		53,369	
Social Security		7,613	
State Retirement		8,049	
Life Insurance		134	
Medical Insurance		8,157	
Employer Medicare		1,781	
Contracts with Private Agencies		90	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Dues and Memberships	\$	3,971	
Maintenance and Repair Services - Equipment		363	
Postal Charges		272	
Printing, Stationery, and Forms		198	
Travel		125	
Office Supplies		718	
Total Administration			\$ 157,009

Highway and Bridge Maintenance

Foremen	\$	99,347	
Equipment Operators		108,929	
Truck Drivers		186,323	
Laborers		156,132	
Overtime Pay		17,166	
Social Security		32,928	
State Retirement		40,011	
Life Insurance		1,303	
Medical Insurance		107,527	
Employer Medicare		7,701	
Contracts with Private Agencies		51,243	
Asphalt - Cold Mix		38,342	
Asphalt - Hot Mix		324,696	
Asphalt - Liquid		169,709	
Concrete		1,440	
Fertilizer, Lime, and Seed		1,304	
General Construction Materials		2,203	
Pipe - Metal		23,112	
Road Signs		7,960	
Structural Steel		5,081	
Wood Products		480	
Other Charges		4,348	
Total Highway and Bridge Maintenance			1,387,285

Operation and Maintenance of Equipment

Mechanic(s)	\$	55,228
Laborers		48,352
Overtime Pay		279
Social Security		5,739
State Retirement		7,322
Life Insurance		266

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Medical Insurance	\$	29,925	
Employer Medicare		1,342	
Contracts with Private Agencies		144	
Diesel Fuel		380,677	
Equipment Parts - Heavy		3,898	
Equipment and Machinery Parts		36,511	
Garage Supplies		349	
Gasoline		303,607	
Lubricants		7,759	
Natural Gas		4,146	
Tires and Tubes		19,405	
Total Operation and Maintenance of Equipment			\$ 904,949

Quarry Operations

Foremen	\$	27,791	
Truck Drivers		23,761	
Laborers		51,761	
Overtime Pay		173	
Social Security		6,024	
State Retirement		7,296	
Life Insurance		299	
Medical Insurance		19,512	
Employer Medicare		1,409	
Contracts with Private Agencies		144	
Explosive and Drilling Services		28,577	
Licenses		5,907	
Electricity		33,401	
Total Quarry Operations			206,055

Traffic Control

Contracts with Private Agencies	\$	3,461	
Asphalt - Hot Mix		148,854	
Other Capital Outlay		30,093	
Total Traffic Control			182,408

Other Charges

Communication	\$	8,982	
Electricity		4,390	
Uniforms		16,258	
Water and Sewer		756	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Building and Contents Insurance	\$	2,730	
Liability Insurance		31,554	
Trustee's Commission		32,014	
Vehicle and Equipment Insurance		31,029	
Total Other Charges			\$ 127,713

Employee Benefits

Unemployment Compensation	\$	2,509	
Medical and Dental Services		118	
Workers' Compensation Insurance		52,540	
Total Employee Benefits			55,167

Capital Outlay

Highway Equipment	\$	169,843	
State Aid Projects		489,327	
Other Capital Outlay		9,831	
Total Capital Outlay			669,001

Principal on Debt

Highways and Streets

Principal on Notes	\$	27,530	
Total Highways and Streets			27,530

Interest on Debt

Highways and Streets

Interest on Notes	\$	1,008	
Total Highways and Streets			1,008

Total Highway/Public Works Fund \$ 3,718,125

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	124,120	
Total General Government			\$ 124,120

Highways and Streets

Principal on Notes	\$	50,000	
Total Highways and Streets			50,000

(Continued)

Exhibit J-7

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

Principal on Bonds	\$ 1,405,880	
Principal on Notes	500,000	
Principal on Other Loans	150,000	
Total Education		\$ 2,055,880

Interest on Debt

General Government

Interest on Bonds	\$ 11,463	
Interest on Other Loans	210,179	
Total General Government		221,642

Highways and Streets

Interest on Notes	\$ 19,106	
Total Highways and Streets		19,106

Education

Interest on Bonds	\$ 93,572	
Interest on Notes	57,506	
Interest on Other Loans	1,303,340	
Total Education		1,454,418

