

**ANNUAL FINANCIAL REPORT  
ROANE COUNTY, TENNESSEE**



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



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

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

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

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Director***

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State Auditors***

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

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

***Scope***

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

***Results***

Our report on Roane County's financial statements is unqualified. Our audit resulted in no findings.

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## INTRODUCTORY SECTION

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# Roane County Officials

## June 30, 2008

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### **Officials**

Mike Farmer, County Executive  
Thomas Hamby, Road Superintendent  
Dr. Toni McGriff, Director of Schools  
Wilma Eblen, Trustee  
Teresa Kirkham, Assessor of Property  
Barbara Anthony, County Clerk  
Angela Randolph, Circuit and General Sessions Courts Clerk  
Shannon Conley, Clerk and Master  
Sharon Brackett, Register  
Jack Stockton, Sheriff  
Alva Moore, Director of Accounts and Budgets

### **Board of County Commissioners**

Troy Beets, Chairman	
George Bacon	James Harmon
James Brummett	Mike Hooks
Ray Cantrell	Nadine Jackson
Bobby Collier	Chris Johnson
David Currier	David Olsen
Benny East	Howard Rose
Jerry Goddard	Fred Tedder

### **Board of Education**

Earl Nall, Chairman	Wade McCullough
Sam Cox	Franklin Mee
Daniel Holloway	Michael Miller
Darrell Langley	Tyler Overstreet
Everett Massengill	Michael Taylor

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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**

June 12, 2009

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

To the County Executive and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Roane County, Tennessee, as of and for the year ended June 30, 2008, which collectively comprise Roane County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Roane County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Roane County Emergency Communications District, which represent 1.4 percent and 1.7 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, and we did not audit the financial statements of the Roane County Industrial Development Board, which represent 7.5 percent and 2.7 percent, respectively, of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Roane County Emergency Communications District and the Roane County Industrial Development Board, is based on the reports of the other auditors.

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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated June 12, 2009, on our consideration of Roane 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.

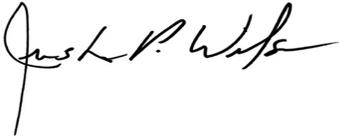
As described in Note V.B., Roane County has implemented the provisions of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions; Statement No. 48, Sales and Pledges of Receivables and Future Revenues and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

The management's discussion and analysis on pages 21 through 29, and the budgetary comparison, pension, and postemployment benefits information on pages 101 through 109 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 Roane 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 and Rural Debt Service funds, combining and individual fund financial statements of the Roane 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 and Rural Debt Service funds, combining and individual fund financial statements of the Roane County School Department (a discretely presented

component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent initial "J" and "W".

Justin P. Wilson  
Comptroller of the Treasury

JPW/sb

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

This discussion and analysis of Roane County's financial performance provides an overall view of the county's financial activities for the year ended June 30, 2008. In addition, this discussion and analysis includes an overall view of the Discretely Presented Component Unit (DPCU) Roane County School Department. A separate set of financial statements is not issued for the Roane County School Department. The intent of this discussion and analysis is to look at the county's and the DPCU School Department's financial performance as a whole. Readers should also review the notes to the basic financial statements to enhance their understanding of the county's financial performance as well as the DPCU School Department's financial performance.

**FINANCIAL HIGHLIGHTS FOR FY 2008**

**Key financial highlights for 2008 are as follows:**

In total, net assets of the primary government increased by \$6.2 million, and net assets of the DPCU School Department decreased by \$451,000. In the primary government, most of the negative unrestricted net assets balance (\$27.3 million) is related to the fact that school buildings constructed with county debt are recorded as an asset for the DPCU School Department while the debt issued to fund those capital assets is recorded as a liability for the primary government. All net assets of the primary government and the DPCU School Department are related to governmental activities.

General revenues of the primary government accounted for \$19.3 million in revenue or 57 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions accounted for \$14.7 million or 43 percent of total revenues of \$34 million. General revenues of the DPCU School Department were \$51.9 million.

Total assets of governmental activities in the primary government were \$71 million as net taxes receivable totaled \$13.1 million; cash totaled \$15.3 million; and capital assets, net of accumulated depreciation totaled \$35.4 million. Total assets in the DPCU School Department were \$82.5 million as taxes receivable totaled \$12.1 million; cash totaled \$12.6 million; and capital assets, net of accumulated depreciation totaled \$55.8 million.

The county had \$27.7 million in expenses related to governmental activities, with \$14.7 million of these expenses offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes of \$12.7 million) were adequate to provide current funding for these programs. The DPCU School Department had \$60.5 million in expenses related to governmental activities; \$8.1 million of these expenses were offset by program specific charges for services, grants, or contributions. General revenues of the DPCU School Department (primarily Basic Education Program revenues of \$29.1 million and property taxes and sales taxes of \$11.9 and \$6.9 million, respectively) were adequate to provide current funding for these programs.

Among major funds, the General Fund had \$13.3 million in revenues and \$12.7 million in expenditures. The Highway/Public Works Fund had \$3.5 million in revenues and \$3.2 million in expenditures. The General Debt Service Fund had \$3.8 million in revenues and \$17.8 in other financing sources (refunding bond proceeds) and \$20.5 million in expenditures (primarily principal on debt of \$18.8 million). The Rural Debt Service Fund had \$1.8 million in revenues and \$1.8 million in expenditures. Fund balances for the General, Highway/Public Works, General Debt Service, and Rural Debt Service funds increased by \$2.5 million, \$.15 million, \$1.4 million, and \$.06 million, respectively.

### **Using this Annual Financial Report (AFR)**

This annual financial report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Roane County as a financial whole (and entire operating entity). The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statements of Activities present an aggregate view of the entire county's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the county's most significant funds with all other nonmajor funds presented in total in one column. In the case of Roane County, the General Fund is by far the most significant fund. Other major funds include the Highway/Public Works, General Debt Service, and Rural Debt Service funds. In the case of the DPCU School Department, the General Purpose School Fund is the only major fund.

### **Reporting the County as a Whole**

#### **Statement of Net Assets and the Statement of Activities**

While this document contains the large number of funds used by the county and the DPCU School Department to provide programs and activities financially during 2008, the Statement of Net Assets and the Statement of Activities provide a broader picture of the financial activities during 2008. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the county's net assets and changes in those assets as well as those of the county's discretely presented component units. This change in assets is important because it tells the reader that, for the county and its discretely presented component units as a whole, whether their financial position has improved or diminished. The cause of this change may be the result of many factors, some financial, some not.

In the Statement of Net Assets and the Statement of Activities, the county reports its activities as governmental activities. The county's programs and services reported here include: general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; highways; and other operations.

These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues. For the DPCU School Department, its activities are also reported as governmental activities. The DPCU School Department's programs and services are reported there. These services are also funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

## **Reporting on the County's Most Significant Funds**

### **Fund Financial Statements**

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

Fund financial reports provide detailed information about the county's major funds. The county uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the county's most significant funds. The county's major governmental funds are the General, Highway/Public Works, General Debt Service, and Rural Debt Service funds. The DPCU School Department's major governmental fund is the General Purpose School Fund.

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

The county and the DPCU School Department maintain many individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other 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. Please refer to the Table of Contents to locate these statements.

**Proprietary Funds** – The county maintains two proprietary funds, both internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the county’s various functions. Specifically, the Workers’ Compensation Fund and the Employee Dental Insurance Fund account for risk management activities related to workers’ compensation risks and dental insurance provided to county employees and their dependents. Please refer to the Table of Contents to locate these statements.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the county. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county’s own programs. The accounting used to report fiduciary funds is much like that used to report proprietary funds. Please refer to the Table of Contents to locate these statements.

**Notes to the Financial Statements** – The notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. Please refer to the Table of Contents to locate these notes.

**Other information** – In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. Please refer to the Table of Contents to locate these statements and schedules.

## **Government-wide Financial Analysis**

Net assets may serve over time as a useful indicator of a government’s financial position. In the case of the county, assets exceeded liabilities by \$2.3 million at the close of the most recent fiscal year. For the DPCU School Department, assets exceeded liabilities by \$68.4 million at the close of the most recent fiscal year.

A large portion of the county’s net assets reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The county uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The same holds true for the DPCU School Department. A large portion of its net assets reflects its investment in capital assets as described above.

Although the county’s and the DPCU School Department’s investment in 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 capital assets cannot be used to liquidate these liabilities.

Table 1 provides a summary of the county’s and the DPCU School Department’s net assets for 2008, as well as a comparison to the prior year.

An additional portion of the county’s net assets, \$16 million, represents resources that are subject to external restrictions on how they may be used. In the DPCU School Department, \$3.7 million of net assets are subject to external restrictions.

Table 2 shows the changes in net assets for fiscal year 2008, and a comparison to the changes in net assets of the prior-year for the primary government and the discretely presented School Department.

Table 1

Roane County Government and DPCU School Department Net Assets  
Governmental Activities

	<u>Roane County Government</u>		<u>DPCU School Department</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Assets:				
Current and Other Assets	\$ 35,589,424	\$ 25,276,260	\$ 26,736,151	\$ 23,931,475
Capital Assets	35,445,891	27,969,417	55,768,277	57,753,860
Total Assets	<u>\$ 71,035,315</u>	<u>\$ 53,245,677</u>	<u>\$ 82,504,428</u>	<u>\$ 81,685,335</u>
Liabilities:				
Long-term Liabilities Outstanding	\$ 54,415,521	\$ 43,309,107	\$ 1,135,699	\$ 142,666
Other Liabilities	14,318,900	13,880,258	13,011,796	12,734,687
Total Liabilities	<u>\$ 68,734,421</u>	<u>\$ 57,189,365</u>	<u>\$ 14,147,495</u>	<u>\$ 12,877,353</u>
Net Assets:				
Invested in Capital Assets, Net of Related Debt	\$ 13,593,086	\$ 16,998,609	\$ 55,768,277	\$ 57,741,352
Restricted	16,030,759	8,377,264	3,721,811	2,558,514
Unrestricted	(27,322,951)	(29,319,561)	8,866,845	8,508,116
Total Net Assets	<u>\$ 2,300,894</u>	<u>\$ (3,943,688)</u>	<u>\$ 68,356,933</u>	<u>\$ 68,807,982</u>

Table 2

Roane County Government and DPCU School Department Changes in Net Assets  
Governmental Activities

	Roane County Government		DPCU School Department	
	2008	2007	2008	2007
<b>Revenues:</b>				
Program Revenues:				
Charges for Services	\$ 7,260,497	\$ 6,580,644	\$ 1,814,468	\$ 1,823,606
Operating Grants and Contributions	3,537,937	2,871,058	5,963,067	5,651,241
Capital Grants and Contributions	3,865,879	802,377	340,000	581,577
General Revenues:				
Property Taxes	12,718,168	10,312,826	11,922,041	11,669,568
Sales Taxes	825,450	588,433	6,906,578	6,316,889
Other Taxes	1,370,829	1,310,119	5,842	7,943
Grants and Contributions Not Restricted to Specific Programs	3,772,164	2,259,469	32,457,405	29,399,337
Unrestricted Investment Earnings	596,795	497,180	602,788	714,466
Sale of Property	11,799	30,184	0	0
Other	7,673	10,430	30,246	1,399
<b>Total Revenues</b>	<b>\$ 33,967,191</b>	<b>\$ 25,262,720</b>	<b>\$ 60,042,435</b>	<b>\$ 56,166,026</b>
<b>Expenses:</b>				
General Government	\$ 2,132,600	\$ 1,439,711	\$ 0	\$ 0
Finance	1,440,714	1,383,966	0	0
Administration of Justice	1,304,519	1,189,257	0	0
Public Safety	8,021,470	3,728,191	0	0
Public Health and Welfare	5,973,490	5,150,542	0	0
Social, Cultural, and Recreation Services	130,637	118,735	0	0
Agriculture and Natural Resources	121,308	105,539	0	0
Other Operations	2,242,809	3,683,362	0	0
Highways	2,935,476	2,361,414	0	0
Education	550,785	438,839	60,493,484	55,489,907
Interest on Long-term Debt	2,190,693	1,745,349	0	0
Other Debt Service	678,108	765,141	0	0
<b>Total Expenses</b>	<b>\$ 27,722,609</b>	<b>\$ 22,110,046</b>	<b>\$ 60,493,484</b>	<b>\$ 55,489,907</b>
Increase (Decrease) in Net Assets	\$ 6,244,582	\$ 3,152,674	\$ (451,049)	\$ 676,119
Net Assets, July 1	(3,943,688)	(7,096,362)	68,807,982	68,131,863
Net Assets, June 30	\$ 2,300,894	\$ (3,943,688)	\$ 68,356,933	\$ 68,807,982

Expenses for Public Safety of \$8 million, consisting primarily of the law enforcement and jail construction cost, accounted for approximately 29 percent of the \$27.7 million total expenses for governmental activities. Of that \$27.7 million in governmental activities expenses, \$7.3 million was covered by direct charges to users of the services. A significant portion of those charges is for constitutional officers' fees and commission and for Ambulance Service patient charges.

## **Financial Analysis of the Government's Funds**

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

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

As of the end of the current fiscal year, the county's governmental funds reported combined ending fund balances of \$18.6 million. Approximately \$13 million of this total constitutes unreserved fund balance, which is available for appropriation at the government's discretion within certain legal constraints and purpose restrictions. The remainder of fund balance is reserved to indicate that it is not available for new spending. In the DPCU School Department's governmental funds, combined ending fund balances were \$12.7 million. Approximately \$11 million of this total constitutes unreserved fund balance.

### **Financial Comparisons - Primary Government**

The General Fund is the chief operating fund of the county. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$2.5 million, while total fund balance was \$3.3 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 approximately 19 percent of total General Fund expenditures, while total fund balance represents 26 percent of that same amount.

The fund balance of the county's General Fund increased by \$2 million during the current fiscal year. This increase is primarily due to capital expenditures made during the previous year, for which the corresponding debt was not drawn down until the current year.

The Highway/Public Works Fund continues to hold its own in terms of funding the needs of the department. Revenues exceeded expenditures and other uses by \$.2 million, bringing the ending fund balance to \$1 million.

The General Debt Service Fund had a net decrease of \$1.4 million in fund balance, and the Rural Debt Service Fund finished with a fund balance of \$2.8 million, an increase of \$.06 million.

Roane County's budgeting process is prescribed by Tennessee Code Annotated. Essentially the budget is the county's appropriations that are restricted by the amounts of anticipated revenues, therefore the county's plans and desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

**Proprietary Funds.** The financial statements of the Internal Service Funds reflect the operations of the county's dental and workers' compensation self-insured risk financing activities. These activities have been consolidated under the revenues and expenses for governmental activities on the government-wide financial statements.

### **Financial Comparison - DPCU School Department**

The General Purpose School Fund is the chief operating fund of the DPCU School Department. At the end of the current fiscal year, unreserved fund balance of the General Purpose School Fund was \$8.4 million, while total fund balance reached \$9.9 million. As a measure of the General Purpose School 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 approximately 18 percent of total General Purpose School Fund expenditures, while total fund balance represents 21 percent of that same amount.

### **Capital Assets and Debt Administration**

**Capital Assets.** The county's investment in capital assets for its governmental activities as of June 30, 2008, totals \$13.6 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, equipment, roads, highways, and bridges. The DPCU School Department's investment in capital assets for its governmental activities as of June 30, 2008, totals \$55.8 million (net of accumulated depreciation and related debt). The Notes to the Financial Statements provide additional information on capital assets activity for the year.

**Long-term Debt.** At the end of the 2008 fiscal year, the county had total long-term debt obligations outstanding of \$52.2 million. Of this amount, all is backed by the full faith and credit of the county. The county maintains an A2 rating for Moody's and an A+ rating for Standard and Poor's for general obligation debt.

In addition to the debt noted above, county long-term obligations include compensated absences and landfill postclosure care costs. Additional information on the county's long-term obligations can be found in the Notes to the Financial Statements.

Interest and fiscal charges totaled 10.3 percent of the total expenses for governmental activities.

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

The unemployment rate for the county is currently 8.8 percent compared to 5.5 percent a year ago. The state's average unemployment rate is currently 9.9 percent and the national average is 9.4 percent. Economic trends in the region are consistent with national indices. All of these factors were considered in preparing the county's budget for the 2009 fiscal year. At the end of the 2008 fiscal year, unreserved fund balance in the General Fund was \$2.5 million. The county has budgeted to subtract \$245,955 from this fund balance for fiscal year 2009.

## **Request for Information**

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. For questions concerning any of the information provided in this report, please contact the Accounting and Budgeting Office at 200 East Race Street, Suite 1, Kingston, Tennessee 37763.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

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

	Primary Government Governmental Activities	Component Units		
		Roane County School Department	Emergency Communica- tions District	Industrial Development Board
<u>ASSETS</u>				
Cash	\$ 66,806	\$ 47,500	\$ 567,553	\$ 606,195
Equity in Pooled Cash and Investments	15,254,692	12,591,492	0	0
Accounts Receivable	800,313	76,377	57,843	31,092
Due from Other Governments	841,539	1,925,274	0	0
Property Taxes Receivable	13,682,603	12,642,878	0	0
Allowance for Uncollectible Property Taxes	(572,278)	(547,370)	0	0
Prepaid Items	814	0	13,801	0
Other Loans Receivable	4,501,010	0	0	0
Unamortized Debt Issuance Cost	1,013,925	0	0	0
Other Current Assets	0	0	1,065	0
Capital Assets:				
Assets Not Depreciated:				
Land	4,643,032	1,387,525	30,056	5,731,959
Construction in Progress	4,529,517	61,346	0	213,577
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	2,827,942	51,933,437	0	0
Other Capital Assets	2,445,328	2,385,969	633,356	226,558
Infrastructure - Roads, Streets, and Bridges	21,000,072	0	0	0
Total Assets	<u>\$ 71,035,315</u>	<u>\$ 82,504,428</u>	<u>\$ 1,303,674</u>	<u>\$ 6,809,381</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 362,319	\$ 1,310,469	\$ 0	\$ 0
Contracts Payable	450,712	0	0	0
Retainage Payable	60,681	0	0	0
Accrued Payroll	402,729	48,405	0	0
Accrued Interest Payable	280,795	0	0	0
Payroll Deductions Payable	1,632	5,507	48	0
Due to State of Tennessee	133	0	0	0
Due to Roane Alliance	0	0	0	43,966
Other Current Liabilities	99,747	0	0	100
Deferred Revenue - Property Taxes	12,660,152	11,647,415	0	0
Land Sale Deposits	0	0	0	125,025
Noncurrent Liabilities:				
Due Within One Year	3,437,526	64,590	11,803	0
Due in More Than One Year (net of deferred amount on refunding and unamortized premiums on debt)	50,977,995	1,071,109	0	0
Total Liabilities	<u>\$ 68,734,421</u>	<u>\$ 14,147,495</u>	<u>\$ 11,851</u>	<u>\$ 169,091</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Units		
		Roane County School Department	Emergency Communica- tions District	Industrial Development Board
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	\$ 13,593,086	\$ 55,768,277	\$ 0	\$ 0
Invested in Capital Assets	0	0	659,401	6,172,094
Restricted for:				
Animal Shelter	62,774	0	0	0
Fire Inspection	145,819	0	0	0
Solid Waste/Sanitation	907,720	0	0	0
Ambulance Service	704,063	0	0	0
Industrial/Economic Development	668,419	0	0	0
Local Purpose Tax	116,602	0	0	0
Wastewater Treatment	299,229	0	0	0
Drug Control	49,605	0	0	0
District Attorney General	41,831	0	0	0
Recycling Center	585,166	0	0	0
Highways	1,175,385	0	0	0
Debt Service	6,011,846	0	0	0
Capital Projects	4,614,166	0	0	0
Courthouse and Jail Maintenance	202,499	0	0	0
Constitutional Officers' Data Processing Systems	171,027	0	0	0
Schools Workers' Compensation	255,221	0	0	0
Capital Projects	0	1,069,342	0	0
School Cafeterias	0	1,263,401	0	0
School Transportation	0	273,085	0	0
Federal and State Assistance Programs	0	385,068	0	0
Extended School Program	0	64,093	0	0
Other Purposes	19,387	666,822	0	0
Unrestricted	(27,322,951)	8,866,845	632,422	468,196
Total Net Assets	\$ 2,300,894	\$ 68,356,933	\$ 1,291,823	\$ 6,640,290