Other Debt Service

General Government

Trustee's Commission	\$ 27,676	
Underwriter's Discount	67,061	
Other Debt Issuance Charges	180,072	
Other Debt Service	1,870	
Total General Government		276,679

Total General Debt Service Fund \$ 4,201,845

General Capital Projects Fund

Capital Projects

General Administration Projects

Engineering Services	\$ 2,850	
Trustee's Commission	9,006	
Building Improvements	51,542	
Site Development	5,984	
Total General Administration Projects		\$ 69,382

(Continued)

Exhibit J-7

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Safety Projects

Motor Vehicles	\$ 70,349	
Total Public Safety Projects		\$ 70,349

Public Health and Welfare Projects

Site Development	\$ 11,643	
Total Public Health and Welfare Projects		11,643

Social, Cultural, and Recreation Projects

Engineering Services	\$ 14,158	
Matching Share	51,204	
Other Capital Outlay	1,492	
Total Social, Cultural, and Recreation Projects		66,854

Highway and Street Capital Projects

Contracts with Private Agencies	\$ 21,239	
Bridge Construction	7,620	
Total Highway and Street Capital Projects		28,859

Total General Capital Projects Fund		\$ 247,087
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Other Capital Projects Fund

Capital Projects

Public Safety Projects

Matching Share	\$ 57,977	
Airport Improvement	519,842	
Total Public Safety Projects		\$ 577,819

Public Health and Welfare Projects

Engineering Services	\$ 24,489	
Other Construction	455	
Other Capital Outlay	449,541	
Total Public Health and Welfare Projects		474,485

Highway and Street Capital Projects

Asphalt - Hot Mix	\$ 999,939	
Total Highway and Street Capital Projects		999,939

Education Capital Projects

Architects	\$ 80,290	
Building Construction	3,880,415	
Motor Vehicles	50,000	
Total Education Capital Projects		4,010,705

Total Other Capital Projects Fund		6,062,948
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Total Governmental Funds - Primary Government		<u>\$ 29,414,797</u>
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Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 11,116,553	
Career Ladder Program	220,976	
Career Ladder Extended Contracts	87,555	
Homebound Teachers	44,528	
Educational Assistants	343,182	
Other Salaries and Wages	119,630	
Certified Substitute Teachers	54,226	
Non-certified Substitute Teachers	236,418	
Social Security	713,530	
State Retirement	737,181	
Life Insurance	26,202	
Medical Insurance	2,250,428	
Unemployment Compensation	7,828	
Employer Medicare	167,008	
Instructional Supplies and Materials	130,428	
Textbooks	498,355	
Other Supplies and Materials	8,303	
Other Charges	3,250	
Regular Instruction Equipment	14,994	
Total Regular Instruction Program		\$ 16,780,575

Alternative Instruction Program

Teachers	\$ 145,603	
Social Security	8,738	
State Retirement	9,080	
Life Insurance	259	
Medical Insurance	10,528	
Employer Medicare	2,044	
Total Alternative Instruction Program		176,252

Special Education Program

Teachers	\$ 1,320,309
Career Ladder Program	21,000
Career Ladder Extended Contracts	13,000
Homebound Teachers	36,477
Educational Assistants	70,891
Certified Substitute Teachers	660
Non-certified Substitute Teachers	32,563
Social Security	87,950

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

State Retirement	\$	90,434	
Life Insurance		3,239	
Medical Insurance		267,403	
Employer Medicare		20,569	
Contracts with Private Agencies		49,925	
Instructional Supplies and Materials		9,875	
Special Education Equipment		4,332	
Total Special Education Program			\$ 2,028,627

Vocational Education Program

Teachers	\$	1,070,306	
Career Ladder Program		12,800	
Non-certified Substitute Teachers		24,778	
Social Security		65,387	
State Retirement		67,585	
Life Insurance		2,581	
Medical Insurance		211,187	
Employer Medicare		15,292	
Maintenance and Repair Services - Equipment		5,316	
Instructional Supplies and Materials		26,635	
Vocational Instruction Equipment		25,485	
Total Vocational Education Program			1,527,352