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets							
	Program Revenues			Primary Government	Component Units			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Roane County School Department	Emergency Communications District	Industrial Development Board
Primary Government:								
Governmental Activities:								
General Government	\$ 2,132,600	\$ 788,393	\$ 36,355	\$ 0	\$ (1,307,852)	\$ 0	\$ 0	\$ 0
Finance	1,440,714	1,146,413	34,521	0	(259,780)	0	0	0
Administration of Justice	1,304,519	1,175,895	6,750	0	(121,874)	0	0	0
Public Safety	8,021,470	136,124	351,171	0	(7,534,175)	0	0	0
Public Health and Welfare	5,973,490	3,268,126	443,028	0	(2,262,336)	0	0	0
Social, Cultural, and Recreational Services	130,637	59,535	41,724	0	(29,378)	0	0	0
Agriculture and Natural Resources	121,308	0	0	0	(121,308)	0	0	0
Other Operations	2,242,809	0	714,294	240,295	(1,288,220)	0	0	0
Highways	2,935,476	57,276	1,910,094	3,625,584	2,657,478	0	0	0
Education	550,785	628,735	0	0	77,950	0	0	0
Debt Service:								
Interest	2,190,693	0	0	0	(2,190,693)	0	0	0
Other Debt Service	678,108	0	0	0	(678,108)	0	0	0
Total Primary Government	\$ 27,722,609	\$ 7,260,497	\$ 3,537,937	\$ 3,865,879	\$ (13,058,296)	\$ 0	\$ 0	\$ 0
Component Units:								
Roane County School Department	\$ 60,493,484	\$ 1,814,468	\$ 5,963,067	\$ 340,000	\$ 0	\$ (52,375,949)	\$ 0	\$ 0
Emergency Communications District	1,023,113	709,766	329,570	19,231	0	0	35,454	0
Industrial Development Board	2,177,734	46,663	0	0	0	0	0	(2,131,071)
Total Component Units	\$ 63,694,331	\$ 2,570,897	\$ 6,292,637	\$ 359,231	\$ 0	\$ (52,375,949)	\$ 35,454	\$ (2,131,071)

(Continued)

Exhibit B

Roane County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets						
	Program Revenues			Component Units			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Roane County School Department	Emergency Communications District	Industrial Development Board	
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes	\$	9,229,830		\$	11,922,041	\$	0
Property Taxes Levied for Debt Service		3,488,338			0		0
Local Option Sales Taxes		825,450			6,906,578		0
Wholesale Beer Tax		224,082			0		0
Litigation Tax - General		398,331			0		0
Litigation Tax - Jail, Workhouse, and Courthouse		160,014			0		0
Business Tax		417,215			0		0
Other Local Taxes		171,187			5,842		0
Grants and Contributions Not Restricted to Specific Programs		3,772,164			32,457,405		871,813
Unrestricted Investment Income		596,795			602,788		5,899
Gain on Disposal of Capital Assets		0			0		0
Sale of Property		11,799			0		0
Miscellaneous		7,673			30,246		4,299
Total General Revenues		\$ 19,302,878			\$ 51,924,900		\$ 10,198
Change in Net Assets		\$ 6,244,582			\$ (451,049)		\$ 45,652
Net Assets, July 1, 2007		(3,943,688)			68,807,982		1,246,171
Net Assets, June 30, 2008		\$ 2,300,894			\$ 68,356,933		\$ 1,291,823
							\$ 6,640,290

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

Exhibit C-1

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

	Major Funds					Nonmajor Funds		Total
	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	Govern- mental Funds		
Cash	\$ 16,263	\$ 1,510	\$ 0	\$ 0	\$ 0	\$ 49,033	\$ 66,806	
Equity in Pooled Cash and Investments	3,233,081	897,679	3,431,111	2,088,829	645,472	3,679,843	13,976,015	
Accounts Receivable	136,540	5,085	118,387	0	0	545,386	805,398	
Due from Other Governments	411,745	316,113	0	372	0	113,309	841,539	
Due from Other Funds	51,065	7,792	0	665,600	0	0	724,457	
Property Taxes Receivable	7,376,526	1,336,327	1,496,686	1,783,004	0	1,690,060	13,682,603	
Allowance for Uncollectible Property Taxes	(319,124)	(57,812)	(64,750)	(64,715)	0	(65,877)	(572,278)	
Prepaid Items	814	0	0	0	0	0	814	
Other Loans Receivable	0	0	0	0	4,501,010	0	4,501,010	
<b>Total Assets</b>	<b>\$ 10,906,910</b>	<b>\$ 2,506,694</b>	<b>\$ 4,981,434</b>	<b>\$ 4,473,090</b>	<b>\$ 5,146,482</b>	<b>\$ 6,011,754</b>	<b>\$ 34,026,364</b>	

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities							
Accounts Payable	\$ 67,064	\$ 69,008	\$ 2,140	\$ 0	\$ 20,923	\$ 112,086	\$ 271,221
Accrued Payroll	286,802	33,729	0	0	0	81,418	401,949
Payroll Deductions Payable	1,122	510	0	0	0	0	1,632
Contracts Payable	0	0	0	0	450,712	0	450,712
Retainage Payable	0	0	0	0	60,681	0	60,681
Due to Other Funds	0	0	0	0	0	724,457	724,457
Due to State of Tennessee	133	0	0	0	0	0	133
Other Current Liabilities	98,947	0	0	0	0	800	99,747
Deferred Revenue - Current Property Taxes	6,796,377	1,231,228	1,378,975	1,676,676	0	1,576,896	12,660,152
Deferred Revenue - Delinquent Property Taxes	229,403	41,558	46,545	33,352	0	39,157	390,015
Other Deferred Revenues	103,286	154,589	0	0	0	96,856	354,731
<b>Total Liabilities</b>	<b>\$ 7,583,134</b>	<b>\$ 1,530,622</b>	<b>\$ 1,427,660</b>	<b>\$ 1,710,028</b>	<b>\$ 532,316</b>	<b>\$ 2,631,670</b>	<b>\$ 15,415,430</b>

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other	Governmental Funds	
<b>Fund Balances</b>							
Reserved for Encumbrances	\$ 430,600	\$ 0	\$ 0	\$ 3,522,149	\$ 152,355	\$ 4,105,104	
Reserved for Sexual Offender Registration	1,670	0	0	0	0	1,670	
Reserved for Courtroom Security	1,414	0	0	0	0	1,414	
Reserved for Courthouse and Jail Maintenance	202,499	0	0	0	0	202,499	
Reserved for Computer System - Register	98,077	0	0	0	0	98,077	
Reserved for Automation Purposes - Circuit Court	2,394	0	0	0	0	2,394	
Reserved for Automation Purposes - General Sessions Court	48,777	0	0	0	0	48,777	
Reserved for Automation Purposes - Chancery Court	4,636	0	0	0	0	4,636	
Reserved for Automation Purposes - Sheriff	17,143	0	0	0	0	17,143	
Reserved for Capital Outlay	0	0	0	0	451,249	451,249	
Reserved for Other General Purposes	16,303	0	665,600	0	3,096	684,999	
Unreserved, Reported In:							
General Fund	2,500,263	0	0	0	0	2,500,263	
Special Revenue Funds	0	976,072	0	0	2,850,440	3,826,512	
Debt Service Funds (Deficit)	0	0	3,553,774	2,097,462	(116,017)	5,535,219	
Capital Projects Funds	0	0	0	1,092,017	38,961	1,130,978	
<b>Total Fund Balances</b>	<b>\$ 3,323,776</b>	<b>\$ 976,072</b>	<b>\$ 3,553,774</b>	<b>\$ 2,763,062</b>	<b>\$ 3,380,084</b>	<b>\$ 18,610,934</b>	
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,906,910</b>	<b>\$ 2,506,694</b>	<b>\$ 4,981,434</b>	<b>\$ 4,473,090</b>	<b>\$ 6,011,754</b>	<b>\$ 34,026,364</b>	

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

Exhibit C-2

Roane 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)		\$ 18,610,934
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 4,643,032	
Add: construction in progress	4,529,517	
Add: building and improvements net of accumulated depreciation	2,827,942	
Add: other capital assets net of accumulated depreciation	2,445,328	
Add: infrastructure net of accumulated depreciation	<u>21,000,072</u>	35,445,891
(2) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		
Add: other deferred revenues	\$ 354,731	
Add: deferred revenues - delinquent taxes	<u>390,015</u>	744,746
(3) Internal service funds are used by management to charge the cost of workers' compensation and employee dental benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		
Add: internal service funds net assets		1,181,714
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (5,335,000)	
Less: other loans payable	(7,480,000)	
Less: capital leases payable	(120,625)	
Less: bonds payable	(39,309,114)	
Add: deferred amount on refunding	1,115,280	
Add: deferred charges - debt issuance costs	1,013,925	
Less: landfill closure/postclosure care costs	(1,425,600)	
Less: compensated absences payable	(346,097)	
Less: other postemployment benefits obligations	(642,289)	
Less: accrued interest on bonds, notes, other loans payable, and capital leases	(280,795)	
Less: other deferred revenue - premium on debt	<u>(872,076)</u>	<u>(53,682,391)</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 2,300,894</u>

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

Exhibit C-3

Roane 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	Highway/ Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other	Govern- mental Funds	
<u>Revenues</u>								
Local Taxes	\$ 8,462,711	\$ 1,305,462	\$ 1,339,424	\$ 1,713,155	\$ 0	\$ 0	\$ 3,084,092	\$ 15,904,844
Licenses and Permits	401,033	0	0	0	0	0	0	401,033
Fines, Forfeitures, and Penalties	186,308	0	0	0	0	0	86,767	273,075
Charges for Current Services	155,233	0	0	0	0	0	3,019,875	3,175,108
Other Local Revenues	21,331	67,347	439,811	130,162	0	0	649,952	1,308,603
Fees Received from County Officials	2,360,441	0	0	0	0	0	0	2,360,441
State of Tennessee	932,231	2,110,872	0	0	0	0	619,581	3,662,684
Federal Government	749,043	0	0	0	0	0	0	749,043
Other Governments and Citizens Groups	38,864	0	2,053,400	0	0	0	0	2,092,264
<u>Total Revenues</u>	<u>\$ 13,307,195</u>	<u>\$ 3,483,681</u>	<u>\$ 3,832,635</u>	<u>\$ 1,843,317</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,460,267</u>	<u>\$ 29,927,095</u>
<u>Expenditures</u>								
Current:								
General Government	\$ 1,404,653	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,404,653
Finance	1,423,387	0	0	0	0	0	0	1,423,387
Administration of Justice	1,299,838	0	0	0	0	0	18,780	1,318,618
Public Safety	4,226,671	0	0	0	3,669,566	0	144,438	8,040,675
Public Health and Welfare	739,434	0	0	0	0	0	4,790,375	5,529,809
Social, Cultural, and Recreational Services	232,582	0	0	0	0	0	0	232,582
Agriculture and Natural Resources	121,304	0	0	0	0	0	0	121,304
Other Operations	3,175,430	0	0	0	0	0	2,852,287	6,027,717
Highways	34,392	3,210,364	0	0	0	0	0	3,244,756
Debt Service:								
Principal on Debt	0	0	18,789,632	945,000	0	0	1,845,000	21,579,632
Interest on Debt	0	0	1,191,718	803,842	0	0	113,319	2,108,879
Other Debt Service	0	0	525,764	35,158	0	0	395,103	956,025
Capital Projects	0	0	0	0	0	0	41,283	41,283
<u>Total Expenditures</u>	<u>\$ 12,657,691</u>	<u>\$ 3,210,364</u>	<u>\$ 20,507,114</u>	<u>\$ 1,784,000</u>	<u>\$ 3,669,566</u>	<u>\$ 10,200,585</u>	<u>\$ 52,029,320</u>	
Excess (Deficiency) of Revenues Over Expenditures	\$ 649,504	\$ 273,317	\$ (16,674,479)	\$ 59,317	\$ (3,669,566)	\$ (2,740,318)	\$ (22,102,225)	

(Continued)

Exhibit C-3

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Highway /	General	Rural	General	Other	Govern- mental Funds	
		Public Works	Debt Service	Debt Service	Capital Projects			
<b>Other Financing Sources (Uses)</b>								
Capital Leases Issued	\$ 123,302	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 123,302
Refunding Debt Issued	0	0	17,385,000	0	0	1,600,000	0	18,985,000
Premiums on Debt Issued	0	0	435,084	0	0	42,887	0	477,971
Other Loans Issued	1,575,975	0	0	0	8,283,732	1,750,000	0	11,609,707
Transfers In	570,000	0	911,760	0	0	323,000	0	1,804,760
Transfers Out	(467,500)	(121,498)	(645,000)	0	0	(770,762)	0	(2,004,760)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 1,801,777</b>	<b>\$ (121,498)</b>	<b>\$ 18,086,844</b>	<b>\$ 0</b>	<b>\$ 8,283,732</b>	<b>\$ 2,945,125</b>	<b>\$ 0</b>	<b>\$ 30,995,980</b>
<b>Net Change in Fund Balances</b>	<b>\$ 2,451,281</b>	<b>\$ 151,819</b>	<b>\$ 1,412,365</b>	<b>\$ 59,317</b>	<b>\$ 4,614,166</b>	<b>\$ 204,807</b>	<b>\$ 0</b>	<b>\$ 8,893,755</b>
<b>Fund Balance, July 1, 2007</b>	<b>872,495</b>	<b>824,253</b>	<b>2,141,409</b>	<b>2,703,745</b>	<b>0</b>	<b>3,175,277</b>	<b>0</b>	<b>9,717,179</b>
<b>Fund Balance, June 30, 2008</b>	<b>\$ 3,323,776</b>	<b>\$ 976,072</b>	<b>\$ 3,553,774</b>	<b>\$ 2,763,062</b>	<b>\$ 4,614,166</b>	<b>\$ 3,380,084</b>	<b>\$ 0</b>	<b>\$ 18,610,934</b>

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

Exhibit C-4

Roane 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)		\$ 8,893,755
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 5,771,136	
Less: current year depreciation expense	<u>(1,690,412)</u>	4,080,724
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.		
Add: assets donated and capitalized	\$ 3,416,555	
Less: loss on disposal of capital assets	(18,855)	
Less: decrease in revenue for the sale of disposed assets	<u>(1,950)</u>	3,395,750
(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	\$ 744,746	
Less: deferred delinquent property taxes and other deferred June 30, 2007	<u>(747,990)</u>	(3,244)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Less: refunding bond proceeds	\$ (18,985,000)	
Less: other loan proceeds	(11,609,707)	
Less: capital lease proceeds	(123,302)	
Add: change in premium on debt issuances	(449,387)	
Add: change in deferred debt issuance costs	249,333	
Add: principal payments on notes	95,503	
Add: principal payments on other loans	20,105,000	
Add: principal payments on bonds	1,297,630	
Add: principal payments on capital leases	<u>81,499</u>	(9,338,431)
(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 on debt	\$ (81,814)	
Change in compensated absences payable	9,561	
Change in other postemployment benefits obligations	(642,289)	
Change in landfill closure/postclosure care cost	<u>(531,080)</u>	(1,245,622)
(6) Internal service funds are used by management to charge the cost of workers' compensation and dental benefits to individual funds. The net revenue/expense of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		
Add: net revenue of internal service funds		<u>461,650</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 6,244,582</u>

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

Exhibit D-1

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

	<u>Governmental Activities - Internal Service Funds</u>
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 1,273,592
Total Assets	<u>\$ 1,273,592</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accrued Payroll	\$ 780
Claims and Judgments Payable	<u>91,098</u>
Total Liabilities	<u>\$ 91,878</u>
<u>NET ASSETS</u>	
Unrestricted	<u>\$ 1,181,714</u>
Total Net Assets	<u>\$ 1,181,714</u>

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

Exhibit D-2

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

	<u>Governmental Activities - Internal Service Funds</u>
<u>Operating Revenues</u>	
Self-Insurance Premiums/Contributions	\$ 974,004
Miscellaneous Refunds	4,593
Total Operating Revenues	<u>\$ 978,597</u>
<u>Operating Expenses</u>	
Other Salaries and Wages	\$ 18,830
Travel	250
Medical Claims	637,732
Handling Charges and Administration	44,621
Workers' Compensation Insurance	59,072
Total Operating Expenses	<u>\$ 760,505</u>
Operating Income (Loss)	<u>\$ 218,092</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 43,558
Total Nonoperating Revenue (Expenses)	<u>\$ 43,558</u>
Income (Loss) Before Transfers	\$ 261,650
Transfers In	200,000
Change in Net Assets	<u>\$ 461,650</u>
Net Assets, July 1, 2007	<u>720,064</u>
Net Assets, June 30, 2008	<u><u>\$ 1,181,714</u></u>

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

Exhibit D-3

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

	<u>Governmental Activities - Internal Service Funds</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Self-Insurance Premiums	\$ 974,004
Receipts from Refunds	4,593
Payments for Claims	(546,634)
Payments to Employees	(18,050)
Payments for Administrative Costs	(44,871)
Payments to Insurers	(60,285)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 308,757</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	<u>\$ 43,558</u>
Net Cash Provided By (Used In) Investing Activities	<u>\$ 43,558</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers from Other Funds	<u>\$ 200,000</u>
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 200,000</u>
Net Increase (Decrease) in Cash	\$ 552,315
Cash, July 1, 2007	<u>721,277</u>
Cash, June 30, 2008	<u>\$ 1,273,592</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 218,092
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
Increase (Decrease) in Other Current Operating Liabilities	<u>90,665</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 308,757</u>

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

Exhibit E-1

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

	Private Purpose Trust Fund	
	<u>Endowment Fund</u>	<u>Agency Funds</u>
<u>ASSETS</u>		
Equity in Pooled Cash and Investments	\$ 0	\$ 689,779
Cash	20,900	1,513,549
Accounts Receivable	0	4,028
Due from Other Governments	0	1,232,059
Property Taxes Receivable	0	720,395
Allowance for Uncollectible Property Taxes	0	(30,754)
Notes Receivable - Long-term	0	270,110
	<u>0</u>	<u>270,110</u>
Total Assets	<u>\$ 20,900</u>	<u>\$ 4,399,166</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 900	\$ 537
Accrued Payroll	0	95
Cash Overdraft	0	2,329
Due to Other Taxing Units	0	1,918,099
Due to Litigants, Heirs, and Others	0	1,515,248
Due to Joint Ventures	0	76,320
Other Current Liabilities	0	886,538
	<u>0</u>	<u>886,538</u>
Total Liabilities	<u>\$ 900</u>	<u>\$ 4,399,166</u>
<u>NET ASSETS</u>		
Held in Trust for Scholarships	<u>\$ 20,000</u>	

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

Exhibit E-2

Roane County, Tennessee  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Fund  
For the Year Ended June 30, 2008

	Private Purpose Trust Fund
	<u>Endowment Fund</u>
<u>ADDITIONS</u>	
Investment Income:	
Interest	\$ 900
Total Additions	<u>\$ 900</u>
<u>DEDUCTIONS</u>	
Education:	
Scholarships	\$ 900
Total Deductions	<u>\$ 900</u>
Change in Net Assets	\$ 0
Net Assets, July 1, 2007	<u>20,000</u>
Net Assets, June 30, 2008	<u><u>\$ 20,000</u></u>

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Roane 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 Roane County:

**A. Reporting Entity**

Roane County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Roane 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 Roane 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 Roane County School Department operates the public school system in the county, and the voters of Roane 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. Also, 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 Industrial Development Board of Roane County was organized to promote industrial development and provide additional job opportunities in Roane County and the surrounding counties in accordance with Title 7, Chapter 53, of Tennessee Code Annotated. The Industrial Development Board of Roane County is governed by a nine-member board of directors appointed by the Roane County Commission. During the year, Roane County provided \$336,087 to the Industrial Development Board to be applied toward operations of the board.

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

Administrative Offices:

Industrial Development Board of Roane County  
1209 North Kentucky Street  
Kingston, TN 37763

Roane County Emergency Communications District  
P.O. Box 236  
Rockwood, TN 37854

**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 Roane 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 Roane 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.

Roane County issues all debt for the discretely presented Roane County School Department.

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

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

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

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

Separate financial statements are provided for governmental funds, proprietary 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 internal service funds and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable

and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Roane 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 debt service funds for payments to be made early in the following year.

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

Proprietary funds and fiduciary funds 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 recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Roane County reports the following major governmental funds:

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

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

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

**Rural Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt issued for school purposes prior to the July 1, 2003, Harriman city school merger.

**General Capital Projects Fund** – The General Capital Projects Fund is used to account for the acquisition or construction of major capital facilities.

Additionally, Roane County reports the following fund types:

**Private Purpose Trust Fund** – The Endowment Fund is used to account for an endowment received by the county. The principal amount must remain intact while interest earned on the principal is to be expended for the benefit of scholarships for Roane County students.

**Internal Service Funds** – These funds, the Employee Dental Insurance and the Workers' Compensation funds, account for the self-insured employee dental and workers' compensation programs managed by the county for the primary government and the discretely presented School Department.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received from the state to be forwarded to the various cities in Roane County, the city school system's share of educational revenues, and assets held in a custodial capacity for a joint venture and for an industrial revolving loan program. 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 Roane County School Department reports the following major governmental fund:

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

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

**Special Revenue Funds** – These 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.

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

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has two proprietary funds, internal service funds, used to account for the self-insured employee dental and workers' compensation programs managed by the county for the primary government and the discretely presented School Department. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's internal service funds are self-insurance premiums. Operating expenses for the internal service funds include dental and workers' compensation claims, administrative charges, and excess risk workers' compensation insurance.

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

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

### **1. Deposits and Investments**

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Roane 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, Rural Debt Service, and General Purpose School funds. Roane 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. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

Activity between funds for unremitted current collections or that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds.

Long-term loans to entities outside the primary government, as reported in the agency fund financial statements, are reported as long-term notes receivable.

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 2.28 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. Other current liabilities (\$99,747) reflected for the primary government on the statement of net assets represent primarily amounts assessed by an insurance risk pool administrator. This liability is discussed in Note V.A., Risk Management.

Retainage payable in the primary government's General 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 General Capital Projects Fund.

**3. Prepaid Items**

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

**4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental 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 exceeding five 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	40
Other Capital Assets	5 - 10
Infrastructure	10 - 100

**5. Compensated Absences**

It is the county's and School Department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Roane 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 statements for the county and its discretely presented component units. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

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

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

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

On the government-wide statement of net assets (Exhibit A), the account restricted for School Workers' Compensation of \$255,221, represents the portion of the internal service funds net assets that are restricted by agreement to be used for claims and expenses related to the discretely presented Roane County School Department.

As of June 30, 2008, Roane County had \$30,108,868 in outstanding debt for capital purposes of other entities (schools of \$20,957,248 and industrial purposes of \$9,151,620). This debt is a liability of Roane County; but the capital assets acquired are reported in the financial statements of the other entities. Therefore, Roane 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>Entity/Fund</u>	<u>Purpose</u>	<u>Amount</u>
Primary Government:		
General	Cash Management	\$ 500,000
General	Roane County Park	10,374
Fire Inspection	Cash Management	100,000
Solid Waste/Sanitation	Cash Management	200,000
Ambulance Service	Cash Management	100,000
Industrial/Economic Development	Cash Management	100,000
Other Special Revenue	Cash Management	100,000
Discretely Presented School Department:		
General Purpose School	Postemployment	
	Benefits	610,233
School Federal Projects	Cash Management	350,000

**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 Roane County School Department**

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

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

**Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total

governmental funds with the change in net assets of governmental activities reported in the government-wide statement of activities.

### **Discretely Presented Roane County School Department**

Exhibit K-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net assets of governmental activities reported in the government-wide statement of activities.

## **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. Budgetary Information**

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

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

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

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

### **B. Fund Deficit**

The Education Debt Service Fund had a deficit in unreserved fund balance of \$116,017 at June 30, 2008. This deficit resulted from the recognition of a liability for interfund debt in accordance with GASB Statement No. 34. This deficit was liquidated in April 2009 with the issuance of general obligation bonds.

**C. Cash Overdraft**

The Office of County Clerk had a cash overdraft of \$2,329 at June 30, 2008. This cash overdraft resulted from the issuance of checks that exceeded cash on deposit in the clerk's official bank account. The cash overdraft was liquidated subsequent to June 30, 2008.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Roane County and the Roane 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 fair value of the securities on the day of purchase.

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

Investment	Maturities	Cost
State Treasurer's Investment Pool	Daily	\$ 19,433,963

**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. Roane 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. Roane County has no investment policy that would further limit its investment choices. As of June 30, 2008, Roane County's investment in the State Treasurer's Investment Pool was unrated.

**B. Notes and Other Loans Receivables**

Notes receivable reflected on Exhibit E-1 consists of industrial loans of \$270,110, which represent loans made from the Community Development - Agency Fund to local businesses.

Other Loans receivable in the General Capital Projects Fund (\$4,501,010) represent the amount of public building authority (PBA) loan funds that were in transit to the county for jail construction at June 30, 2008.

**C. 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	\$ 4,643,032	\$ 0	\$ 0	\$ 4,643,032
Construction in Progress	711,888	3,817,629	0	4,529,517
Total Capital Assets Not Depreciated	<u>\$ 5,354,920</u>	<u>\$ 3,817,629</u>	<u>\$ 0</u>	<u>\$ 9,172,549</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 5,097,046	\$ 13,366	\$ 0	\$ 5,110,412
Roads and Bridges	24,305,712	4,575,986	0	28,881,698
Other Capital Assets	6,091,716	780,710	(194,794)	6,677,632
Total Capital Assets Depreciated	<u>\$ 35,494,474</u>	<u>\$ 5,370,062</u>	<u>\$ (194,794)</u>	<u>\$ 40,669,742</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 2,145,209	\$ 137,261	\$ 0	\$ 2,282,470
Roads and Bridges	6,902,898	978,728	0	7,881,626
Other Capital Assets	3,831,870	574,423	(173,989)	4,232,304
Total Accumulated Depreciation	<u>\$ 12,879,977</u>	<u>\$ 1,690,412</u>	<u>\$ (173,989)</u>	<u>\$ 14,396,400</u>
Total Capital Assets Depreciated, Net	<u>\$ 22,614,497</u>	<u>\$ 3,679,650</u>	<u>\$ (20,805)</u>	<u>\$ 26,273,342</u>
Governmental Activities Capital Assets, Net	<u>\$ 27,969,417</u>	<u>\$ 7,497,279</u>	<u>\$ (20,805)</u>	<u>\$ 35,445,891</u>

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

**Governmental Activities:**

General Government	\$	128,182
Finance		28,424
Administration of Justice		14,340
Public Safety		167,078
Public Health and Welfare		320,761
Social, Cultural, and Recreational Services		20,514
Highways/Public Works		<u>1,011,113</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>1,690,412</u></u>

**Discretely Presented Roane County School Department**

**Governmental Activities:**

	Balance 7-1-07	Increases	Decreases	Balance 6-30-08
Capital Assets				
Not Depreciated:				
Land	\$ 1,387,525	\$ 0	\$ 0	\$ 1,387,525
Construction in Progress	<u>182,836</u>	<u>17,000</u>	<u>(138,490)</u>	<u>61,346</u>
Total Capital Assets Not Depreciated	<u>\$ 1,570,361</u>	<u>\$ 17,000</u>	<u>\$ (138,490)</u>	<u>\$ 1,448,871</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 75,682,633	\$ 0	\$ 0	\$ 75,682,633
Other Capital Assets	<u>6,804,645</u>	<u>575,437</u>	<u>(1,029,015)</u>	<u>6,351,067</u>
Total Capital Assets Depreciated	<u>\$ 82,487,278</u>	<u>\$ 575,437</u>	<u>\$ (1,029,015)</u>	<u>\$ 82,033,700</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 21,882,077	\$ 1,867,119	\$ 0	\$ 23,749,196
Other Capital Assets	<u>4,421,702</u>	<u>569,186</u>	<u>(1,025,790)</u>	<u>3,965,098</u>
Total Accumulated Depreciation	<u>\$ 26,303,779</u>	<u>\$ 2,436,305</u>	<u>\$ (1,025,790)</u>	<u>\$ 27,714,294</u>

**Governmental Activities: (Cont.)**

	Balance 7-1-07	Increases	Decreases	Balance 6-30-08
Total Capital Assets				
Depreciated, Net	\$ 56,183,499	\$ (1,860,868)	\$ (3,225)	\$ 54,319,406
Governmental Activities				
Capital Assets, Net	\$ 57,753,860	\$ (1,843,868)	\$ (141,715)	\$ 55,768,277

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

**Governmental Activities:**

Support Services	\$ 2,411,984
Operation of Non-Instructional Services	<u>24,321</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,436,305</u>

**D. Construction Commitments**

At June 30, 2008, the county had uncompleted construction projects of approximately \$3,522,149 in the General Capital Projects Fund. Funding has been received for these future expenditures.

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

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

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 51,065
Highway/Public Works	Nonmajor governmental	7,792
Rural Debt Service	Nonmajor governmental	665,600
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	11,087
Nonmajor governmental	General Purpose School	3,653

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

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In			
	General Fund	General Debt Service Fund	Nonmajor Govern-mental Funds	Internal Service Funds
General Fund	\$ 0	\$ 19,500	\$ 248,000	\$ 200,000
Highway/Public Works Fund	0	121,498	0	0
General Debt Service Fund	570,000	0	75,000	0
Nonmajor governmental funds	0	770,762	0	0
<b>Total</b>	<b>\$ 570,000</b>	<b>\$ 911,760</b>	<b>\$ 323,000</b>	<b>\$ 200,000</b>

**Discretely Presented Roane County School Department**

Transfers Out	Transfers In	
	General Purpose School Fund	Nonmajor Governmental Funds
Nonmajor governmental funds	\$ 9,225	\$ 0
General Purpose School Fund	0	1,151,585
<b>Total</b>	<b>\$ 9,225</b>	<b>\$ 1,151,585</b>

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

**F. Capital Leases**

On February 23, 2007, Roane County entered into a three-year lease-purchase agreement for patrol cars. The terms of the agreement require total lease payments of \$121,573 plus interest of 5.6 percent. Roane County maintains title to the equipment during the term of the lease and has granted the lessor a first priority security interest in the equipment to secure payment of all lease payments and the performance of all other obligations. The lease payments were made from the General Debt Service Fund.

On December 26, 2007, Roane County entered into a three-year lease-purchase agreement for patrol cars. The terms of the agreement require total lease payments of \$123,302 plus interest of 5.1 percent. Roane County maintains title to the equipment during the term of the lease and has granted the lessor a first priority security interest in the equipment to secure payment of all lease payments and the performance of all other obligations. The lease payments were made from the General Debt Service Fund.

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

Year Ending June 30	Governmental Funds
2009	\$ 85,912
2010	43,162
Total Minimum Lease Payments	\$ 129,074
Amount Representing Interest	(8,449)
Present Value of Minimum Lease Payments	\$ 120,625

**G. 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 and other loans have been issued to refund other general obligation bonds. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds, 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 38 years for bonds, up to 12 years for notes, and up to 26 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 county's debt service funds.

Included in the county's outstanding debt as of June 30, 2008, is \$150,000 of bonded debt assumed from the City of Harriman as a result of the merger of the two school systems on July 1, 2003. This assumed debt will be retired from the Education Debt Service Fund.

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

Type	Interest Rate	Original Amount of Issue	Balance 6-30-08
General Obligation Bonds	3 to 4.65%	\$ 1,700,000	\$ 1,150,000
Revenue and Tax Bonds	4.75	620,000	579,114
Refunding Bonds	3 to 4.63	17,385,000	17,385,000
Rural School Bonds	4.1 to 4.65	775,000	775,000
Rural School Refunding Bonds	2 to 4.3	23,250,000	17,670,000
School Refunding Bonds	3 to 5	2,880,000	1,750,000
Capital Outlay Notes	3.4 to 5.25	5,535,000	5,335,000
Other Loans - Variable Rate	Variable	10,350,000	5,105,000
Other Loans - Fixed Rate	1.6 to 5.85	4,475,000	2,375,000
Capital Lease	5.1 to 5.6	244,875	120,625

Roane County has entered into various loan agreements with Public Building Authorities (PBAs) to finance various capital projects for the county and the discretely presented Roane County School Department. Under the loan agreements, the PBAs issued their revenue bonds and made the proceeds available for loan to Roane County. The following table summarizes loan agreements outstanding at June 30, 2008:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-08	Interest Type	Interest Rates as of 6-30-08
<u>Sevier County Public</u>				
<u>Building Authority (Series III-A-4)</u>				
Industrial Park	\$ 3,800,000	\$ 1,200,000	Variable	2.8 %
Landfill Closure	1,200,000	205,000	Variable	2.8
<u>Blount County Public</u>				
<u>Building Authority (Series A-1-F)</u>				
Voting Machines	386,000	208,445	Variable	2.8
General Improvement Projects	450,000	244,925	Variable	2.8
School Buses	645,000	349,158	Variable	2.8
Retire Capital Outlay Notes	2,119,000	1,147,472	Variable	2.8
<u>Sevier County Public</u>				
<u>Building Authority (Series B-3-A)</u>				
Industrial Park Refunding	3,640,000	1,932,524	Fixed	1.6 to 5.85
Industrial Park - Land	835,000	442,476	Fixed	1.6 to 5.85
<u>Blount County Public</u>				
<u>Building Authority (Series B-13-A)</u>				
Public Improvement-County	1,750,000	1,750,000	Variable	5.9
Total		<u>\$ 7,480,000</u>		

The annual requirements to amortize all bonds, notes, and other loans outstanding as of June 30, 2008, including interest payments and other loan fees, are presented in the following tables. The Series III-A-4, A-1-F, and B-13-A carry variable interest rates that are functions of the Bond Market Association Index with the rates changing daily or weekly. Interest payments included in the table for the variable rate issues are computed based on the rates in effect at June 30, 2008. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with the variable rate loans.

Year Ending June 30	Notes		
	Principal	Interest	Total
2009	\$ 50,000	\$ 221,455	\$ 271,455
2010	700,000	218,830	918,830
2011	750,000	182,080	932,080
2012	800,000	142,705	942,705
2013	500,000	100,705	600,705
2014-2015	2,535,000	129,155	2,664,155
Total	\$ 5,335,000	\$ 994,930	\$ 6,329,930

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2009	\$ 1,070,000	\$ 319,401	\$ 18,203	\$ 1,407,604
2010	465,000	276,410	16,640	758,050
2011	490,000	260,401	14,970	765,371
2012	500,000	243,326	13,168	756,494
2013	875,000	225,675	11,313	1,111,988
2014-2018	2,805,000	1,224,140	27,636	4,056,776
2019-2023	1,025,000	1,293,500	0	2,318,500
2024	250,000	265,000	0	515,000
Total	\$ 7,480,000	\$ 4,107,853	\$ 101,930	\$ 11,689,783

Year Ending June 30	Bonds		
	Principal	Interest	Total
2009	\$ 1,413,001	\$ 1,639,371	\$ 3,052,372
2010	1,398,389	1,641,086	3,039,475
2011	1,438,796	1,592,070	3,030,866
2012	1,484,223	1,540,292	3,024,515
2013	1,509,671	1,481,925	2,991,596
2014-2018	10,705,871	6,383,364	17,089,235
2019-2023	12,250,815	3,369,103	15,619,918
2024-2028	3,989,757	1,736,318	5,726,075
2029-2033	4,913,765	740,560	5,654,325
2034-2038	144,194	32,506	176,700
2039-2040	60,632	2,746	63,378
Total	\$ 39,309,114	\$ 20,159,341	\$ 59,468,455

There is \$5,651,236 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$842, based on the 2000 federal census for residents living outside the Harriman and Oak Ridge school districts, \$404 for residents living inside the Harriman school district, and \$368 for residents living inside the Oak Ridge school district. Debt per capita, including bonds, notes, other loans, and capital leases totaled \$1,091, for residents living outside the Harriman and Oak Ridge school districts, \$653 for residents living inside the Harriman school district, and \$617 for residents living inside the Oak Ridge school district 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	\$ 21,621,744	\$ 5,430,503
Additions	18,985,000	0
Deductions	(1,297,630)	(95,503)
	<u>\$ 39,309,114</u>	<u>\$ 5,335,000</u>
Balance, June 30, 2008		
Balance Due Within One Year	<u>\$ 1,413,001</u>	<u>\$ 50,000</u>
	<u>Other Loans</u>	<u>Capital Leases</u>
Balance, July 1, 2007	\$ 15,975,293	\$ 78,822
Additions	11,609,707	123,302
Deductions	(20,105,000)	(81,499)
	<u>\$ 7,480,000</u>	<u>\$ 120,625</u>
Balance, June 30, 2008		
Balance Due Within One Year	<u>\$ 1,070,000</u>	<u>\$ 79,558</u>

	Landfill Postclosure Care Costs	Compensated Absences
Balance, July 1, 2007	\$ 894,520	\$ 355,658
Additions	531,080	364,359
Deductions	0	(373,920)
Balance, June 30, 2008	<u>\$ 1,425,600</u>	<u>\$ 346,097</u>
Balance Due Within One Year	<u>\$ 39,000</u>	<u>\$ 292,567</u>

	Other Postemployment Benefits
Balance, July 1, 2007	\$ 0
Additions	686,000
Deductions	<u>(43,711)</u>
Balance, June 30, 2008	<u>\$ 642,289</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2008	\$ 54,658,725
Less: Balance Due Within One Year	(3,437,526)
Add: Unamortized Premium on Debt	872,076
Less: Deferred Amount on Refunding	<u>(1,115,280)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 50,977,995</u>

Compensated absences will be paid from the employing funds. Landfill postclosure care costs will be paid by the Other Special Revenue Fund.

## Discretely Presented Roane County School Department

### Changes in Long-term Liabilities

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

	Notes	Compensated Absences
Balance, July 1, 2007	\$ 12,508	\$ 130,158
Additions	0	164,967
Deductions	(12,508)	(152,597)
	<hr/>	<hr/>
Balance, June 30, 2008	\$ 0	\$ 142,528
	<hr/>	<hr/>
Balance Due Within One Year	\$ 0	\$ 64,590
	<hr/>	<hr/>

	Other Postemployment Benefits
Balance, July 1, 2007	\$ 0
Additions	1,548,000
Deductions	(554,829)
	<hr/>
Balance, June 30, 2008	\$ 993,171
	<hr/>
Balance Due Within One Year	\$ 0
	<hr/>

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

Total Noncurrent Liabilities, June 30, 2008	\$ 1,135,699
Less: Balance Due Within One Year	<u>(64,590)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 1,071,109</u>

Compensated absences will be paid from the employing funds.

## **H. Internal Financing**

In-lieu-of issuing debt with financial institutions, Roane County often chooses to internally finance various projects with idle county funds. These debt

issues that will be repaid from the same fund in which the loan was obtained are reflected as transfers, or for loans to the School Department, as a contribution to the discretely presented School Department from the primary government's Education Debt Service Fund, (not notes receivable) in the financial statements of this report. Internally reported notes receivable from idle funds loaned from debt service funds that will subsequently be paid by these debt service funds are reflected below:

Internally Reported Interfund Notes Receivable/Payable Through the Debt Service Funds

	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date
<u>General Debt Service Fund</u>					
General Capital Outlay	\$ 340,000	4.5	%	6-1-06	1-1-09
Industrial Development Projects	300,000	5		6-1-07	6-1-10
General Capital Outlay	440,000	4.75		6-1-07	6-1-10
General Capital Outlay	645,000	5.5		6-1-08	6-1-11
<u>Education Debt Service Fund</u>					
School Vehicle Purchases	370,000	4.75		6-1-07	6-1-10
School Vehicle Purchases	340,000	5.5		6-1-08	6-1-11

	Outstanding 7-1-07	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-08
<u>General Debt Service Fund</u>				
General Capital Outlay	\$ 299,200	\$ 0	\$ (40,800)	\$ 258,400
Industrial Development Projects	300,000	0	(36,000)	264,000
General Capital Outlay	440,000	0	(52,800)	387,200
General Capital Outlay	0	645,000	0	645,000
<u>Education Debt Service Fund</u>				
School Vehicle Purchases	370,000	0	(44,400)	325,600
School Vehicle Purchases	0	340,000	0	340,000

**I. Donor-restricted Endowments**

The county accounts for an endowment totaling \$20,000 in a private purpose trust fund, the Endowment Fund. The principal amount must remain intact while interest earned on the principal will be expended to county residents awarded educational scholarships. During the year ended June 30, 2008, interest earned totaled \$900.