Adult Education Program

Teachers	\$	45,137	
Other Salaries and Wages		20,869	
Social Security		4,092	
State Retirement		470	
Employer Medicare		957	
Instructional Supplies and Materials		2,287	
Other Equipment		1,999	
Total Adult Education Program			75,811

Support Services

Attendance

Supervisor/Director	\$	38,239	
Career Ladder Program		3,000	
Career Ladder Extended Contracts		4,000	
Clerical Personnel		13,853	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Social Security	\$	3,619	
State Retirement		3,796	
Life Insurance		82	
Medical Insurance		2,191	
Employer Medicare		846	
Travel		489	
Total Attendance			\$ 70,115

Health Services

Medical Personnel	\$	123,907	
Other Salaries and Wages		43,910	
Social Security		9,592	
State Retirement		9,340	
Life Insurance		357	
Medical Insurance		39,018	
Employer Medicare		2,243	
Communication		819	
Travel		6,596	
Drugs and Medical Supplies		1,999	
Other Supplies and Materials		48,476	
Total Health Services			286,257

Other Student Support

Career Ladder Program	\$	11,000	
Guidance Personnel		550,289	
Career Ladder Extended Contracts		3,500	
Social Workers		16,650	
Attendants		51,836	
Other Salaries and Wages		163,500	
Social Security		47,242	
State Retirement		49,746	
Life Insurance		1,289	
Medical Insurance		100,526	
Employer Medicare		11,049	
Evaluation and Testing		22,160	
Other Contracted Services		166,563	
Total Other Student Support			1,195,350

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	150,197	
Career Ladder Program		13,410	
Librarians		393,389	
Materials Supervisor		42,935	
Instructional Computer Personnel		90,859	
Secretary(ies)		27,706	
Educational Assistants		34,860	
Other Salaries and Wages		25,010	
Non-certified Substitute Teachers		990	
Social Security		46,196	
State Retirement		50,017	
Life Insurance		1,382	
Medical Insurance		112,007	
Employer Medicare		10,804	
Maintenance and Repair Services - Equipment		32,140	
Travel		15,180	
Library Books/Media		46,564	
Other Supplies and Materials		74,524	
In Service/Staff Development		794	
Other Charges		52,457	
Other Equipment		132,814	
Total Regular Instruction Program			\$ 1,354,235

Special Education Program

Supervisor/Director	\$	76,478	
Career Ladder Program		5,000	
Psychological Personnel		46,206	
Assessment Personnel		99,912	
Clerical Personnel		53,298	
Social Security		16,967	
State Retirement		17,942	
Life Insurance		435	
Medical Insurance		23,716	
Employer Medicare		3,968	
Maintenance and Repair Services - Equipment		1,069	
Travel		20,888	
Other Supplies and Materials		793	
In Service/Staff Development		10,380	
Other Charges		10,783	
Total Special Education Program			387,835

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

Supervisor/Director	\$	76,478	
Career Ladder Program		2,000	
Career Ladder Extended Contracts		2,000	
Secretary(ies)		27,706	
Social Security		6,575	
State Retirement		6,968	
Life Insurance		143	
Medical Insurance		4,382	
Employer Medicare		1,538	
Travel		12,428	
Other Charges		1,713	
Total Vocational Education Program			\$ 141,931

Adult Programs

Clerical Personnel	\$	24,864	
Social Security		1,433	
State Retirement		1,753	
Life Insurance		71	
Medical Insurance		3,692	
Employer Medicare		335	
Travel		3,000	
In Service/Staff Development		1,064	
Other Charges		9,630	
Total Adult Programs			45,842

Other Programs

On-Behalf Payments to OPEB	\$	276,802	
Total Other Programs			276,802

Board of Education

Secretary to Board	\$	6,000	
Other Salaries and Wages		7,845	
Board and Committee Members Fees		62,259	
Social Security		4,708	
State Retirement		1,177	
Life Insurance		428	
Medical Insurance		83,434	
Employer Medicare		1,101	
Audit Services		14,000	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Dues and Memberships	\$	6,198	
Legal Services		25,391	
Travel		21,771	
Other Contracted Services		7,665	
Liability Insurance		78,029	
Premiums on Corporate Surety Bonds		12	
Trustee's Commission		200,179	
Workers' Compensation Insurance		197,159	
Criminal Investigation of Applicants - TBI		9,456	
Total Board of Education			\$ 726,812