V. OTHER INFORMATION

A. Risk Management

Roane County has chosen to establish two self-insurance funds for risks associated with the employees' dental insurance plan and risks associated with workers' compensation claims. The self-insurance funds are accounted for as internal service funds where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$350,000 per occurrence and approximately \$2,000,000 for all claims in any plan year for workers' compensation coverage. The county has obtained a stop/loss commercial insurance policy to cover claims beyond these limits. The workers' compensation fund was established during the current year, and settled claims have not yet exceeded the commercial insurance coverage.

All full-time employees of the primary government and the Roane County School Department are eligible to participate in the dental program. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. A reserve of \$547,437 existed in this fund at June 30, 2008. Liabilities of this fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The self-insurance fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Employee Insurance - Dental

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2006-2007	\$ 0	\$ 357,755	\$ (357,755)	0
2007-2008	0	379,199	(379,199)	0

Workers' Compensation

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2006-2007	\$ 0	\$ 29,092	\$ (27,879)	\$ 1,213
2007-2008	1,213	258,533	(168,648)	91,098

Roane County participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, Tennessee Code Annotated (TCA), all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF 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. The state statute provides for the LGGIF to be self-sustaining through member premiums.

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

In previous years, Roane County and several other counties, cities, and local government entities were members of the Local Government Insurance Cooperative (LOGIC) for their workers' compensation insurance. LOGIC obtained their excess coverage insurance from Reliance Insurance Company for their claims that exceeded specific amounts. Reliance Insurance Company is now in insolvency proceedings and is unable to pay the claims presented to them by LOGIC for the fiscal years 1996-97, 1997-98, and 1999-2000. The board of directors for LOGIC met on October 14, 2003, and approved a formal assessment of \$32,042 against Roane County for these outstanding claims unpaid by Reliance Insurance Company. Roane County was also assessed \$66,905 by LOGIC for insufficient premiums for the 2000-01 year. These amounts are reflected as current liabilities in the General Fund. The county is formally contesting these assessments as of the date of this report.

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

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

**C. Subsequent Event**

On April 22, 2009, Roane County issued \$8,325,000 in general obligation bonds and \$1,325,000 in rural school bonds to finance various capital purchases and to refinance existing debt.

**D. Contingent Liabilities**

The county is involved in several pending lawsuits. Based on letters from attorneys, management believes that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

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

During the 1997-98 year, Roane County stopped accepting solid waste at the county's landfill (formerly operated by the now dissolved Roane County Solid Waste Authority) and contracted with Santec Environmental to transport and dispose of the county's solid waste. The county operates a number of convenience and recycling centers and transports construction and yard debris waste to the Rhea County landfill operated by Santec Environmental.

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. A postclosure care liability of \$1,425,600 is reported in noncurrent liabilities on the Statement of Net Assets at June 30, 2008. This amount represents an estimate of the cost of postclosure care for the remaining 23 years. This amount is based on what it would cost to perform all postclosure care in 2008. Actual cost may vary from the estimate due to inflation, changes in technology, or changes in regulations. The now dissolved Roane County Solid Waste Authority oversaw the landfill closure, which was completed during the 1999-2000 year. Closure costs were funded primarily through transfers from the county through the issuance of long-term debt. The county is funding postclosure care costs by annual appropriations from the Other Special Revenue Fund.

**F. Joint Venture**

Roane County entered into an agreement with the counties of Cumberland, Morgan, and Roane, Tennessee, to establish an Industrial Development Board to purchase land for the development of a joint industrial park. Cumberland, Morgan, and Roane counties jointly own the board. The agreement established a nine-member board with each county appointing three members and being responsible for one-third of the entity's funding.

Roane County issued another loan for \$1,750,000 on October 18, 2007, and contributed the proceeds to the board.

**G. Jointly Governed Organization**

The County Commission is responsible for appointing three members to the board of directors of the Roane Alliance, Inc. The total number of board members fluctuates from 29 to 48 members. The remaining members are appointed by other entities or are ex-officio's from various organizations. The county's accountability for this organization does not extend beyond making these three appointments.

**H. Retirement Commitments**

**Employees**

**Plan Description**

Employees of Roane 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 Roane County participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

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

## Funding Policy

Roane 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 7.86 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Roane County is established and may be amended by the TCRS Board of Trustees.

## Annual Pension Cost

For the year ended June 30, 2008, Roane County's annual pension cost of \$1,120,868 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. Roane 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	\$1,120,868	100%	\$0
6-30-07	1,057,250	100	0
6-30-06	895,663	100	0

## Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 89.45 percent funded. The actuarial accrued liability for benefits was \$32.29 million, and the actuarial value of assets was \$28.88 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$3.41 million. The covered payroll (annual payroll of active employees covered by the plan) was \$12.76 million, and the ratio of the UAAL to the covered payroll was 26.68 percent.

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

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

## **School Teachers**

### **Plan Description**

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

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

## **Funding Policy**

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2008, was 6.24 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2008, 2007, and 2006, were \$1,621,724, \$1,538,992, and \$1,342,970, respectively, equal to the required contributions for each year.

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

#### Plan Description

Roane County and the School Department participate in the state-administered Local Education Group Insurance Plan and Local Government Insurance Plan for healthcare benefits. For accounting purposes, the plans are agent multiple-employer defined benefit OPEB plans. Benefits are established and amended by an insurance committee created by Section 8-27-302, Tennessee Code Annotated (TCA), for local education employees and Section 8-27-207, TCA, for local governments. Prior to reaching the age of 65, all members have the option of choosing a preferred provider organization (PPO), point of service (POS), or health maintenance organization (HMO) plan for healthcare benefits. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plans are reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at <http://tn.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 a contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state does not provide a subsidy for local government participants; however, the state does provide 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.

Roane County has adopted a policy to provide postretirement health care benefits to all employees who qualify for retirement with the Tennessee Consolidated Retirement System (TCRS), are between the ages of 55 and 65,

and have at least ten years of service with Roane County. Those retirees have the opportunity to maintain the same level of medical benefits they had as an active employee with the county paying the same share as active employees until they reach age 65. As of June 30, 2008, one employee was participating in this program. During the year examined, one retiree met those eligibility requirements, and Roane County contributed \$43,711 for postemployment benefits.

The discretely presented Roane County School Department provides postretirement health care benefits to professional and classified/support personnel age 55 or older who retire from the School Department with at least the last five years of service in the Roane County School Department and have a full 30 years of credited membership in the Tennessee Consolidated Retirement System. During the year examined, 50 retirees met those eligibility requirements, and the School Department contributed \$554,829 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Government Group Plan	Local Education Group Plan
ARC	\$ 686,000	\$ 1,548,000
Interest on the NPO	0	0
Adjustment to the ARC	0	0
Annual OPEB cost	\$ 686,000	\$ 1,548,000
Amount of contribution	(43,711)	(554,829)
Increase/decrease in NPO	\$ 642,289	\$ 993,171
Net OPEB obligation, 7-1-07	0	0
Net OPEB obligation, 6-30-08	\$ 642,289	\$ 993,171

Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-08	Local Government Group	\$ 686,000	6 %	\$ 642,289
6-30-08	Local Education Group	1,548,000	36	993,171

\* 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:

	Local Government Group Plan	Local Education Group Plan
Actuarial valuation date	6-30-07	6-30-07
Actuarial accrued liability (AAL)	\$ 4,661,000	\$ 12,946,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 4,661,000	\$ 12,946,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 6,587,545	\$ 30,256,767
UAAL as a % of covered payroll	71%	43%

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

### Actuarial Methods and Assumptions

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

In the June 30, 2007, actuarial valuation, the projected unit 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.

**J. Office of Central Accounting**

Roane County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county executive and road superintendent. These funds are maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of finance.

**K. Purchasing Laws**

Purchasing procedures for the Offices of County Executive and Road Superintendent are governed by the County Purchasing Law of 1957, Section 5-14-101, et seq., Tennessee Code Annotated (TCA). Purchasing procedures for the Road Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, TCA. These acts provide for a purchasing agent and require competitive bids on all purchases exceeding \$5,000 for the Office of County Executive and \$10,000 for the Office of Road Superintendent. Chapter 477, Private Acts of 1933, and the County Purchasing Law of 1957 provide for the School Department purchases to be made by the purchasing agent and for bids to be solicited on purchases exceeding \$10,000.

**VI. OTHER NOTES – DISCRETELY PRESENTED ROANE COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**A. Organization**

The Roane County Emergency Communications District was established January 1, 1991, pursuant to the provisions of Chapter 867 of the Public Acts of 1984 of the State of Tennessee. The district is responsible for the installation and maintenance of the emergency communications network of Roane County, Tennessee (Enhanced 911 Service).

The district is considered a component unit of Roane County, Tennessee, because the Roane County Board of Commissioners appoints all of the district's Board of Directors and must approve any debt issued by the district.

**B. Summary of Significant Accounting Policies**

**1. Basis of Accounting**

The district uses the accrual basis of accounting. Revenue is recognized when earned and measurable, and expenses are recognized when the liability is incurred. The district follows all pronouncements of the Governmental Accounting Standards Board (GASB) and pronouncements of the Financial Accounting Standards Board (FASB) issued on or before November 30, 1989. The district has not elected to follow FASB pronouncements issued after November 30, 1989.

The district's resources are classified for accounting and reporting purposes into the following three net assets groups:

Invested in capital assets: This category includes capital assets, net of accumulated depreciation. Invested in capital assets at June 30, 2008, has been calculated as follows:

Capital Assets	\$ 1,185,427
Accumulated Depreciation	<u>(526,026)</u>
Total	<u><u>\$ 659,401</u></u>

Restricted: Net assets whose use is subject to externally imposed stipulations that can be fulfilled by actions of the district pursuant to those stipulations or that expire by the passage of time. The district had no restricted net assets as of June 30, 2008.

Unrestricted: This category includes net assets that are not subject to externally imposed stipulations and do not meet the definition of "restricted" or "invested in capital assets." Unrestricted net assets may be designated for specific purposes by action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

**2. Accounts Receivable**

Accounts receivable, which are deemed uncollectible based upon a periodic review of the accounts are charged to revenue. At June 30, 2008, no allowance for uncollectible accounts was considered necessary.

**3. Property and Equipment**

Property and equipment is recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives, which range from five to 25 years.

**4. Operating Budget**

The district is required by state law to adopt an annual operating budget. The budget is prepared on the accrual basis of accounting. All appropriations lapse at the end of the year.

**5. Compensated Absences**

The district's full-time employees are granted vacation leave in varying amounts. In the event of termination, the employee is paid

for any unused vacation leave. Unused vacation leave as of June 30, 2008, totaling \$11,803 is included as a liability in the statement of net assets.

**C. Risk Management**

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for all risks of loss, including general liability and workers' compensation coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**D. Property and Equipment**

Property and equipment activity for the year ended June 30, 2008, was as follows:

	Balance 7-1-07	Increases	Balance 6-30-08
Capital Assets			
Not Depreciated:			
Land	\$ 30,056	\$ 0	\$ 30,056
Total Capital Assets Not Depreciated	<u>\$ 30,056</u>	<u>\$ 0</u>	<u>\$ 30,056</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 378,082	\$ 25,760	\$ 403,842
Other Capital Assets	518,909	232,621	751,530
Total Capital Assets Depreciated	<u>\$ 896,991</u>	<u>\$ 258,381</u>	<u>\$ 1,155,372</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 119,317	\$ 13,429	\$ 132,746
Other Capital Assets	292,544	100,736	393,280
Total Accumulated Depreciation	<u>\$ 411,861</u>	<u>\$ 114,165</u>	<u>\$ 526,026</u>
Total Capital Assets Depreciated, Net	<u>\$ 485,130</u>	<u>\$ 144,216</u>	<u>\$ 629,346</u>
Governmental Activities Capital Assets, Net	<u>\$ 515,186</u>	<u>\$ 144,216</u>	<u>\$ 659,402</u>

**E. Cash on Deposit**

Cash and the certificate of deposit are stated at cost. These balances were entirely insured through the Federal Deposit Insurance Corporation or through the State of Tennessee Bank Collateral Pool. The district considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

The State of Tennessee authorizes the district to invest in obligations of the United States or its agencies, non-convertible debt securities of certain federal agencies, other obligations guaranteed as to principal and interest by the United States or any of its agencies, secured certificates of deposit and other evidences of deposit in state and federal banks and savings and loan associations, and the state treasurer's investment pool.

The pool contains investments in certificates of deposit, U.S. Treasury securities and repurchase agreements, backed by the U.S. Treasury securities. The treasurer of the State of Tennessee administers the investment pool. Although the district may participate in the state investment pool, it elects not to participate. District policy dictates that collateral meet certain requirements, such as, be deposited in an institution that participates in the state collateral pool or be deposited in an escrow account in another institution for the benefit of the district. In addition, collateral must be a minimum of 105 percent of the value of the deposits placed in the institution less the amount protected by federal deposit insurance.

The state collateral pool is administered by the State of Tennessee. Members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional agreement, public fund accounts covered by the pool are considered to be classified as category one insured credit risk in accordance with GASB Statement No. 3, Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements.

**F. Retirement**

Plan Description

Employees of the district are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55.

Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for a disability that is the result of an accident or injury occurring while the member was in the performance of his duties.

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 the state statute found in Title 8, Chapters 34-37 of the Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as the city participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of the 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://treasury.state.tn.us/tcrs/PS/>.

#### Funding Policy

The district requires employees to contribute five percent of earnable compensation.

The district is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2008, was 5.73 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the district is established and may be amended by the TCRS Board of Trustees.

#### Annual Pension Cost

For the year ended June 30, 2008, the district's annual pension cost of \$31,934 to TCRS was equal to the district'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. The district's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2005, was 19 years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
6-30-08	\$ 31,934	100 %	\$ 0
6-30-09	27,317	100	0
6-30-10	20,908	100	0

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 75.73 percent funded. The actuarial accrued liability for benefits was \$520,000, and the actuarial value of assets was \$390,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$130,000. The covered payroll (annual payroll of active employees covered by the plan) was \$520,000, and the ratio of the UAAL to the covered payroll was 24.25 percent.

The schedules 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 AALs 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.

Actuarial valuation date	<u>6-30-07</u>
Actuarial accrued liability (AAL)	\$ 392,000
Actuarial value of plan assets	\$ 518,000
Unfunded actuarial accrued liability (UAAL)	\$ 126,000
Actuarial value of assets as a % of the AAL	75.73%
Covered payroll (active plan members)	\$ 518,000
UAAL as a % of covered payroll	24.25%

**VII. OTHER NOTES – DISCRETELY PRESENTED ROANE COUNTY INDUSTRIAL DEVELOPMENT BOARD**

**A. Organization**

The Industrial Development Board of the county of Roane, Tennessee, is a nonprofit corporation. It is incorporated under the provisions of the State of Tennessee, and is a component unit of the Roane County government and receives funding from various county funds. The function of the board is to attract and promote new industry for the county.

The board is appointed by the County Commission. In addition, the majority of the funding for the board is provided by the county. The board is held responsible by the county for fiscal and operational matters. The county can exercise oversight, as it deems necessary.

**B. Summary of Significant Accounting Policies**

The accompanying financial statements (statement of net assets and statement of activities) of the board have been prepared in conformity with generally accepted accounting principles (GAAP). The board applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict pronouncements of the Governmental Accounting Standards Board (GASB), in which case, GASB prevails.

**1. Reporting Entity**

The board is a component unit of the Roane County government, the primary government. It is made up of nine members appointed by the Roane County Commissioners of the primary government. The board's relationship with the primary government is that the board acts as a conduit for industrial development. In addition, the board is a public corporation organized under and pursuant to the provisions of Title 7, Chapter 53, of Tennessee Code Annotated, designed to maintain and increase employment opportunities in the State of Tennessee by issuing revenue bonds, including revenue refunding bonds.

These financial statements present only the assets, liabilities, fund balance, and results of operations of the industrial fund. They are not intended to present the assets, liabilities, fund balances and results of operations of Roane County, Tennessee.

**2. Basic Financial Statements - Government-wide Statements**

The board's basic financial statements include both government-wide (reporting the board as a whole) and fund financial statements (reporting the board's major fund). The board has only one fund, the General Fund.

In the government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis and are reported on the full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The board's net assets are reported in two parts – invested in capital assets, net of related debt, and unrestricted net assets, as applicable. When both unrestricted and restricted fund resources are available for use, it is the board's policy to use restricted resources first.

The government-wide Statement of Activities reports both the gross and net costs of the board's function. The function is also supported by the general government revenues. The Statement of Activities reduces gross expense (including depreciation) by related program revenues. Program revenues must be directly associated with the function. Program revenues include 1) charges to customers who use or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions for operational or capital requirements of a particular function or program. Other items not identifiable with a program are reported as general revenues.

This government-wide focus is more on the sustainability of the board as an entity and the changes in the board's net assets resulting from the current year's activities.

**3. Basic Financial Statements – Fund Financial Statements**

The financial transactions of the board are reported in the General Fund in the fund financial statements. The fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund is reported by generic classification within the financial statements. The following fund type is used by the board:

Governmental Fund: The focus of the governmental fund measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of the financial resources) rather than upon net income. The following is a description of the governmental fund of the board:

**General Fund** – The General Fund is the general operating fund of the Industrial Board. All financial resources are accounted for in the General Fund.

4. **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

5. **Accrual**

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

6. **Modified Accrual**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule included: (1) accumulated unpaid sick pay, which is not accrued; and (2) principal and interest on general obligation long-term debt, which is recognized when due.

7. **Budgets and Budgetary Accounting**

The Industrial Development Board follows these procedures in establishing the budgetary data reflected in the financial statements:

Formal budgetary integration is employed as a management control device during the year for the General Fund. The budget is adopted on a basis consistent with generally accepted accounting principles.

8. **Cash and Cash Equivalents**

The board considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

**9. Estimates**

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

**10. Capital Assets**

Capital assets, which include property, plant, and equipment assets, are reported in the government-wide financial statements. Capital assets are defined by the board as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at 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 the asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Other Capital Assets	5 - 10
Infrastructure	10 - 100

**11. Compensated Absences**

Compensated absences are earned at a rate of one day per month for both sick leave and vacation time. Upon termination or retirement, all accumulated time is forfeited. On October 1, 2000, the employees of the board became employees of the Community Development Council, Inc., which changed its name in June 2001, to The Roane Alliance, Inc. Therefore, no accrual for compensated absences has been reflected in the financial statements.

**C. Cash**

State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of the deposits, less the amount as insured by federal deposit insurance. The collateral must be held by the board or its agent in the board's name, or by the Federal Reserve in the board's name.

At June 30, 2008, the carrying amount of the board's deposits was \$544,887. The board's bank balance at June 30, 2008, was fully covered by Federal Deposit Insurance Corporation insurance and through the bank's participation in the Tennessee Collateral Pool.

**D. Lease**

Beginning July 1, 2002, the board began paying annual rent, which includes utilities of \$12,000. This agreement was renewed on January 1, 2006, for a five-year period ending December 31, 2011, with the rent set at \$1,000 per month.

**E. Land Lease**

The Industrial Development Board entered into a lease agreement with Dienamic Tooling Systems, Inc., on December 31, 2004. The lessee will pay the board \$26,667 for the next three years as basic rent and \$1 a year until December 31, 2021. Section 14.01 of the lease gives the lessee the option to purchase the leased property at any time under Section 14.03 for \$1. In 2007, the Industrial Development Board received the final installment payment of \$26,667 from Dienamic Tooling Systems, Inc.

**F. Capital Assets**

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

**Governmental Activities:**

	Balance 7-1-07	Additions	Disposals	Balance 6-30-08
Capital Assets Not Depreciated:				
Land	\$ 6,299,049	\$ 486,113	\$ (1,053,203)	\$ 5,731,959
Legal/Start Up - Macedonia	213,577	0	0	213,577
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 6,512,626</b>	<b>\$ 486,113</b>	<b>\$ (1,053,203)</b>	<b>\$ 5,945,536</b>
Capital Assets Depreciated:				
Water Tank	\$ 65,300	\$ 0	\$ 0	\$ 65,300
Furniture and Fixtures	7,000	0	0	7,000
Office Equipment	4,000	5,595	0	9,595
Improvements	180,558	0	0	180,558
<b>Total Capital Assets Depreciated</b>	<b>\$ 256,858</b>	<b>\$ 5,595</b>	<b>\$ 0</b>	<b>\$ 262,453</b>

**Governmental Activities: (Cont.)**

	Balance 7-1-07	Additions	Disposals	Balance 6-30-08
Less Accumulated Depreciation For:				
Water Tank	\$ 15,348	\$ 0	\$ 0	\$ 15,348
Furniture and Fixtures	3,150	700	0	3,850
Office Equipment	4,000	559	0	4,559
Improvements	7,949	4,189	0	12,138
Total Accumulated Depreciation	<u>\$ 30,447</u>	<u>\$ 5,448</u>	<u>\$ 0</u>	<u>\$ 35,895</u>
Total Capital Assets Depreciated, Net	<u>\$ 226,411</u>	<u>\$ 147</u>	<u>\$ 0</u>	<u>\$ 226,558</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,739,037</u>	<u>\$ 486,260</u>	<u>\$ (1,053,203)</u>	<u>\$ 6,172,094</u>

Depreciation of \$5,448 was charged to the General Government function.