Director of Schools

County Official/Administrative Officer	\$	99,978	
Assistant(s)		2,000	
Career Ladder Program		3,000	
Secretary(ies)		27,706	
Clerical Personnel		24,296	
Other Salaries and Wages		2,400	
Social Security		9,351	
State Retirement		10,378	
Life Insurance		203	
Medical Insurance		7,667	
Unemployment Compensation		10,115	
Employer Medicare		2,266	
Communication		9,751	
Dues and Memberships		2,276	
Postal Charges		5,500	
Travel		1,983	
Other Contracted Services		78	
Office Supplies		5,613	
Total Director of Schools			224,561

Office of the Principal

Principals	\$	805,998	
Career Ladder Program		25,000	
Career Ladder Extended Contracts		6,000	
Assistant Principals		479,301	
Secretary(ies)		358,155	
Other Salaries and Wages		57,775	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Social Security	\$	101,708	
State Retirement		110,706	
Life Insurance		3,063	
Medical Insurance		282,421	
Employer Medicare		23,787	
Other Charges		11,432	
Total Office of the Principal			\$ 2,265,346

Fiscal Services

Other Charges	\$	98,684	
Total Fiscal Services			98,684

Operation of Plant

Custodial Personnel	\$	855,722	
Social Security		48,031	
State Retirement		59,503	
Life Insurance		2,636	
Medical Insurance		239,132	
Employer Medicare		11,233	
Other Contracted Services		14,914	
Custodial Supplies		65,603	
Electricity		1,056,777	
Natural Gas		236,383	
Water and Sewer		189,941	
Building and Contents Insurance		232,600	
Total Operation of Plant			3,012,475

Maintenance of Plant

Supervisor/Director	\$	42,239	
Maintenance Personnel		276,546	
Social Security		17,898	
State Retirement		21,776	
Life Insurance		702	
Medical Insurance		85,346	
Employer Medicare		4,186	
Maintenance and Repair Services - Buildings		127,625	
Maintenance and Repair Services - Vehicles		2,110	
Other Contracted Services		380	
Gasoline		12,208	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Other Supplies and Materials	\$ 21,868	
Total Maintenance of Plant		\$ 612,884

Transportation

Supervisor/Director	\$ 36,917	
Bus Drivers	19,370	
Clerical Personnel	13,853	
Social Security	4,290	
State Retirement	3,277	
Life Insurance	321	
Medical Insurance	18,036	
Employer Medicare	1,003	
Contracts with Vehicle Owners	1,016,731	
Maintenance and Repair Services - Vehicles	1,302	
Medical and Dental Services	3,384	
Gasoline	2,579	
Vehicle and Equipment Insurance	60,972	
Other Charges	2,706	
Total Transportation		1,184,741

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$ 47,926	
Other Salaries and Wages	176,894	
Non-certified Substitute Teachers	2,400	
Social Security	13,581	
State Retirement	11,228	
Life Insurance	176	
Medical Insurance	23,787	
Employer Medicare	3,177	
Travel	11,901	
Other Contracted Services	40,222	
Food Supplies	1,463	
Instructional Supplies and Materials	33,667	
Other Supplies and Materials	249,433	
In Service/Staff Development	2,719	
Other Charges	3,286	
Total Community Services		621,860

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Teachers	\$	393,119	
Career Ladder Program		6,000	
Educational Assistants		114,529	
Non-certified Substitute Teachers		7,343	
Social Security		30,277	
State Retirement		31,834	
Life Insurance		1,664	
Medical Insurance		128,425	
Employer Medicare		7,081	
Other Supplies and Materials		130,822	
In Service/Staff Development		5,516	
Other Charges		20,204	
Other Equipment		49,467	
Total Early Childhood Education			\$ 926,281

Capital Outlay

Regular Capital Outlay

Architects	\$	16,906	
Other Contracted Services		111,389	
Other Charges		51,701	
Building Construction		1,583,156	
Building Improvements		26,000	
Other Capital Outlay		773,145	
Total Regular Capital Outlay			2,562,297

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	1,807,506	
Total Education			1,807,506

Total General Purpose School Fund \$ 38,390,431

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	1,202,311
Educational Assistants		161,638
Other Salaries and Wages		18,100
Certified Substitute Teachers		220

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Non-certified Substitute Teachers	\$	30,003	
Social Security		83,061	
State Retirement		83,808	
Life Insurance		3,366	
Medical Insurance		268,311	
Employer Medicare		19,438	
Instructional Supplies and Materials		400,461	
Other Supplies and Materials		78,624	
Total Regular Instruction Program			\$ 2,349,341

Special Education Program

Teachers	\$	223,367	
Educational Assistants		370,271	
Other Salaries and Wages		14,191	
Social Security		33,757	
State Retirement		39,078	
Life Insurance		1,998	
Medical Insurance		197,954	
Employer Medicare		7,886	
Contracts with Private Agencies		78,852	
Other Supplies and Materials		32,879	
Total Special Education Program			1,000,233

Vocational Education Program

Educational Assistants	\$	22,604	
Other Salaries and Wages		1,700	
Social Security		1,212	
State Retirement		1,700	
Life Insurance		122	
Medical Insurance		14,080	
Employer Medicare		283	
Other Supplies and Materials		65,864	
Vocational Instruction Equipment		8,613	
Total Vocational Education Program			116,178

Support Services

Health Services

Medical Personnel	\$	36,048	
Social Security		2,235	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

State Retirement	\$	2,108	
Life Insurance		126	
Employer Medicare		523	
Total Health Services			\$ 41,040

Other Student Support

Social Workers	\$	27,526	
Other Salaries and Wages		3,500	
Social Security		1,938	
State Retirement		1,253	
Life Insurance		72	
Employer Medicare		453	
Other Contracted Services		15,852	
Other Supplies and Materials		28,416	
In Service/Staff Development		3,245	
Total Other Student Support			82,255

Regular Instruction Program

Supervisor/Director	\$	78,453	
Secretary(ies)		27,706	
Clerical Personnel		24,864	
Other Salaries and Wages		252,836	
In-Service Training		24,907	
Non-certified Substitute Teachers		4,482	
Social Security		24,640	
State Retirement		24,407	
Life Insurance		649	
Medical Insurance		74,503	
Employer Medicare		5,763	
Maintenance and Repair Services - Equipment		2,925	
Travel		13,700	
Instructional Supplies and Materials		14,692	
Library Books/Media		8,897	
Other Supplies and Materials		79,502	
In Service/Staff Development		284,963	
Other Charges		2,249	
Total Regular Instruction Program			950,138

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Psychological Personnel	\$	78,283	
Clerical Personnel		23,649	
Social Security		5,911	
State Retirement		5,851	
Life Insurance		183	
Medical Insurance		20,089	
Employer Medicare		1,353	
In Service/Staff Development		11,121	
Total Special Education Program			\$ 146,440

Vocational Education Program

Travel	\$	36,975	
Other Supplies and Materials		7,145	
In Service/Staff Development		13,085	
Total Vocational Education Program			57,205

Transportation

Bus Drivers	\$	30,306	
Other Salaries and Wages		9,872	
Social Security		2,491	
State Retirement		770	
Employer Medicare		583	
Maintenance and Repair Services - Vehicles		5,515	
Diesel Fuel		9,296	
Gasoline		16,196	
Total Transportation			75,029

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	2,400	
Social Security		149	
State Retirement		94	
Employer Medicare		35	
Total Community Services			2,678

Early Childhood Education

Teachers	\$	33,278	
Educational Assistants		10,703	
Social Security		2,558	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

State Retirement	\$	2,831	
Life Insurance		165	
Medical Insurance		10,024	
Employer Medicare		598	
Total Early Childhood Education			\$ 60,157