**G. Economic Dependency**

The board receives all of its operating funds from Roane County and its budget is set annually by Roane County.

**H. Risk Management**

The board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The board's risks of loss are covered by a commercial package insurance policy. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

**I. Related Party Transactions**

Roane County government is a related party of the board. Transfers totaling \$395,400 were received from the Roane County government for the fiscal year ending June 30, 2008.

**J. Operating Agreement**

The board has entered into a Joint Operating Agreement with the Roane County Chamber of Commerce, the Roane County Commission (Visitor's Bureau), and the Roane County Community Development Council known as

the Roane Alliance. On October 1, 2001, the board's employees became employees of the Roane County Community Development Council, who changed their name to the Roane Alliance, Inc., in June 2001. As a result of the Joint Operating Agreement, the Roane Alliance receives a portion of the Industrial Development Board's annual budget to pay the following expenses:

- Salaries
- Payroll Tax Expense
- Health Insurance
- Property and Liability Insurance
- Expenses Related to Business Recruitment
- Auto Expenses for the Industrial Commissioner

Beginning July 1, 2005, the Industrial Development Board changed this agreement, and all funds were sent to the Industrial Development Board. The Roane Alliance paid the above noted expenses and billed the Industrial Development Board for its share.

**K. Sale of Land**

There were land sales for \$1,815,900 during the year ending June 30, 2008. The sales had a land cost of \$1,053,203. The Industrial Development Board submits all proceeds from the sales of land to the Roane County government.

**L. Deferred Revenue**

Deposits totaling \$125,025 for the year ending June 30, 2008, were received on land sales that were not completed until after year end. The Industrial Development Board completed these subsequent to year end, receiving proceeds of \$1,039,650.

**M. Other Matters**

A deposit of \$5,000 was received from DEKD, LLC., a Tennessee Limited Liability Company, for a purchase and sale agreement of five acres in the Roane Regional Business and Technology Park for \$125,000. This agreement secures the right of first refusal on two additional five-acre tracts adjoining the first site. The sale was completed September 6, 2005, and the Industrial Development Board is financing \$112,500 of the sale. The note is without interest and payable upon the sale or lease of the real property securing the note. DEKD, LLC., plans to build speculative industrial buildings on the five-acre sites and when sold or leased the note will be paid off. In 2007, the Industrial Development Board received the remaining outstanding balance of \$112,500 due from DEKD, LLC.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Roane 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	
<u>Revenues</u>							
Local Taxes	\$ 8,462,711	\$ 0	\$ 0	\$ 8,462,711	\$ 8,200,100	\$ 8,432,100	\$ 30,611
Licenses and Permits	401,033	0	0	401,033	390,000	390,000	11,033
Fines, Forfeitures, and Penalties	186,308	0	0	186,308	336,350	292,500	(106,192)
Charges for Current Services	155,233	0	0	155,233	144,100	169,100	(13,867)
Other Local Revenues	21,331	0	0	21,331	45,500	35,600	(14,269)
Fees Received from County Officials	2,360,441	0	0	2,360,441	2,185,000	2,333,500	26,941
State of Tennessee	932,231	0	0	932,231	1,401,356	1,415,183	(482,952)
Federal Government	749,043	0	0	749,043	611,284	953,136	(204,093)
Other Governments and Citizens Groups	38,864	0	0	38,864	21,990	51,590	(12,726)
Total Revenues	\$ 13,307,195	\$ 0	\$ 0	\$ 13,307,195	\$ 13,335,680	\$ 14,072,709	\$ (765,514)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 41,829	\$ 0	\$ 0	\$ 41,829	\$ 47,998	\$ 50,850	\$ 9,021
Board of Equalization	2,260	0	0	2,260	5,400	5,400	3,140
Beer Board	3,439	0	0	3,439	3,850	4,050	611
Budget and Finance Committee	8,226	0	0	8,226	10,400	10,800	2,574
Other Boards and Committees	39,974	0	0	39,974	31,500	40,000	26
County Mayor/Executive	179,228	0	0	179,228	180,415	181,615	2,387
County Attorney	85,235	0	0	85,235	85,235	85,235	0
Election Commission	220,023	(2,112)	9,200	227,111	239,849	241,649	14,538
Register of Deeds	214,906	(454)	7,126	221,578	242,978	242,978	21,400
Planning	60,294	0	0	60,294	62,552	68,127	7,833
Codes Compliance	162,972	0	0	162,972	163,805	165,405	2,433
County Buildings	293,942	(2,108)	293,334	585,168	586,609	586,609	1,441

(Continued)

Exhibit F-1

Roane 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		
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>General Government (Cont.)</u>							
Other General Administration	\$ 28,563	\$ 0	4,228	\$ 32,791	\$ 32,600	\$ 35,700	\$ 2,909
Preservation of Records	63,762	0	0	63,762	63,956	63,956	194
<u>Finance</u>							
Accounting and Budgeting	262,107	0	0	262,107	275,886	272,786	10,679
Purchasing	118,499	(169)	0	118,330	120,423	120,673	2,343
Property Assessor's Office	377,281	(43,741)	49,341	382,881	408,530	408,530	25,649
Reappraisal Program	114,848	(6,770)	625	108,703	130,726	138,726	30,023
County Trustee's Office	180,201	0	0	180,201	199,910	199,910	19,709
County Clerk's Office	370,451	(1,230)	0	369,221	383,965	383,965	14,744
<u>Administration of Justice</u>							
Circuit Court	135,271	(302)	0	134,969	139,855	139,855	4,886
General Sessions Court	274,133	(302)	188	274,019	318,813	292,813	18,794
General Sessions Judge	366,103	0	0	366,103	368,529	374,829	8,726
Chancery Court	207,269	(750)	390	206,909	210,626	210,626	3,717
Juvenile Court	304,672	(3,400)	0	301,272	278,283	315,283	14,011
Other Administration of Justice	12,390	0	0	12,390	22,925	22,925	10,535
<u>Public Safety</u>							
Sheriff's Department	2,051,023	(2,858)	14,234	2,062,399	1,867,829	2,121,231	58,832
Jail	1,429,111	(9,346)	14,574	1,434,339	1,396,411	1,457,442	23,103
Fire Prevention and Control	184,500	0	0	184,500	184,500	184,500	0
Civil Defense	482,836	0	10,137	492,973	417,850	695,040	202,067
Rescue Squad	30,000	0	0	30,000	30,000	30,000	0
Other Emergency Management	8,785	0	0	8,785	17,729	17,729	8,944
County Coroner/Medical Examiner	40,389	0	0	40,389	34,900	44,900	4,511

(Continued)

Exhibit F-1

Roane 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	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
Other Public Safety	\$ 27	\$ 0	\$ 0	27	\$ 9,000	\$ 9,000	\$ 8,973
<u>Public Health and Welfare</u>							
Local Health Center	370,512	(1,700)	15,712	384,524	391,950	452,028	67,504
Rabies and Animal Control	52,130	0	0	52,130	55,000	55,000	2,870
Maternal and Child Health Services	2,780	0	0	2,780	2,780	2,780	0
Dental Health Program	176,410	0	0	176,410	196,243	198,935	22,525
Appropriation to State	5,790	0	0	5,790	52,781	5,800	10
Other Local Welfare Services	89,670	0	0	89,670	89,670	89,670	0
Sanitation Management	42,142	0	0	42,142	43,464	43,464	1,322
<u>Social, Cultural, and Recreational Services</u>							
Libraries	10,818	0	0	10,818	18,300	18,300	7,482
Parks and Fair Boards	221,764	(70,000)	0	151,764	206,574	276,574	124,810
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	84,073	0	0	84,073	84,072	84,072	(1)
Soil Conservation	37,231	0	0	37,231	34,624	51,274	14,043
<u>Other Operations</u>							
Industrial Development	305,038	(1,747)	1,072	304,363	423,580	423,580	119,217
Veterans' Services	3,000	0	0	3,000	4,000	4,000	1,000
Employee Benefits	1,850,748	0	0	1,850,748	2,026,794	2,049,222	198,474
Miscellaneous	1,016,644	(21,022)	10,439	1,006,061	9,364,639	1,440,055	433,994
<u>Highways</u>							
Litter and Trash Collection	34,392	0	0	34,392	41,000	41,000	6,608
<b>Total Expenditures</b>	<b>\$ 12,657,691</b>	<b>\$ (168,011)</b>	<b>\$ 430,600</b>	<b>\$ 12,920,280</b>	<b>\$ 21,609,308</b>	<b>\$ 14,458,891</b>	<b>\$ 1,538,611</b>

(Continued)

Exhibit F-1

Roane 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	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 649,504	\$ 168,011	\$ (430,600)	\$ 386,915	\$ (8,273,628)	\$ (386,182)	\$ 773,097
<b>Other Financing Sources (Uses)</b>							
Notes Issued	0	0	0	0	570,000	0	0
Capital Leases Issued	123,302	0	0	123,302	0	123,302	0
Other Loans Issued	1,575,975	0	0	1,575,975	8,225,000	151,032	1,424,943
Transfers In	570,000	0	0	570,000	0	570,000	0
Transfers Out	(467,500)	0	0	(467,500)	(367,500)	(467,500)	0
<b>Total Other Financing Sources (Uses)</b>	\$ 1,801,777	\$ 0	\$ 0	\$ 1,801,777	\$ 8,427,500	\$ 376,834	\$ 1,424,943
<b>Net Change in Fund Balance Fund Balance, July 1, 2007</b>	\$ 2,451,281	\$ 168,011	\$ (430,600)	\$ 2,188,692	\$ 153,872	\$ (9,348)	\$ 2,198,040
	872,495	(168,011)	0	704,484	2,286,895	2,286,895	(1,582,411)
<b>Fund Balance, June 30, 2008</b>	\$ 3,323,776	\$ 0	\$ (430,600)	\$ 2,893,176	\$ 2,440,767	\$ 2,277,547	\$ 615,629

Exhibit F-2

Roane 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 1,305,462	\$ 0	\$ 1,305,462	\$ 1,295,150	\$ 1,305,650	\$ (188)
Charges for Current Services	0	0	0	1,000	1,000	(1,000)
Other Local Revenues	67,347	0	67,347	44,500	49,400	17,947
State of Tennessee	2,110,872	0	2,110,872	1,980,000	2,038,000	72,872
Total Revenues	\$ 3,483,681	\$ 0	\$ 3,483,681	\$ 3,320,650	\$ 3,394,050	\$ 89,631
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 159,490	\$ 0	\$ 159,490	\$ 161,675	\$ 161,675	\$ 2,185
Highway and Bridge Maintenance	1,876,048	(21,057)	1,854,991	1,988,412	1,991,192	136,201
Operation and Maintenance of Equipment	340,769	0	340,769	377,220	377,340	36,571
Traffic Control	34,566	0	34,566	36,944	37,044	2,478
Other Charges	186,599	0	186,599	192,025	192,025	5,426
Employee Benefits	346,623	0	346,623	369,200	371,100	24,477
Capital Outlay	266,269	0	266,269	135,500	278,500	12,231
Total Expenditures	\$ 3,210,364	\$ (21,057)	\$ 3,189,307	\$ 3,260,976	\$ 3,408,876	\$ 219,569
Excess (Deficiency) of Revenues Over Expenditures	\$ 273,317	\$ 21,057	\$ 294,374	\$ 59,674	\$ (14,826)	\$ 309,200
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (121,498)	\$ 0	\$ (121,498)	\$ (121,498)	\$ (121,498)	\$ 0
Total Other Financing Sources (Uses)	\$ (121,498)	\$ 0	\$ (121,498)	\$ (121,498)	\$ (121,498)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 151,819	\$ 21,057	\$ 172,876	\$ (61,824)	\$ (136,324)	\$ 309,200
	824,253	(21,057)	803,196	792,283	792,283	10,913
Fund Balance, June 30, 2008	\$ 976,072	\$ 0	\$ 976,072	\$ 730,459	\$ 655,959	\$ 320,113

Exhibit F-3

Roane 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	\$ 28,887	\$ 32,293	\$ 3,406	89.45 %	\$ 12,766	26.68 %

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 F-4

Roane County, Tennessee  
Schedule of Funding Progress – Pension Plan  
Discretely Presented Roane County Emergency Communications District  
June 30, 2008

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-07	\$ 392	\$ 518	\$ 126	75.73 %	\$ 518	24.25 %

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 F-5

Roane County, Tennessee  
Schedule of Funding Progress – Other Postemployment Benefits Plans  
Primary Government and Discretely Presented Roane County School Department  
June 30, 2008

(Dollar amounts in thousands)

Actuarial Valuation Date *	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Local Government Group Plan 6-30-07	\$ 0	\$ 4,661	\$ 4,661	0 %	\$ 6,587	70.75 %
Local Education Group Plan 6-30-07	0	12,946	12,946	0	30,257	42.79

\* Data not available for two preceding years

**ROANE 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 Roane 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 Roane 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 differences between the budgetary basis and the GAAP basis are 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

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

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Urban Services Fund – The Urban Services Fund is used to account for transactions of the Roane County Animal Shelter.

Fire Inspection Fund – The Fire Inspection Fund is used to account for transactions relating to fire inspections performed in Roane County.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of the Roane County Solid Waste Program other than landfill operations.

Ambulance Service Fund – The Ambulance Service Fund is used to account for transactions of the Roane County Ambulance Service.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for transactions relating to the promotion of tourism in Roane County and for certain industrial transactions of the county.

Local Purpose Tax Fund – The Local Purpose Tax Fund was established to account for transactions related to funding received for in-lieu-of tax payments from the U.S. Department of Energy.

Special Purpose Fund – The Special Purpose Fund is used to account for transactions related to the treatment of wastewater.

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

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

## **Special Revenue Funds (Cont.)**

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions related to the operations of the recycling center and transactions for postclosure care cost of the landfill.

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

## **Debt Service Fund**

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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.

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

## **Capital Projects Fund**

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

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Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for road construction and renovations of the county road system.

Exhibit G-1

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

	Special Revenue Funds							Special Purpose	
	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Tax			
\$	0	0	0	0	2,086	0	0	0	200
Equity in Pooled Cash and Investments	69,603	144,263	877,304	346,646	659,976	116,602			233,461
Accounts Receivable	693	0	0	434,522	22,556	0			73,414
Due from Other Governments	0	0	75,954	0	0	0			0
Property Taxes Receivable	0	178,647	357,295	213,813	213,813	0			0
Allowance for Uncollectible Property Taxes	0	(5,714)	(11,427)	(9,250)	(9,250)	0			0
Total Assets	\$ 70,296	\$ 317,196	\$ 1,299,126	\$ 987,817	\$ 887,095	\$ 116,602	\$		\$ 307,075

ASSETS

Cash  
 Equity in Pooled Cash and Investments  
 Accounts Receivable  
 Due from Other Governments  
 Property Taxes Receivable  
 Allowance for Uncollectible Property Taxes  
 Total Assets

LIABILITIES AND FUND BALANCES

\$	3,169	185	37,469	32,281	21,679	0	0	0	3,863
Accounts Payable	4,353	1,096	13,744	54,476	0	0	0	0	3,183
Accrued Payroll	0	0	0	0	0	0	0	0	0
Due to Other Funds	0	0	0	0	0	0	0	0	800
Other Current Liabilities	0	0	0	0	0	0	0	0	0
Deferred Revenue - Current Property Taxes	0	170,096	340,193	196,997	196,997	0	0	0	0
Deferred Revenue - Delinquent Property Taxes	0	1,874	3,749	6,649	6,649	0	0	0	0
Other Deferred Revenues	0	0	75,954	0	0	0	0	0	0
Total Liabilities	\$ 7,522	\$ 173,251	\$ 471,109	\$ 290,403	\$ 225,325	\$ 0	\$		\$ 7,846
Fund Balances	123	0	34,665	14,451	43,100	0	0	0	6,011
Reserved for Encumbrances	0	0	0	0	451,249	0	0	0	0
Reserved for Capital Outlay	0	0	0	0	3,096	0	0	0	0
Reserved for Other General Purposes	62,651	143,945	793,352	682,963	164,325	116,602			293,218
Unreserved (Deficit)	0	0	0	0	0	0	0	0	0
Total Fund Balances	\$ 62,774	\$ 143,945	\$ 828,017	\$ 697,414	\$ 661,770	\$ 116,602	\$		\$ 299,229
Total Liabilities and Fund Balances	\$ 70,296	\$ 317,196	\$ 1,299,126	\$ 987,817	\$ 887,095	\$ 116,602	\$		\$ 307,075

(Continued)

Exhibit G-1

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

	Special Revenue Funds (Cont.)						Total	
	Drug Control	District Attorney General	Other Special Revenue	Constitutional Officers - Fees	Total	Education Debt Service		Highway Capital Projects
Cash	\$ 0	\$ 0	\$ 200	\$ 46,547	\$ 49,033	\$ 0	\$ 0	\$ 49,033
Equity in Pooled Cash and Investments	49,780	25,701	570,224	0	3,093,560	547,322	38,961	3,679,843
Accounts Receivable	0	0	9,683	4,518	545,386	0	0	545,386
Due from Other Governments	0	16,453	20,902	0	113,309	0	0	113,309
Property Taxes Receivable	0	0	267,265	0	1,230,833	459,227	0	1,690,060
Allowance for Uncollectible Property Taxes	0	0	(11,562)	0	(47,203)	(18,674)	0	(65,877)
<b>Total Assets</b>	<b>\$ 49,780</b>	<b>\$ 42,154</b>	<b>\$ 856,712</b>	<b>\$ 51,065</b>	<b>\$ 4,984,918</b>	<b>\$ 987,875</b>	<b>\$ 38,961</b>	<b>\$ 6,011,754</b>

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities	\$ 175	\$ 323	\$ 12,942	\$ 0	\$ 112,086	\$ 0	\$ 0	\$ 112,086
Accounts Payable	0	0	4,566	0	81,418	0	0	81,418
Accrued Payroll	0	0	7,792	51,065	58,857	665,600	0	724,457
Due to Other Funds	0	0	0	0	800	0	0	800
Other Current Liabilities	0	0	246,246	0	1,150,529	426,367	0	1,576,896
Deferred Revenue - Current Property Taxes	0	0	8,311	0	27,232	11,925	0	39,157
Deferred Revenue - Delinquent Property Taxes	0	0	20,902	0	96,856	0	0	96,856
Other Deferred Revenues	0	0	300,759	51,065	1,527,778	1,103,892	0	2,631,670
<b>Total Liabilities</b>	<b>\$ 175</b>	<b>\$ 323</b>	<b>\$ 300,759</b>	<b>\$ 51,065</b>	<b>\$ 1,527,778</b>	<b>\$ 1,103,892</b>	<b>\$ 0</b>	<b>\$ 2,631,670</b>
Fund Balances	\$ 0	\$ 2,516	\$ 51,489	\$ 0	\$ 152,355	\$ 0	\$ 0	\$ 152,355
Reserved for Encumbrances	0	0	0	0	451,249	0	0	451,249
Reserved for Capital Outlay	0	0	0	0	3,096	0	0	3,096
Reserved for Other General Purposes	49,605	39,315	504,464	0	2,850,440	(116,017)	38,961	2,773,384
Unreserved (Deficit)	\$ 49,605	\$ 41,831	\$ 555,953	\$ 0	\$ 3,457,140	\$ (116,017)	\$ 38,961	\$ 3,380,084
<b>Total Fund Balances</b>	<b>\$ 49,605</b>	<b>\$ 42,154</b>	<b>\$ 856,712</b>	<b>\$ 51,065</b>	<b>\$ 4,984,918</b>	<b>\$ 987,875</b>	<b>\$ 38,961</b>	<b>\$ 6,011,754</b>

Exhibit G-2

Roane 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							Special Purpose
	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax		
<b>Revenues</b>								
Local Taxes	\$ 0	\$ 160,125	\$ 698,750	\$ 186,252	\$ 546,809	\$ 814,701	\$ 0	
Fines, Forfeitures, and Penalties	0	0	0	0	0	0	0	
Charges for Current Services	97,093	0	0	2,342,829	0	0	457,347	
Other Local Revenues	6,605	0	0	0	349,686	0	0	
State of Tennessee	0	0	415,000	0	178,224	0	0	
<b>Total Revenues</b>	\$ 103,698	\$ 160,125	\$ 1,113,750	\$ 2,529,081	\$ 1,074,719	\$ 814,701	\$ 457,347	
<b>Expenditures</b>								
Current:								
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Public Safety	0	116,180	0	0	0	0	0	
Public Health and Welfare	259,352	0	1,034,183	2,564,037	0	0	382,918	
Other Operations	0	0	0	0	2,852,287	0	0	
Debt Service:								
Principal on Debt	0	0	0	0	0	0	0	
Interest on Debt	0	0	0	0	0	0	0	
Other Debt Service	0	0	0	0	0	0	0	
Capital Projects	0	0	0	0	0	0	0	
<b>Total Expenditures</b>	\$ 259,352	\$ 116,180	\$ 1,034,183	\$ 2,564,037	\$ 2,852,287	\$ 0	\$ 382,918	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ (155,654)	\$ 43,945	\$ 79,567	\$ (34,956)	\$ (1,777,568)	\$ 814,701	\$ 74,429	
<b>Other Financing Sources (Uses)</b>								
Refunding Debt Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Premiums on Debt Issued	0	0	0	0	0	0	0	
Other Loans Issued	0	0	0	0	1,750,000	0	0	
Transfers In	148,000	100,000	0	75,000	0	0	0	
Transfers Out	0	0	0	0	0	(720,000)	(50,762)	
<b>Total Other Financing Sources (Uses)</b>	\$ 148,000	\$ 100,000	\$ 0	\$ 75,000	\$ 1,750,000	\$ (720,000)	\$ (50,762)	
<b>Net Change in Fund Balances Fund Balance, July 1, 2007</b>	\$ (7,654)	\$ 143,945	\$ 79,567	\$ 40,044	\$ (27,568)	\$ 94,701	\$ 23,667	
	70,428	0	748,450	657,370	689,338	21,901	275,562	
<b>Fund Balance, June 30, 2008</b>	\$ 62,774	\$ 143,945	\$ 828,017	\$ 697,414	\$ 661,770	\$ 116,602	\$ 299,229	

(Continued)

Exhibit G-2

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

	Special Revenue Funds (Cont.)						Total Nonmajor Governmental Funds
	District		Other		Education Debt Service	Highway Capital Projects	
	Drug Control	Attorney General	Special Revenue	Special Revenue			
<b>Revenues</b>							
Local Taxes	\$ 0	\$ 0	\$ 247,675	\$ 2,654,312	\$ 429,780	\$ 0	\$ 3,084,092
Fines, Forfeitures, and Penalties	44,314	42,453	0	86,767	0	0	86,767
Charges for Current Services	0	0	122,606	3,019,875	0	0	3,019,875
Other Local Revenues	6,406	0	248,812	611,509	35,238	3,205	649,952
State of Tennessee	0	0	26,357	619,581	0	0	619,581
<b>Total Revenues</b>	\$ 50,720	\$ 42,453	\$ 645,450	\$ 6,992,044	\$ 465,018	\$ 3,205	\$ 7,460,267
<b>Expenditures</b>							
Current:							
Administration of Justice	\$ 0	\$ 18,780	\$ 0	\$ 18,780	\$ 0	\$ 0	\$ 18,780
Public Safety	28,258	0	0	144,438	0	0	144,438
Public Health and Welfare	0	0	549,885	4,790,375	0	0	4,790,375
Other Operations	0	0	0	2,852,287	0	0	2,852,287
Debt Service:							
Principal on Debt	0	0	0	0	1,845,000	0	1,845,000
Interest on Debt	0	0	0	0	113,319	0	113,319
Other Debt Service	0	0	0	0	395,103	0	395,103
Capital Projects	0	0	0	0	0	41,283	41,283
<b>Total Expenditures</b>	\$ 28,258	\$ 18,780	\$ 549,885	\$ 7,805,880	\$ 2,353,422	\$ 41,283	\$ 10,200,585
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 22,462	\$ 23,673	\$ 95,565	\$ (813,836)	\$ (1,888,404)	\$ (38,078)	\$ (2,740,318)
<b>Other Financing Sources (Uses)</b>							
Refunding Debt Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,600,000	\$ 0	\$ 1,600,000
Premiums on Debt Issued	0	0	0	0	42,887	0	42,887
Other Loans Issued	0	0	0	1,750,000	0	0	1,750,000
Transfers In	0	0	0	323,000	0	0	323,000
Transfers Out	0	0	0	(770,762)	0	0	(770,762)
<b>Total Other Financing Sources (Uses)</b>	\$ 0	\$ 0	\$ 0	\$ 1,302,238	\$ 1,642,887	\$ 0	\$ 2,945,125
<b>Net Change in Fund Balances Fund Balance, July 1, 2007</b>	\$ 22,462	\$ 23,673	\$ 95,565	\$ 488,402	\$ (245,517)	\$ (38,078)	\$ 204,807
<b>Fund Balance, July 1, 2007</b>	27,143	18,158	460,388	2,968,738	129,500	77,039	3,175,277
<b>Fund Balance, June 30, 2008</b>	\$ 49,605	\$ 41,831	\$ 555,953	\$ 3,457,140	\$ (116,017)	\$ 38,961	\$ 3,380,084

Exhibit G-3

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

	Actual (GAAP Basis)	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	\$ 97,093 \$	0 \$	97,093 \$	117,007 \$	117,007 \$	(19,914)
Other Local Revenues	6,605	0	6,605	8,600	8,600	(1,995)
Total Revenues	\$ 103,698 \$	0 \$	103,698 \$	125,607 \$	125,607 \$	(21,909)
<u>Expenditures</u>						
Public Health and Welfare						
Rabies and Animal Control	\$ 259,352 \$	123 \$	259,475 \$	283,802 \$	283,802 \$	24,327
Total Expenditures	\$ 259,352 \$	123 \$	259,475 \$	283,802 \$	283,802 \$	24,327
Excess (Deficiency) of Revenues Over Expenditures	\$ (155,654) \$	(123) \$	(155,777) \$	(158,195) \$	(158,195) \$	2,418
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 148,000 \$	0 \$	148,000 \$	148,000 \$	148,000 \$	0
Total Other Financing Sources (Uses)	\$ 148,000 \$	0 \$	148,000 \$	148,000 \$	148,000 \$	0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (7,654) \$	(123) \$	(7,777) \$	(10,195) \$	(10,195) \$	2,418
	70,428	0	70,428	70,428	70,428	0
Fund Balance, June 30, 2008	\$ 62,774 \$	(123) \$	62,651 \$	60,233 \$	60,233 \$	2,418

Exhibit G-4

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Fire Inspection Fund  
For the Year Ended June 30, 2008

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 160,125	\$ 157,500	\$ 157,500	\$ 2,625
Total Revenues	\$ 160,125	\$ 157,500	\$ 157,500	\$ 2,625
<u>Expenditures</u>				
<u>Public Safety</u>				
Fire Prevention and Control	\$ 116,180	\$ 133,642	\$ 133,642	\$ 17,462
Total Expenditures	\$ 116,180	\$ 133,642	\$ 133,642	\$ 17,462
Excess (Deficiency) of Revenues Over Expenditures	\$ 43,945	\$ 23,858	\$ 23,858	\$ 20,087
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 100,000	0	\$ 100,000	\$ 0
Total Other Financing Sources (Uses)	\$ 100,000	0	\$ 100,000	\$ 0
Net Change in Fund Balance	\$ 143,945	\$ 23,858	\$ 123,858	\$ 20,087
Fund Balance, July 1, 2007	0	0	0	0
Fund Balance, June 30, 2008	\$ 143,945	\$ 23,858	\$ 123,858	\$ 20,087

Exhibit G-5

Roane 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	
<u>Revenues</u>							
Local Taxes	\$ 698,750 \$	0 \$	0 \$	698,750 \$	695,200 \$	695,200 \$	3,550
State of Tennessee	415,000	0	0	415,000	415,000	415,000	0
Total Revenues	\$ 1,113,750 \$	0 \$	0 \$	1,113,750 \$	1,110,200 \$	1,110,200 \$	3,550
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Convenience Centers	\$ 1,034,183 \$	(74,257) \$	34,665 \$	994,591 \$	1,063,918 \$	1,103,978 \$	109,387
Total Expenditures	\$ 1,034,183 \$	(74,257) \$	34,665 \$	994,591 \$	1,063,918 \$	1,103,978 \$	109,387
Excess (Deficiency) of Revenues Over Expenditures	\$ 79,567 \$	74,257 \$	(34,665) \$	119,159 \$	46,282 \$	6,222 \$	112,937
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ 0 \$	0 \$	0 \$	0 \$	(18,000) \$	0 \$	0
Total Other Financing Sources (Uses)	\$ 0 \$	0 \$	0 \$	0 \$	(18,000) \$	0 \$	0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 79,567 \$	74,257 \$	(34,665) \$	119,159 \$	28,282 \$	6,222 \$	112,937
	748,450	(74,257)	0	674,193	672,467	672,467	1,726
Fund Balance, June 30, 2008	\$ 828,017 \$	0 \$	(34,665) \$	793,352 \$	700,749 \$	678,689 \$	114,663

Exhibit G-6

Roane 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	\$ 186,252	\$ 0	\$ 0	\$ 186,252	\$ 183,000	\$ 183,000	\$ 3,252
Charges for Current Services	2,342,829	0	0	2,342,829	2,200,600	2,200,600	142,229
Total Revenues	\$ 2,529,081	\$ 0	\$ 0	\$ 2,529,081	\$ 2,383,600	\$ 2,383,600	\$ 145,481
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Ambulance/Emergency Medical Services	\$ 2,564,037	\$ (107,346)	\$ 14,451	\$ 2,471,142	\$ 2,507,405	\$ 2,639,393	\$ 168,251
Total Expenditures	\$ 2,564,037	\$ (107,346)	\$ 14,451	\$ 2,471,142	\$ 2,507,405	\$ 2,639,393	\$ 168,251
Excess (Deficiency) of Revenues Over Expenditures	\$ (34,956)	\$ 107,346	\$ (14,451)	\$ 57,939	\$ (123,805)	\$ (255,793)	\$ 313,732
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,000	\$ 0	\$ 0
Transfers In	75,000	0	0	75,000	0	75,000	0
Total Other Financing Sources (Uses)	\$ 75,000	\$ 0	\$ 0	\$ 75,000	\$ 75,000	\$ 75,000	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 40,044	\$ 107,346	\$ (14,451)	\$ 132,939	\$ (48,805)	\$ (180,793)	\$ 313,732
	657,370	(107,346)	0	550,024	564,773	564,773	(14,749)
Fund Balance, June 30, 2008	\$ 697,414	\$ 0	\$ (14,451)	\$ 682,963	\$ 515,968	\$ 383,980	\$ 298,983

Exhibit G-7

Roane 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	
<u>Revenues</u>							
Local Taxes	\$ 546,809	\$ 0	\$ 0	\$ 546,809	\$ 550,750	\$ 558,250	\$ (11,441)
Other Local Revenues	349,686	0	0	349,686	0	349,720	(34)
State of Tennessee	178,224	0	0	178,224	0	222,926	(44,702)
Total Revenues	\$ 1,074,719	\$ 0	\$ 0	\$ 1,074,719	\$ 550,750	\$ 1,130,896	\$ (56,177)
<u>Expenditures</u>							
<u>Other Operations</u>							
Industrial Development	\$ 2,852,287	\$ (230,076)	\$ 43,100	\$ 2,665,311	\$ 548,900	\$ 3,335,872	\$ 670,561
Total Expenditures	\$ 2,852,287	\$ (230,076)	\$ 43,100	\$ 2,665,311	\$ 548,900	\$ 3,335,872	\$ 670,561
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,777,568)	\$ 230,076	\$ (43,100)	\$ (1,590,592)	\$ 1,850	\$ (2,204,976)	\$ 614,384
<u>Other Financing Sources (Uses)</u>							
Other Loans Issued	\$ 1,750,000	\$ 0	\$ 0	\$ 1,750,000	\$ 0	\$ 1,750,000	\$ 0
Total Other Financing Sources (Uses)	\$ 1,750,000	\$ 0	\$ 0	\$ 1,750,000	\$ 0	\$ 1,750,000	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ (27,568)	\$ 230,076	\$ (43,100)	\$ 159,408	\$ 1,850	\$ (454,976)	\$ 614,384
Fund Balance, June 30, 2008	\$ 689,338	\$ (230,076)	\$ 0	\$ 459,262	\$ 865,046	\$ 865,046	\$ (405,784)
	\$ 661,770	\$ 0	\$ (43,100)	\$ 618,670	\$ 866,896	\$ 410,070	\$ 208,600

Exhibit G-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 814,701	\$ 726,000	\$ 726,000	\$ 88,701
Total Revenues	\$ 814,701	\$ 726,000	\$ 726,000	\$ 88,701
Excess (Deficiency) of Revenues Over Expenditures				
	\$ 814,701	\$ 726,000	\$ 726,000	\$ 88,701
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (720,000)	\$ (720,000)	\$ (720,000)	\$ 0
Total Other Financing Sources (Uses)	\$ (720,000)	\$ (720,000)	\$ (720,000)	\$ 0
Net Change in Fund Balance				
Fund Balance, July 1, 2007	\$ 21,901	\$ 21,901	\$ 21,901	\$ 0
Fund Balance, June 30, 2008	\$ 116,602	\$ 27,901	\$ 27,901	\$ 88,701

Exhibit G-9

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

	Actual (GAAP Basis)	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	\$ 457,347	\$ 0	\$ 457,347	\$ 488,000	\$ 488,000	\$ (30,653)
Total Revenues	\$ 457,347	\$ 0	\$ 457,347	\$ 488,000	\$ 488,000	\$ (30,653)
<u>Expenditures</u>						
Public Health and Welfare	\$ 382,918	\$ 6,011	\$ 388,929	\$ 449,018	\$ 451,718	\$ 62,789
Other Waste Collection	\$ 382,918	\$ 6,011	\$ 388,929	\$ 449,018	\$ 451,718	\$ 62,789
Total Expenditures	\$ 74,429	\$ (6,011)	\$ 68,418	\$ 38,982	\$ 36,282	\$ 32,136
Excess (Deficiency) of Revenues Over Expenditures	\$ (50,762)	\$ 0	\$ (50,762)	\$ (50,762)	\$ (50,762)	\$ 0
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (50,762)	\$ 0	\$ (50,762)	\$ (50,762)	\$ (50,762)	\$ 0
Total Other Financing Sources (Uses)	\$ 23,667	\$ (6,011)	\$ 17,656	\$ (11,780)	\$ (14,480)	\$ 32,136
Net Change in Fund Balance Fund Balance, July 1, 2007	275,562	0	275,562	275,561	275,561	1
Fund Balance, June 30, 2008	\$ 299,229	\$ (6,011)	\$ 293,218	\$ 263,781	\$ 261,081	\$ 32,137

Exhibit G-10

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2008

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 44,314	\$ 22,200	\$ 22,200	\$ 22,114
Other Local Revenues	6,406	5,400	5,400	1,006
Total Revenues	<u>\$ 50,720</u>	<u>\$ 27,600</u>	<u>\$ 27,600</u>	<u>\$ 23,120</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 28,258	\$ 41,700	\$ 41,700	\$ 13,442
Total Expenditures	<u>\$ 28,258</u>	<u>\$ 41,700</u>	<u>\$ 41,700</u>	<u>\$ 13,442</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 22,462</u>	<u>\$ (14,100)</u>	<u>\$ (14,100)</u>	<u>\$ 36,562</u>
Net Change in Fund Balance	\$ 22,462	\$ (14,100)	\$ (14,100)	\$ 36,562
Fund Balance, July 1, 2007	<u>27,143</u>	<u>27,141</u>	<u>27,141</u>	<u>2</u>
Fund Balance, June 30, 2008	<u>\$ 49,605</u>	<u>\$ 13,041</u>	<u>\$ 13,041</u>	<u>\$ 36,564</u>

Exhibit G-11

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

	Actual (GAAP Basis)	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	\$ 42,453 \$	0 \$	42,453 \$	18,200 \$	28,000 \$	14,453
Total Revenues	\$ 42,453 \$	0 \$	42,453 \$	18,200 \$	28,000 \$	14,453
<u>Expenditures</u>						
Administration of Justice	\$ 18,780 \$	2,516 \$	21,296 \$	14,700 \$	28,650 \$	7,354
District Attorney General	\$ 18,780 \$	2,516 \$	21,296 \$	14,700 \$	28,650 \$	7,354
Total Expenditures	\$ 23,673 \$	(2,516) \$	21,157 \$	3,500 \$	(650) \$	21,807
Excess (Deficiency) of Revenues Over Expenditures	\$ 23,673 \$	(2,516) \$	21,157 \$	3,500 \$	(650) \$	21,807
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 18,158	0	18,158	18,158	18,158	0
Fund Balance, June 30, 2008	\$ 41,831 \$	(2,516) \$	39,315 \$	21,658 \$	17,508 \$	21,807

Exhibit G-12

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

	Actual (GAAP Basis)	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	\$ 247,675	\$ 0	\$ 247,675	\$ 244,500	\$ 244,500	\$ 3,175
Charges for Current Services	122,606	0	122,606	104,300	104,300	18,306
Other Local Revenues	248,812	0	248,812	143,750	294,350	(45,538)
State of Tennessee	26,357	0	26,357	46,681	78,581	(52,224)
Total Revenues	\$ 645,450	\$ 0	\$ 645,450	\$ 539,231	\$ 721,731	\$ (76,281)
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Recycling Center	\$ 528,569	\$ 51,489	\$ 580,058	\$ 581,713	\$ 639,213	\$ 59,155
Postclosure Care Costs	21,316	0	21,316	42,200	42,200	20,884
Total Expenditures	\$ 549,885	\$ 51,489	\$ 601,374	\$ 623,913	\$ 681,413	\$ 80,039
Excess (Deficiency) of Revenues Over Expenditures	\$ 95,565	\$ (51,489)	\$ 44,076	\$ (84,682)	\$ 40,318	\$ 3,758
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 95,565	\$ (51,489)	\$ 44,076	\$ (84,682)	\$ 40,318	\$ 3,758
	460,388	0	460,388	459,389	459,389	999
Fund Balance, June 30, 2008	\$ 555,953	\$ (51,489)	\$ 504,464	\$ 374,707	\$ 499,707	\$ 4,757

Exhibit G-13

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Education 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	\$ 429,780	\$ 426,750	\$ 426,750	\$ 3,030
Other Local Revenues	35,238	23,000	35,000	238
Total Revenues	<u>\$ 465,018</u>	<u>\$ 449,750</u>	<u>\$ 461,750</u>	<u>\$ 3,268</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 1,845,000	\$ 433,493	\$ 1,889,400	\$ 44,400
<u>Interest on Debt</u>				
Education	113,319	0	124,093	10,774
<u>Other Debt Service</u>				
Education	395,103	0	402,888	7,785
Total Expenditures	<u>\$ 2,353,422</u>	<u>\$ 433,493</u>	<u>\$ 2,416,381</u>	<u>\$ 62,959</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,888,404)</u>	<u>\$ 16,257</u>	<u>\$ (1,954,631)</u>	<u>\$ 66,227</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 1,600,000	\$ 0	\$ 1,600,000	\$ 0
Premiums on Debt Issued	42,887	0	42,888	(1)
Total Other Financing Sources (Uses)	<u>\$ 1,642,887</u>	<u>\$ 0</u>	<u>\$ 1,642,888</u>	<u>\$ (1)</u>
Net Change in Fund Balance	\$ (245,517)	\$ 16,257	\$ (311,743)	\$ 66,226
Fund Balance, July 1, 2007	<u>129,500</u>	<u>497,669</u>	<u>497,669</u>	<u>(368,169)</u>
Fund Balance, June 30, 2008	<u><u>\$ (116,017)</u></u>	<u><u>\$ 513,926</u></u>	<u><u>\$ 185,926</u></u>	<u><u>\$ (301,943)</u></u>

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# Major Governmental Funds

## Debt Service Funds

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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.