Total School Federal Projects Fund \$ 4,880,694

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	73,833	
Accountants/Bookkeepers		24,940	
Clerical Personnel		46,807	
Cafeteria Personnel		904,550	
Other Salaries and Wages		93,160	
Social Security		66,662	
State Retirement		66,634	
Life Insurance		4,367	
Medical Insurance		229,111	
Unemployment Compensation		182	
Employer Medicare		15,591	
Communication		8,112	
Maintenance and Repair Services - Equipment		12,496	
Travel		2,498	
Other Contracted Services		30,532	
Food Preparation Supplies		135,893	
Food Supplies		1,116,455	
Other Supplies and Materials		7,506	
In Service/Staff Development		567	
Other Charges		65,280	
Food Service Equipment		206,596	
Total Food Service			\$ 3,111,772

Total Central Cafeteria Fund 3,111,772

Total Governmental Funds - Campbell County School Department \$ 46,382,897

Exhibit J-9

Campbell County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2008

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 3,219,220
Total Cash Receipts	<u>\$ 3,219,220</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 3,187,028
Trustee's Commission	32,192
Total Cash Disbursements	<u>\$ 3,219,220</u>
 Excess of Cash Receipts Over (Under)	
Cash Disbursements	\$ 0
Cash Balance, July 1, 2007	<u>0</u>
 Cash Balance, June 30, 2008	<u><u>\$ 0</u></u>

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

February 4, 2009

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of and for the year ended June 30, 2008, which collectively comprise Campbell County's basic financial statements and have issued our report thereon dated February 4, 2009. Our report on the aggregate discretely presented component units was qualified due to not including the financial statements of the Campbell County Emergency Communications District, which were not available from other auditors as of the date of this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Campbell 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 Campbell County's internal control over financial

reporting. Accordingly, we do not express an opinion on the effectiveness of Campbell 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 and 08.03.

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 Campbell 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 item 08.01 to be a material weakness.

Compliance and Other Matters

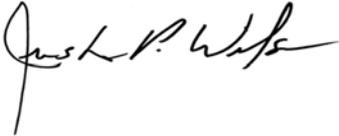
As part of obtaining reasonable assurance about whether Campbell County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and is described in the accompanying Schedule of Findings and Questioned Costs as item 08.02.

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

Campbell 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 Campbell 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, director of finance, Financial Management Committee, County Commission, Board of Education, others within Campbell 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 prominent initial "J" and "W".

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

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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

February 4, 2009

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

To the County Mayor and Board of County Commissioners:

Compliance

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

In our opinion, Campbell 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 Campbell County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Campbell County's internal control over compliance with the 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 Campbell 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 weaknesses. 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

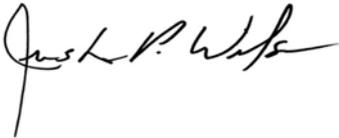
We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County as of and for the year ended June 30, 2008, and have issued our report thereon dated February 4, 2009. Our report on the aggregate discretely presented component units was qualified due to not including the financial statements of the Campbell County Emergency Communications District, which were not available from other auditors as of the date of this report. Our audit was performed for the purpose of

forming our opinions on the financial statements that collectively comprise Campbell 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.

Campbell 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 Campbell 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, director of finance, Financial Management Committee, County Commission, Board of Education, others within Campbell County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Yours very truly,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a long vertical stroke at the end.

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

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Campbell County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
Year Ended June 30, 2008