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

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the accumulation of resources for the retirement of bonds and notes issued for the construction and improvements of county schools prior to the Harriman City School merger on July 1, 2003.

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Exhibit H-1

Roane 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	\$ 1,339,424	\$ 1,319,100	\$ 1,323,600	\$ 15,824
Other Local Revenues	439,811	900,000	250,000	189,811
Other Governments and Citizens Groups	2,053,400	0	2,100,000	(46,600)
Total Revenues	<u>\$ 3,832,635</u>	<u>\$ 2,219,100</u>	<u>\$ 3,673,600</u>	<u>\$ 159,035</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 18,689,632	\$ 1,312,733	\$ 18,826,485	\$ 136,853
Highways and Streets	100,000	100,000	100,000	0
<u>Interest on Debt</u>				
General Government	1,170,221	1,622,160	1,626,575	456,354
Highways and Streets	21,497	21,497	21,497	0
<u>Other Debt Service</u>				
General Government	525,764	199,408	536,325	10,561
Total Expenditures	<u>\$ 20,507,114</u>	<u>\$ 3,255,798</u>	<u>\$ 21,110,882</u>	<u>\$ 603,768</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (16,674,479)</u>	<u>\$ (1,036,698)</u>	<u>\$ (17,437,282)</u>	<u>\$ 762,803</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 17,385,000	\$ 0	\$ 17,385,000	\$ 0
Premiums on Debt Issued	435,084	0	435,084	0
Transfers In	911,760	911,760	911,760	0
Transfers Out	(645,000)	0	(645,000)	0
Total Other Financing Sources (Uses)	<u>\$ 18,086,844</u>	<u>\$ 911,760</u>	<u>\$ 18,086,844</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 1,412,365	\$ (124,938)	\$ 649,562	\$ 762,803
Fund Balance, July 1, 2007	<u>2,141,409</u>	<u>3,178,209</u>	<u>3,178,209</u>	<u>(1,036,800)</u>
Fund Balance, June 30, 2008	<u>\$ 3,553,774</u>	<u>\$ 3,053,271</u>	<u>\$ 3,827,771</u>	<u>\$ (273,997)</u>

Exhibit H-2

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Rural 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	\$ 1,713,155	\$ 1,693,782	\$ 1,711,282	\$ 1,873
Other Local Revenues	130,162	88,125	88,125	42,037
Total Revenues	<u>\$ 1,843,317</u>	<u>\$ 1,781,907</u>	<u>\$ 1,799,407</u>	<u>\$ 43,910</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 0	\$ 945,000	\$ 0	\$ 0
Education	945,000	0	945,000	0
<u>Interest on Debt</u>				
General Government	0	803,843	0	0
Education	803,842	0	803,843	1
<u>Other Debt Service</u>				
General Government	35,158	45,750	45,750	10,592
Total Expenditures	<u>\$ 1,784,000</u>	<u>\$ 1,794,593</u>	<u>\$ 1,794,593</u>	<u>\$ 10,593</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 59,317</u>	<u>\$ (12,686)</u>	<u>\$ 4,814</u>	<u>\$ 54,503</u>
Net Change in Fund Balance	\$ 59,317	\$ (12,686)	\$ 4,814	\$ 54,503
Fund Balance, July 1, 2007	<u>2,703,745</u>	<u>2,695,597</u>	<u>2,695,597</u>	<u>8,148</u>
Fund Balance, June 30, 2008	<u>\$ 2,763,062</u>	<u>\$ 2,682,911</u>	<u>\$ 2,700,411</u>	<u>\$ 62,651</u>

# Proprietary Funds

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

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Employee Insurance - Dental Fund – The Employee Insurance - Dental Fund is used to account for the county’s self-insured dental insurance program. Premiums charged to the various county operating funds and employee payroll deductions are placed in this fund for the payment of dental claims of county employees.

Workers’ Compensation Fund – The Workers’ Compensation Fund is used to account for the county’s self-insured workers’ compensation program. Premiums charged to the various county operating funds are placed in this fund for the payment of claims.

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Exhibit I-1

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

	<u>Internal Service Funds</u>		
	Employee		
	Insurance -	Workers'	
	Dental	Compensation	Total
<u>ASSETS</u>			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 548,217	\$ 725,375	\$ 1,273,592
Total Assets	<u>\$ 548,217</u>	<u>\$ 725,375</u>	<u>\$ 1,273,592</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accrued Payroll	\$ 780	\$ 0	\$ 780
Claims and Judgments Payable	0	91,098	91,098
Total Liabilities	<u>\$ 780</u>	<u>\$ 91,098</u>	<u>\$ 91,878</u>
<u>NET ASSETS</u>			
Unrestricted	<u>\$ 547,437</u>	<u>\$ 634,277</u>	<u>\$ 1,181,714</u>
Total Net Assets	<u><u>\$ 547,437</u></u>	<u><u>\$ 634,277</u></u>	<u><u>\$ 1,181,714</u></u>

Exhibit I-2

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

	<u>Internal Service Funds</u>		
	<u>Employee</u>		
	<u>Insurance -</u>	<u>Workers'</u>	
	<u>Dental</u>	<u>Compensation</u>	<u>Total</u>
<u>Operating Revenues</u>			
Self-Insurance Premiums	\$ 405,507	\$ 568,497	\$ 974,004
Miscellaneous Refunds	0	4,593	4,593
Total Operating Revenues	<u>\$ 405,507</u>	<u>\$ 573,090</u>	<u>\$ 978,597</u>
<u>Operating Expenses</u>			
Other Salaries and Wages	\$ 18,830	\$ 0	\$ 18,830
Travel	0	250	250
Handling Charges and Administration	44,148	473	44,621
Medical Claims	379,199	258,533	637,732
Workers' Compensation Insurance	0	59,072	59,072
Total Operating Expenses	<u>\$ 442,177</u>	<u>\$ 318,328</u>	<u>\$ 760,505</u>
Operating Income (Loss)	<u>\$ (36,670)</u>	<u>\$ 254,762</u>	<u>\$ 218,092</u>
<u>Nonoperating Revenues (Expenses)</u>			
Investment Income	\$ 15,227	\$ 28,331	\$ 43,558
Total Nonoperating Revenues (Expenses)	<u>\$ 15,227</u>	<u>\$ 28,331</u>	<u>\$ 43,558</u>
Income (Loss) Before Transfers	\$ (21,443)	\$ 283,093	\$ 261,650
Transfers In	200,000	0	200,000
Change in Net Assets	<u>\$ 178,557</u>	<u>\$ 283,093</u>	<u>\$ 461,650</u>
Net Assets, July 1, 2007	<u>368,880</u>	<u>351,184</u>	<u>720,064</u>
Net Assets, June 30, 2008	<u><u>\$ 547,437</u></u>	<u><u>\$ 634,277</u></u>	<u><u>\$ 1,181,714</u></u>

Exhibit I-3

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

	<u>Internal Service Funds</u>		
	Employee Insurance - Dental	Workers' Compen- sation	Total
<u>Cash Flows from Operating Activities</u>			
Receipts for Self-Insurance Premiums	\$ 405,507	\$ 568,497	\$ 974,004
Receipts for Refunds		4,593	4,593
Payments for Claims	(379,199)	(167,435)	(546,634)
Payments to Employees	(18,050)	0	(18,050)
Payments for Administrative Costs	(44,148)	(723)	(44,871)
Payments to Insurers	0	(60,285)	(60,285)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (35,890)</u>	<u>\$ 344,647</u>	<u>\$ 308,757</u>
<u>Cash Flows from Investing Activities</u>			
Interest on Investments	\$ 15,227	\$ 28,331	\$ 43,558
Net Cash Provided By (Used In) Investing Activities	<u>\$ 15,227</u>	<u>\$ 28,331</u>	<u>\$ 43,558</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers from Other Funds	\$ 200,000	\$ 0	\$ 200,000
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 200,000</u>	<u>\$ 0</u>	<u>\$ 200,000</u>
Increase (Decrease) in Cash	\$ 179,337	\$ 372,978	\$ 552,315
Cash, July 1, 2007	<u>368,880</u>	<u>352,397</u>	<u>721,277</u>
Cash, June 30, 2008	<u>\$ 548,217</u>	<u>\$ 725,375</u>	<u>\$ 1,273,592</u>
<u>Reconciliation of Operating Income (Loss) to Net</u>			
<u>Cash Provided By (Used In) Operating Activities</u>			
Operating Income (Loss)	\$ (36,670)	\$ 254,762	\$ 218,092
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
Increase (Decrease) in Other Current Operating Liabilities	780	89,885	90,665
Net Cash Provided By (Used In) Operating Activities	<u>\$ (35,890)</u>	<u>\$ 344,647</u>	<u>\$ 308,757</u>

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# Fiduciary Funds

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

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

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for city property taxes collected by the Roane County trustee on behalf of the City of Midtown. The City of Midtown no longer exists, and all funds collected by the trustee have been returned by the accountants handling the dissolution of the city for submission to the various taxpayers.

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

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

Community Development - Agency Fund – The Community Development - Agency Fund is used to account for transactions dealing with industrial development and housing and urban development operations of Roane County.

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

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Exhibit J-1

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

	Agency Funds							Total
	Cities - Sales Tax	Cities - Property Tax	City School ADA - Oak Ridge	Joint Venture	Community Development - Agency	Constitu- tional Officers - Agency		
<u>ASSETS</u>								
Equity in Pooled Cash and Investments	\$ 0	\$ 4,250	\$ 575	\$ 68,431	\$ 616,523	\$ 0	\$ 689,779	
Cash	0	0	0	0	0	1,513,549	1,513,549	
Accounts Receivable	0	0	0	0	0	4,028	4,028	
Due from Other Governments	1,154,167	0	69,466	8,426	0	0	1,232,059	
Property Taxes Receivable	0	0	720,395	0	0	0	720,395	
Allowance for Uncollectible Property Taxes	0	0	(30,754)	0	0	0	(30,754)	
Notes Receivable - Long-term	0	0	0	0	270,110	0	270,110	
<b>Total Assets</b>	<b>\$ 1,154,167</b>	<b>\$ 4,250</b>	<b>\$ 759,682</b>	<b>\$ 76,857</b>	<b>\$ 886,633</b>	<b>\$ 1,517,577</b>	<b>\$ 4,399,166</b>	
<u>LIABILITIES</u>								
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 537	\$ 0	\$ 0	\$ 537	
Accrued Payroll	0	0	0	0	95	0	95	
Cash Overdraft	0	0	0	0	0	2,329	2,329	
Due to Other Taxing Units	1,154,167	4,250	759,682	0	0	0	1,918,099	
Due to Litigants, Heirs, and Others	0	0	0	0	0	1,515,248	1,515,248	
Due to Joint Ventures	0	0	0	76,320	0	0	76,320	
Other Current Liabilities	0	0	0	0	886,538	0	886,538	
<b>Total Liabilities</b>	<b>\$ 1,154,167</b>	<b>\$ 4,250</b>	<b>\$ 759,682</b>	<b>\$ 76,857</b>	<b>\$ 886,633</b>	<b>\$ 1,517,577</b>	<b>\$ 4,399,166</b>	

Exhibit J-2

Roane 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	\$ 6,352,259	\$ 6,352,259	\$ 0
Due from Other Governments	1,034,948	1,154,167	1,034,948	1,154,167
<b>Total Assets</b>	<b>\$ 1,034,948</b>	<b>\$ 7,506,426</b>	<b>\$ 7,387,207</b>	<b>\$ 1,154,167</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,034,948	\$ 7,506,426	\$ 7,387,207	\$ 1,154,167
<b>Total Liabilities</b>	<b>\$ 1,034,948</b>	<b>\$ 7,506,426</b>	<b>\$ 7,387,207</b>	<b>\$ 1,154,167</b>
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 5,753	\$ 1,645	\$ 3,148	\$ 4,250
<b>Total Assets</b>	<b>\$ 5,753</b>	<b>\$ 1,645</b>	<b>\$ 3,148</b>	<b>\$ 4,250</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,753	\$ 1,645	\$ 3,148	\$ 4,250
<b>Total Liabilities</b>	<b>\$ 5,753</b>	<b>\$ 1,645</b>	<b>\$ 3,148</b>	<b>\$ 4,250</b>
<u>City School ADA - Oak Ridge Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 778	\$ 1,064,126	\$ 1,064,329	\$ 575
Due from Other Governments	62,182	69,466	62,182	69,466
Taxes Receivable	682,743	720,395	682,743	720,395
Allowance for Uncollectible Taxes	(27,339)	(30,754)	(27,339)	(30,754)
<b>Total Assets</b>	<b>\$ 718,364</b>	<b>\$ 1,823,233</b>	<b>\$ 1,781,915</b>	<b>\$ 759,682</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 718,364	\$ 1,823,233	\$ 1,781,915	\$ 759,682
<b>Total Liabilities</b>	<b>\$ 718,364</b>	<b>\$ 1,823,233</b>	<b>\$ 1,781,915</b>	<b>\$ 759,682</b>

(Continued)

## Exhibit J-2

Roane County, TennesseeCombining Statement of Changes in Assets and Liabilities - All Agency Funds (Cont.)

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Joint Venture - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 33,704	\$ 163,211	\$ 128,484	\$ 68,431
Accounts Receivable	904	0	904	0
Due from Other Governments	172	8,426	172	8,426
Total Assets	\$ 34,780	\$ 171,637	\$ 129,560	\$ 76,857
<u>Liabilities</u>				
Accounts Payable	\$ 1,668	\$ 537	\$ 1,668	\$ 537
Due to Joint Venture	33,112	171,100	127,892	76,320
Total Liabilities	\$ 34,780	\$ 171,637	\$ 129,560	\$ 76,857
<u>Community Development - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 436,706	\$ 195,581	\$ 15,764	\$ 616,523
Accounts Receivable	266	0	266	0
Notes Receivable (Long-term)	450,173	270,110	450,173	270,110
Total Assets	\$ 887,145	\$ 465,691	\$ 466,203	\$ 886,633
<u>Liabilities</u>				
Accrued Payroll	\$ 0	\$ 95	\$ 0	\$ 95
Other Current Liabilities	887,145	465,596	466,203	886,538
Total Liabilities	\$ 887,145	\$ 465,691	\$ 466,203	\$ 886,633
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,920,167	\$ 10,496,643	\$ 10,903,261	\$ 1,513,549
Accounts Receivable	0	4,028	0	4,028
Total Assets	\$ 1,920,167	\$ 10,500,671	\$ 10,903,261	\$ 1,517,577
<u>Liabilities</u>				
Cash Overdraft	\$ 0	\$ 2,329	\$ 0	\$ 2,329
Due to Litigants, Heirs, and Others	1,920,167	10,498,342	10,903,261	1,515,248
Total Liabilities	\$ 1,920,167	\$ 10,500,671	\$ 10,903,261	\$ 1,517,577

(Continued)

Exhibit J-2

Roane County, Tennessee

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 476,941	\$ 7,776,822	\$ 7,563,984	\$ 689,779
Cash	1,920,167	10,496,643	10,903,261	1,513,549
Accounts Receivable	1,170	4,028	1,170	4,028
Due from Other Governments	1,097,302	1,232,059	1,097,302	1,232,059
Taxes Receivable	682,743	720,395	682,743	720,395
Allowance for Uncollectible Taxes	(27,339)	(30,754)	(27,339)	(30,754)
Notes Receivable (Long-term)	450,173	270,110	450,173	270,110
Total Assets	<u>\$ 4,601,157</u>	<u>\$ 20,469,303</u>	<u>\$ 20,671,294</u>	<u>\$ 4,399,166</u>
<u>Liabilities</u>				
Accounts Payable	\$ 1,668	\$ 537	\$ 1,668	\$ 537
Accrued Payroll	0	95	0	95
Cash Overdraft	0	2,329	0	2,329
Due to Other Taxing Units	1,759,065	9,331,304	9,172,270	1,918,099
Due to Litigants, Heirs, and Others	1,920,167	10,498,342	10,903,261	1,515,248
Due to Joint Venture	33,112	171,100	127,892	76,320
Other Current Liabilities	887,145	465,596	466,203	886,538
Total Liabilities	<u>\$ 4,601,157</u>	<u>\$ 20,469,303</u>	<u>\$ 20,671,294</u>	<u>\$ 4,399,166</u>

# Roane County School Department

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

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

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

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

School Transportation Fund – The School Transportation Fund is used to account for student transportation and school bus maintenance.

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the Before- and After-School Program.

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

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Exhibit K-1

Roane County, Tennessee  
Statement of Activities  
Discretely Presented Roane 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	\$ 35,263,783	\$ 14,075	\$ 3,182,252	\$ 0	\$ (32,067,456)
Support Services	20,667,786	56,691	751,688	340,000	(19,519,407)
Operation of Non-Instructional Services	4,561,915	1,743,702	2,029,127	0	(789,086)
Total Governmental Activities	\$ 60,493,484	\$ 1,814,468	\$ 5,963,067	\$ 340,000	\$ (52,375,949)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 11,922,041
Local Option Sales Taxes					6,906,578
Other Local Taxes					5,842
Grants and Contributions Not Restricted for Specific Programs					32,457,405
Unrestricted Investment Income					602,788
Miscellaneous					30,246
Total General Revenues					\$ 51,924,900
Change in Net Assets					\$ (451,049)
Net Assets, July 1, 2007					68,807,982
Net Assets, June 30, 2008					\$ 68,356,933

Exhibit K-2

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

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	<u>Total Govern- mental Funds</u>
	General Purpose School	Other Govern- mental Funds	
<b><u>ASSETS</u></b>			
Cash	\$ 40,000	\$ 7,500	\$ 47,500
Equity in Pooled Cash and Investments	9,802,040	2,789,452	12,591,492
Accounts Receivable	22,484	53,893	76,377
Due from Other Governments	1,426,594	498,680	1,925,274
Due from Other Funds	11,087	3,653	14,740
Property Taxes Receivable	12,642,878	0	12,642,878
Allowance for Uncollectible Property Taxes	(547,370)	0	(547,370)
Total Assets	<u>\$ 23,397,713</u>	<u>\$ 3,353,178</u>	<u>\$ 26,750,891</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<u>Liabilities</u>			
Accounts Payable	\$ 1,096,177	\$ 214,292	\$ 1,310,469
Accrued Payroll	5,762	42,643	48,405
Payroll Deductions Payable	801	4,706	5,507
Due to Other Funds	3,653	11,087	14,740
Deferred Revenue - Current Property Taxes	11,647,415	0	11,647,415
Deferred Revenue - Delinquent Property Taxes	393,945	0	393,945
Other Deferred Revenues	381,317	279,353	660,670
Total Liabilities	<u>\$ 13,529,070</u>	<u>\$ 552,081</u>	<u>\$ 14,081,151</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	\$ 809,987	\$ 164,829	\$ 974,816
Other Local Education Reserves	480,991	0	480,991
Reserved for Capital Outlay	138,255	0	138,255
Reserved for Career Ladder - Extended Contract	19,930	0	19,930
Reserved for Career Ladder Program	27,646	0	27,646
Reserved for Title I Grants to Local Education Agencies	0	6,464	6,464
Reserved for Special Education - Grants to States	0	5,642	5,642
Unreserved, Reported In:			
General Fund	8,391,834	0	8,391,834
Special Revenue Funds	0	1,834,173	1,834,173
Capital Projects Funds	0	789,989	789,989
Total Fund Balances	<u>\$ 9,868,643</u>	<u>\$ 2,801,097</u>	<u>\$ 12,669,740</u>
Total Liabilities and Fund Balances	<u>\$ 23,397,713</u>	<u>\$ 3,353,178</u>	<u>\$ 26,750,891</u>

Exhibit K-3

Roane County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Assets  
Discretely Presented Roane 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 K-2)		\$ 12,669,740
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,387,525	
Add: construction in progress	61,346	
Add: building and improvements net of accumulated depreciation	51,933,437	
Add: other capital assets net of accumulated depreciation	<u>2,385,969</u>	55,768,277
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (142,528)	
Less: other postemployment benefits obligations	<u>(993,171)</u>	(1,135,699)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		
Add: other deferred revenues	\$ 660,670	
Add: deferred revenues - delinquent taxes	<u>393,945</u>	<u>1,054,615</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 68,356,933</u>