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 145,573 (3)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	498,551
National School Lunch Program	10.555	N/A	1,452,578 (3)
Total U.S. Department of Agriculture			<u>\$ 2,096,702</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
HOME Investment Partnerships Program	14.239	HM-06-08	\$ 468,988
Total U.S. Department of Housing and Urban Development			<u>\$ 468,988</u>
U.S. Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 29,527
Total U.S. Department of Justice			<u>\$ 29,527</u>
U.S. Department of Labor:			
Passed-through State Department of Labor and			
Workforce Development:			
WIA Cluster:			
WIA Adult Program	17.258	N/A	\$ 136,074
WIA Youth Activities	17.259	N/A	104,901
WIA Dislocated Workers	17.260	N/A	71,962
Total U.S. Department of Labor			<u>\$ 312,937</u>
U.S. Department of Highway Administration:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	Z-07-037606-00	\$ 493,838
Total U.S. Department of Highway Administration			<u>\$ 493,838</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Adult Education - State Grant Program	84.002	Z-07-033719-00	\$ 104,990
Title I Grants to Local Educational Agencies	84.010	N/A	2,138,688
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,317,360
Special Education - Preschool Grants	84.173	N/A	51,029
Career and Technical Education - Basic Grants to States	84.048	N/A	174,787
Safe and Drug Free Schools and Communities - State Grants	84.186	(2)	36,427
State Grants for Innovative Programs	84.298	(2)	20,958
Education Technology State Grants	84.318	(2)	19,366
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	155,000
Reading First State Grants	84.357	N/A	500,602
Rural Education	84.358	N/A	253,949
Improving Teacher Quality State Grants	84.367	N/A	502,269
Total U.S. Department of Education			<u>\$ 5,275,425</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	GG-07-20956-00	\$ 24,965
Total U.S. Department of Homeland Security			<u>\$ 24,965</u>
Total Expenditures of Federal Awards			<u>\$ 8,702,382</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Reappraisal Program - Comptroller of the Treasury	N/A	(2)	\$ 21,805
Waste Tire Program - State Department of Environment and Conservation	N/A	(2)	28,800
Litter Program - State Department of Transportation	N/A	(2)	14,107
Airport Maintenance - State Department of Transportation	N/A	(2)	9,770
Aging Program - State Commission on Aging	N/A	(2)	10,827
Local Health Services - State Department of Health	N/A	(2)	502,703
Juvenile Service Program - State Commission on Children and Youth	N/A	(2)	6,750
Safe Schools Act - State Department of Education	N/A	(2)	56,880
Early Childhood Education Program - State Department of Education	N/A	(2)	272,462
Community Enhancement Grant Program - Archives - Tennessee Secretary of State	N/A	(2)	5,000
Community Enhancement Grant Program - High School Bands - Tennessee Secretary of State	N/A	(2)	4,000
Community Enhancement Grant Program - White Bridge Project - Tennessee Secretary of State	N/A	(2)	6,500
Community Enhancement Grant Program - Boys and Girls Club - Tennessee Secretary of State	N/A	(2)	9,000
Security Enhancement Grant - Administrative Office of the Courts	N/A	(2)	30,000
Drug Grant - State Department of Finance and Administration	N/A	(2)	48,459
Driver's Education - State Department of Education	N/A	(2)	32,379
Imagination Library - State Department of Economic and Community Development	N/A	(2)	2,000
Local Parks and Recreation Grant - State Department of Environment and Conservation	N/A	(2)	14,950
Family Resource Center State Grant - State Department of Education	N/A	(2)	64,053
Lottery for Education: After School Program	N/A	(2)	315,000
Lottery for Education: Preschool	N/A	(2)	<u>363,859</u>
Total State Grants			<u>\$ 1,819,304</u>

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

- (1) Presented in conformity with general accepted accounting principles using the modified accrual basis of accounting.
(2) Information not available.
(3) Total for CFDA No. 10.555 is \$1,598,151.

Campbell 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 Campbell County, Tennessee, for the year ended June 30, 2007, which have not been corrected.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
07.03	183	Docket trial balances were not reconciled with cash control records

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
07.04	184	Duties were not segregated adequately in the Offices of Trustee, County Clerk, Clerk and Master, Register, and Sheriff

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CAMPBELL COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2008

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the aggregate discretely presented component units is qualified. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.
2. The audit of the financial statements of Campbell County disclosed significant deficiencies in internal control. One of these significant deficiencies was considered to be a material weakness.
3. The audit disclosed one instance of noncompliance that is material to the financial statements of Campbell 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 HOME Investment Partnership Program (CFDA No. 14.239); WIA Cluster: WIA Adult Program, WIA Youth Activities, and WIA Dislocated Workers (CFDA Nos. 17.258, 17.259, and 17.260); Airport Improvement Program (CFDA No. 20.106); Title I Grants to Local Education Agencies (CFDA No. 84.010); Reading First State Grants (CFDA No. 84.357); and Improving Teacher Quality State Grants (CFDA No. 84.367) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Campbell 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 finance 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 AMBULANCE SERVICE DIRECTOR

FINDING 08.01 **THE AMBULANCE SERVICE HAD SEVERAL INTERNAL CONTROL WEAKNESSES OVER OPERATIONS (Internal Control – Material Weakness Under Government Auditing Standards)**

Our examination revealed the following internal control weaknesses over operations at the Ambulance Service. These deficiencies resulted from a lack of management oversight.

- A. The Ambulance Service did not utilize prenumbered trip tickets or a master trip log to ensure that all ambulance trips are entered into the computer billing system.
- B. Patient receivable account listings were not reviewed on a routine basis to determine collection status and to write-off amounts deemed uncollectible.
- C. Detailed listings of accounts receivable were not reconciled with control account balances.
- D. Duties were not segregated adequately among employees. One individual was responsible for billing, receiving collections, and maintaining the accounting records for receivables.

These weaknesses increase the risk that material misstatements in financial statement amounts related to Ambulance Service revenues and receivables would not be prevented or detected by the department's internal control system.

RECOMMENDATION

A master trip log or prenumbered trip tickets should be utilized and reconciled with charges for ambulance trips entered into the computer billing system. All patient accounts should be reviewed periodically to determine their collection status. Detailed patient accounts receivable listings should be reconciled with accounts receivable control accounts. Billing, collection, and accounting duties should be segregated to the extent possible using available resources.

MANAGEMENT'S RESPONSE – DIRECTOR OF FINANCE

The billings and collections activities of the Ambulance Service were assumed by the Campbell County Department of Finance effective January 1, 2009. As of January 31, 2009, the Finance Department has specifically addressed the areas of concern identified in Items

B., C., and D. of the audit finding. Furthermore, the Finance Department has engaged in communications with the new Ambulance Service director in an effort to ensure the area of concern identified in Item A is also addressed.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

FINDING 08.02 **DOCKET TRIAL BALANCES WERE NOT RECONCILED WITH CASH CONTROL RECORDS IN CIRCUIT AND GENERAL SESSIONS COURTS**

(Material Noncompliance Under Government Auditing Standards)

The office's computerized accounting system generates execution docket trial balance reports as required by Section 18-2-103, Tennessee Code Annotated (TCA). However, the execution docket trial balance reports generated by the computerized accounting system did not reconcile with the general ledgers by significant amounts for either Circuit or General Sessions Courts. Therefore, we were unable to determine if the clerk had complied with provisions of the Unclaimed Property Act, Section 66-29-101, TCA. This statute provides that any funds held by the courts for more than one year and unclaimed by the owner are considered abandoned. Section 66-29-113, TCA, further requires these funds to be reported and paid to the state Treasurer's Office.

RECOMMENDATION

The clerk should reconcile trial balances of execution docket cause balances with general ledger accounts. To comply with state statutes, the clerk should report and pay to the state Treasurer's Office any unclaimed funds held for more than one year.

OTHER FINDING

FINDING 08.03 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF TRUSTEE, COUNTY CLERK, CLERK AND MASTER, REGISTER, AND SHERIFF**

(Internal Control – Significant Deficiency Under Government Auditing Standards)

Duties were not segregated adequately among officials and employees in the Offices of Trustee, County Clerk, Clerk and Master, Register, and Sheriff. Officials and 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 give 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 – SHERIFF

After reviewing your finding and recommendation regarding segregation of duties and internal controls, I have re-evaluated job duties. I have three deputy clerks and one bookkeeper. Three clerks receipt monies, and only one deputy clerk is responsible for bank deposits. Although this is the general rule we follow, all employees are familiar with all phases of our operation. This is necessary due to the amount of paperwork and public demand.

I have instructed the deputy clerk who is responsible for the bank deposits to no longer receipt any monies unless it is an absolute necessity. As you stated in your finding, we do have limited resources and manpower, but we will follow your recommendation as closely as possible. We will make every attempt to follow your recommendation and still serve the public to the best of our ability.

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

There were no findings and questioned costs for federal awards.

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**CAMPBELL 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.