Exhibit K-4

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

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General	Other	Total
	Purpose	Govern- mental	Governmental
	School	Funds	Funds
<u>Revenues</u>			
Local Taxes	\$ 17,142,653	\$ 1,525,000	\$ 18,667,653
Licenses and Permits	3,236	0	3,236
Charges for Current Services	13,550	1,795,473	1,809,023
Other Local Revenues	630,441	68,684	699,125
State of Tennessee	31,789,628	379,307	32,168,935
Federal Government	152,783	5,934,425	6,087,208
Other Governments and Citizens Groups	0	340,000	340,000
Total Revenues	<u>\$ 49,732,291</u>	<u>\$ 10,042,889</u>	<u>\$ 59,775,180</u>
<u>Expenditures</u>			
Current:			
Instruction	\$	\$ 3,503,599	\$ 34,266,047
Support Services	15,140,861	3,045,171	18,186,032
Operation of Non-Instructional Services	702,118	3,675,032	4,377,150
Capital Outlay	117,457	0	117,457
Capital Projects	0	423,663	423,663
Total Expenditures	<u>\$ 46,722,884</u>	<u>\$ 10,647,465</u>	<u>\$ 57,370,349</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 3,009,407</u>	<u>\$ (604,576)</u>	<u>\$ 2,404,831</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 9,225	\$ 1,151,585	\$ 1,160,810
Transfers Out	(1,151,585)	(9,225)	(1,160,810)
Total Other Financing Sources (Uses)	<u>\$ (1,142,360)</u>	<u>\$ 1,142,360</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 1,867,047	\$ 537,784	\$ 2,404,831
Fund Balance, July 1, 2007	8,001,596	2,263,313	10,264,909
Fund Balance, June 30, 2008	<u>\$ 9,868,643</u>	<u>\$ 2,801,097</u>	<u>\$ 12,669,740</u>

Exhibit K-5

Roane County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Roane 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 K-4)		\$ 2,404,831
<p>(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 depreciation and capital outlays is itemized as follows:</p>		
Add: capital assets purchased in the current period	\$ 453,947	
Less: current year depreciation expense	<u>(2,436,305)</u>	(1,982,358)
<p>(2) The net affect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.</p>		
Less: decrease of revenue for the sale of capital assets		(3,225)
<p>(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Add: deferred delinquent property taxes and other deferred June 30, 2008	\$ 1,054,615	
Less: deferred delinquent property taxes and other deferred June 30, 2007	<u>(931,879)</u>	122,736
<p>(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.</p>		
Add: principal payments on notes		12,508
<p>(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.</p>		
Change in compensated absences payable	\$ (12,370)	
Change in other postemployment benefits obligations	<u>(993,171)</u>	<u>(1,005,541)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ (451,049)</u>

Exhibit K-6

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

	Special Revenue Funds					Total	Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	School Transportation	Extended School Program	Education Capital Projects		Total	Education Capital Projects	
\$	0 \$	5,000 \$	0 \$	2,500 \$	7,500 \$	0 \$	0 \$	7,500	
	292,077	1,309,297	331,016	67,073	1,999,463	789,989	0	2,789,452	
	246	531	5,260	47,856	53,893	0	0	53,893	
	203,481	0	279,353	15,846	498,680	0	0	498,680	
	3,653	0	0	0	3,653	0	0	3,653	
\$	499,457 \$	1,314,828 \$	615,629 \$	133,275 \$	2,563,189 \$	789,989 \$	0 \$	3,353,178	

ASSETS

Cash  
 Equity in Pooled Cash and Investments  
 Accounts Receivable  
 Due from Other Governments  
 Due from Other Funds

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable  
 Accrued Payroll  
 Payroll Deductions Payable  
 Due to Other Funds  
 Other Deferred Revenues  
 Total Liabilities

Fund Balances

Reserved for Encumbrances  
 Reserved for Title I Grants to Local Education Agencies  
 Reserved for Special Education - Grants to States  
 Unreserved  
 Total Fund Balances

Total Liabilities and Fund Balances

Exhibit K-7

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

	Special Revenue Funds							Total	Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	School Transportation	Extended School Program	Total	Education Capital Projects			Total		
						Education Capital Projects	Total				
<u>Revenues</u>											
Local Taxes	\$ 0	\$ 0	\$ 1,525,000	\$ 0	\$ 1,525,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,525,000	
Charges for Current Services	0	1,445,051	51,771	298,651	1,795,473	0	0	0	0	1,795,473	
Other Local Revenues	0	46,501	22,183	0	68,684	0	0	0	0	68,684	
State of Tennessee	0	40,708	290,000	48,599	379,307	0	0	0	0	379,307	
Federal Government	4,105,950	1,799,950	0	28,525	5,934,425	0	0	0	0	5,934,425	
Other Governments and Citizens Groups	0	0	340,000	0	340,000	0	0	0	0	340,000	
Total Revenues	\$ 4,105,950	\$ 3,332,210	\$ 2,228,954	\$ 375,775	\$ 10,042,889	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,042,889	
<u>Expenditures</u>											
Current:											
Instruction	\$ 3,503,599	\$ 0	\$ 0	\$ 0	\$ 3,503,599	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,503,599	
Support Services	592,479	0	2,452,692	0	3,045,171	0	0	0	0	3,045,171	
Operation of Non-Instructional Services	0	3,301,669	0	373,363	3,675,032	0	0	0	0	3,675,032	
Capital Projects	0	0	0	0	0	0	0	0	0	0	
Total Expenditures	\$ 4,096,078	\$ 3,301,669	\$ 2,452,692	\$ 373,363	\$ 10,223,802	\$ 423,663	\$ 423,663	\$ 423,663	\$ 423,663	\$ 10,647,465	
Excess (Deficiency) of Revenues Over Expenditures	\$ 9,872	\$ 30,541	\$ (223,738)	\$ 2,412	\$ (180,913)	\$ (423,663)	\$ (423,663)	\$ (423,663)	\$ (423,663)	\$ (604,576)	
<u>Other Financing Sources (Uses)</u>											
Transfers In	\$ 350,000	\$ 0	\$ 250,000	\$ 0	\$ 600,000	\$ 551,585	\$ 551,585	\$ 551,585	\$ 551,585	\$ 1,151,585	
Transfers Out	(9,225)	0	0	0	(9,225)	0	0	0	0	(9,225)	
Total Other Financing Sources (Uses)	\$ 340,775	\$ 0	\$ 250,000	\$ 0	\$ 590,775	\$ 551,585	\$ 551,585	\$ 551,585	\$ 551,585	\$ 1,142,360	
Net Change in Fund Balances	\$ 350,647	\$ 30,541	\$ 26,262	\$ 2,412	\$ 409,862	\$ 127,922	\$ 127,922	\$ 127,922	\$ 127,922	\$ 537,784	
Fund Balance, July 1, 2007	35,119	1,239,155	258,228	68,744	1,601,246	662,067	662,067	662,067	662,067	2,263,313	
Fund Balance, June 30, 2008	\$ 385,766	\$ 1,269,696	\$ 284,490	\$ 71,156	\$ 2,011,108	\$ 789,989	\$ 789,989	\$ 789,989	\$ 789,989	\$ 2,801,097	

Exhibit K-8

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Roane 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	\$ 17,142,653	\$ 0	\$ 0	\$ 17,142,653	\$ 16,547,500	\$ 16,592,500	\$ 550,153
Licenses and Permits	3,236	0	0	3,236	3,000	3,000	236
Charges for Current Services	13,550	0	0	13,550	17,500	17,500	(3,950)
Other Local Revenues	630,441	0	0	630,441	530,000	729,100	(98,659)
State of Tennessee	31,789,628	0	0	31,789,628	31,034,042	31,741,349	48,279
Federal Government	152,783	0	0	152,783	90,000	90,000	62,783
<b>Total Revenues</b>	<b>\$ 49,732,291</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 49,732,291</b>	<b>\$ 48,222,042</b>	<b>\$ 49,173,449</b>	<b>\$ 558,842</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 24,201,632	\$ (513,147)	\$ 545,360	\$ 24,233,845	\$ 25,858,171	\$ 25,639,280	\$ 1,405,435
Alternative Instruction Program	250,769	0	0	250,769	292,480	292,480	41,711
Special Education Program	4,363,489	(11,583)	22,170	4,374,076	4,534,990	4,560,901	186,825
Vocational Education Program	1,946,558	(57,515)	1,335	1,890,378	2,005,040	2,005,040	114,662
<u>Support Services</u>							
Attendance	62,644	(100)	0	62,544	99,825	99,825	37,281
Health Services	432,917	0	3,975	436,892	334,300	541,785	104,893
Other Student Support	1,409,502	(1,130)	3,279	1,411,651	1,564,150	1,554,506	142,855
Regular Instruction Program	2,563,820	(27,493)	77,974	2,614,301	2,420,080	2,792,240	177,939
Alternative Instruction Program	3,081	(1,137)	0	1,944	2,000	2,000	56
Special Education Program	883,805	0	0	883,805	937,520	937,520	53,715
Vocational Education Program	140,564	(1,087)	1,424	140,901	146,300	146,300	5,399
Other Programs	271,708	0	0	271,708	0	271,708	0
Board of Education	859,340	(14,950)	15,550	859,940	1,003,940	1,053,940	194,000

(Continued)

Exhibit K-8

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Roane 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>							
Director of Schools	\$ 234,910	\$ 0	\$ 0	\$ 234,910	\$ 257,670	\$ 258,754	\$ 23,844
Office of the Principal	3,506,330	(1,315)	1,597	3,506,612	3,650,215	3,650,215	143,603
Fiscal Services	249,129	0	0	249,129	319,200	319,200	70,071
Human Services/Personnel	47,934	0	0	47,934	53,625	53,625	5,691
Operation of Plant	3,597,703	(53,346)	54,456	3,598,813	3,939,705	3,944,955	346,142
Maintenance of Plant	877,474	(22,795)	54,161	908,840	1,000,340	1,012,840	104,000
<u>Operation of Non-Instructional Services</u>							
Community Services	120,770	(8,943)	7,286	119,113	120,000	150,549	31,436
Early Childhood Education	581,348	(6,080)	57	575,325	444,655	613,483	38,158
<u>Capital Outlay</u>							
Regular Capital Outlay	117,457	(31,672)	21,363	107,148	100,000	114,460	7,312
Total Expenditures	\$ 46,722,884	\$ (752,293)	\$ 809,987	\$ 46,780,578	\$ 49,084,206	\$ 50,015,606	\$ 3,235,028
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,009,407	\$ 752,293	\$ (809,987)	\$ 2,951,713	\$ (862,164)	\$ (842,157)	\$ 3,793,870
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 9,225	\$ 0	\$ 0	\$ 9,225	\$ 11,061	\$ 11,061	\$ (1,836)
Transfers Out	(1,151,585)	0	0	(1,151,585)	(550,000)	(1,151,585)	0
Total Other Financing Sources (Uses)	\$ (1,142,360)	\$ 0	\$ 0	\$ (1,142,360)	\$ (538,939)	\$ (1,140,524)	\$ (1,836)
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 1,867,047	\$ 752,293	\$ (809,987)	\$ 1,809,353	\$ (1,401,103)	\$ (1,982,681)	\$ 3,792,034
Fund Balance, July 1, 2007	8,001,596	(752,293)	0	7,249,303	7,286,987	7,286,987	(37,684)
Fund Balance, June 30, 2008	\$ 9,868,643	\$ 0	\$ (809,987)	\$ 9,058,656	\$ 5,885,884	\$ 5,304,306	\$ 3,754,350

Exhibit K-9

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Roane County School Department  
School Federal 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	
<b>Revenues</b>							
Federal Government	\$ 4,105,950	\$ 0	\$ 0	\$ 4,105,950	\$ 3,782,553	\$ 4,775,145	\$ (669,195)
Total Revenues	\$ 4,105,950	\$ 0	\$ 0	\$ 4,105,950	\$ 3,782,553	\$ 4,775,145	\$ (669,195)
<b>Expenditures</b>							
<u>Instruction</u>							
Regular Instruction Program	\$ 1,716,061	\$ (14,700)	\$ 3,096	\$ 1,704,457	\$ 1,671,901	\$ 1,838,910	\$ 134,453
Special Education Program	1,671,819	(4,534)	16,693	1,683,978	1,309,445	1,992,108	308,130
Vocational Education Program	115,719	0	0	115,719	124,003	115,719	0
<u>Support Services</u>							
Other Student Support	52,873	(1,477)	0	51,396	20,000	54,872	3,476
Regular Instruction Program	318,372	(3,741)	3,834	318,465	296,916	397,287	78,822
Special Education Program	219,234	(490)	37	218,781	344,227	373,390	154,609
Vocational Education Program	2,000	0	0	2,000	5,000	2,000	0
Total Expenditures	\$ 4,096,078	\$ (24,942)	\$ 23,660	\$ 4,094,796	\$ 3,771,492	\$ 4,774,286	\$ 679,490
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 9,872	\$ 24,942	\$ (23,660)	\$ 11,154	\$ 11,061	\$ 859	\$ 10,295
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 350,000	\$ 0	\$ 0	\$ 350,000	\$ 0	\$ 350,000	\$ 0
Transfers Out	(9,225)	0	0	(9,225)	(11,061)	(11,037)	1,812
Total Other Financing Sources (Uses)	\$ 340,775	\$ 0	\$ 0	\$ 340,775	\$ (11,061)	\$ 338,963	\$ 1,812
<b>Net Change in Fund Balance Fund Balance, July 1, 2007</b>	\$ 350,647	\$ 24,942	\$ (23,660)	\$ 351,929	\$ 0	\$ 339,822	\$ 12,107
	35,119	(24,942)	0	10,177	10,177	10,177	0
<b>Fund Balance, June 30, 2008</b>	\$ 385,766	\$ 0	\$ (23,660)	\$ 362,106	\$ 10,177	\$ 349,999	\$ 12,107

Exhibit K-10

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Roane 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	\$ 1,445,051	\$ 0	\$ 0	\$ 1,445,051	\$ 1,505,000	\$ 1,475,000	\$ (29,949)
Other Local Revenues	46,501	0	0	46,501	25,000	50,000	(3,499)
State of Tennessee	40,708	0	0	40,708	42,000	40,700	8
Federal Government	1,799,950	0	0	1,799,950	1,650,000	1,705,000	94,950
Total Revenues	\$ 3,332,210	\$ 0	\$ 0	\$ 3,332,210	\$ 3,222,000	\$ 3,270,700	\$ 61,510
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 3,301,669	\$ (74,623)	\$ 137,719	\$ 3,364,765	\$ 3,322,000	\$ 3,520,700	\$ 155,935
Total Expenditures	\$ 3,301,669	\$ (74,623)	\$ 137,719	\$ 3,364,765	\$ 3,322,000	\$ 3,520,700	\$ 155,935
Excess (Deficiency) of Revenues Over Expenditures	\$ 30,541	\$ 74,623	\$ (137,719)	\$ (32,555)	\$ (100,000)	\$ (250,000)	\$ 217,445
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 30,541	\$ 74,623	\$ (137,719)	\$ (32,555)	\$ (100,000)	\$ (250,000)	\$ 217,445
	1,239,155	(74,623)	0	1,164,532	1,164,532	1,164,532	0
Fund Balance, June 30, 2008	\$ 1,269,696	\$ 0	\$ (137,719)	\$ 1,131,977	\$ 1,064,532	\$ 914,532	\$ 217,445

Exhibit K-11

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,525,000	\$ 1,525,000	\$ 1,525,000	\$ 0
Charges for Current Services	51,771	55,000	55,000	(3,229)
Other Local Revenues	22,183	30,000	30,000	(7,817)
State of Tennessee	290,000	290,000	290,000	0
Other Governments and Citizens Groups	340,000	0	340,000	0
Total Revenues	<u>\$ 2,228,954</u>	<u>\$ 1,900,000</u>	<u>\$ 2,240,000</u>	<u>\$ (11,046)</u>
<u>Expenditures</u>				
<u>Support Services</u>				
Transportation	\$ 2,452,692	\$ 2,290,000	\$ 2,540,000	\$ 87,308
Total Expenditures	<u>\$ 2,452,692</u>	<u>\$ 2,290,000</u>	<u>\$ 2,540,000</u>	<u>\$ 87,308</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (223,738)</u>	<u>\$ (390,000)</u>	<u>\$ (300,000)</u>	<u>\$ 76,262</u>
<u>Other Financing Sources (Uses)</u>				
Other Loans Issued	\$ 0	\$ 340,000	\$ 0	\$ 0
Transfers In	250,000	50,000	250,000	0
Total Other Financing Sources (Uses)	<u>\$ 250,000</u>	<u>\$ 390,000</u>	<u>\$ 250,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 26,262	\$ 0	\$ (50,000)	\$ 76,262
Fund Balance, July 1, 2007	<u>258,228</u>	<u>258,228</u>	<u>258,228</u>	<u>0</u>
Fund Balance, June 30, 2008	<u>\$ 284,490</u>	<u>\$ 258,228</u>	<u>\$ 208,228</u>	<u>\$ 76,262</u>

Exhibit K-12

Roane County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Roane County School Department  
Extended School Program 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	\$ 298,651	\$ 0	\$ 0	\$ 298,651	\$ 330,000	\$ 330,000	\$ (31,349)
State of Tennessee	48,599	0	0	48,599	55,000	35,000	13,599
Federal Government	28,525	0	0	28,525	0	20,000	8,525
Total Revenues	\$ 375,775	\$ 0	\$ 0	\$ 375,775	\$ 385,000	\$ 385,000	\$ (9,225)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 373,363	(3,300)	3,450	\$ 373,513	\$ 385,000	\$ 390,000	\$ 16,487
Total Expenditures	\$ 373,363	(3,300)	3,450	\$ 373,513	\$ 385,000	\$ 390,000	\$ 16,487
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,412	\$ 3,300	\$ (3,450)	\$ 2,262	\$ 0	\$ (5,000)	\$ 7,262
Net Change in Fund Balance Fund Balance, July 1, 2007	\$ 2,412	\$ 3,300	\$ (3,450)	\$ 2,262	\$ 0	\$ (5,000)	\$ 7,262
Fund Balance, June 30, 2008	\$ 68,744	\$ (3,300)	\$ 0	\$ 65,444	\$ 67,444	\$ 67,444	\$ (2,000)
	\$ 71,156	\$ 0	\$ (3,450)	\$ 67,706	\$ 67,444	\$ 62,444	\$ 5,262

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## MISCELLANEOUS SCHEDULES

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Exhibit L-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-07	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-08
<b>PRIMARY GOVERNMENT</b>									
<b>NOTES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Various Capital Projects	\$ 2,500,000	5.25 %	4-1-00	4-1-12	\$ 2,350,000	0 \$	50,000 \$	0 \$	2,300,000
Energy Efficiency Improvements	292,000	3	10-17-00	11-15-07	45,503	0	45,503	0	0
Various Public Works Projects	3,035,000	3.4	3-1-03	3-1-15	3,035,000	0	0	0	3,035,000
Total Notes Payable					\$ 5,430,503	0 \$	95,503 \$	0 \$	5,335,000

<b>OTHER LOANS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Industrial Park - Sevier Co. PBA - III-A-4	3,800,000	Variable	3-1-1998	6-1-17	\$ 1,200,000	0 \$	0 \$	0 \$	1,200,000
Landfill Closure - Sevier Co. PBA - III-A-4	1,200,000	Variable	3-1-1998	6-1-17	205,000	0	0	0	205,000
Voting Machines - Blount Co. PBA - A-1-F	386,000	Variable	5-17-01	6-13-13	238,467	0	30,022	0	208,445
General Improvement Projects - Blount Co. PBA - A-1-F	450,000	Variable	5-17-01	6-13-13	279,925	0	35,000	0	244,925
School Buses - Blount Co. PBA - A-1-F	645,000	Variable	5-17-01	6-13-13	399,325	0	50,167	0	349,158
Retire Capital Outlay Notes - Blount Co. PBA - A-1-F	2,119,000	Variable	5-17-01	6-13-13	1,312,283	0	164,811	0	1,147,472
Refunding - Sevier Co. PBA - V-C-3	5,060,000	Variable	10-15-03	6-1-20	5,060,000	0	0	5,060,000	0
Health Facilities - Sevier Co. PBA - V-C-3	565,000	Variable	10-15-03	6-1-20	565,000	0	0	565,000	0
Industrial Park Refunding - Sevier Co. PBA - B-3-A	3,640,000	1.6 to 5.85	9-1-03	6-1-16	2,542,580	0	610,056	0	1,932,524
Industrial Park Land - Sevier Co. PBA - B-3-A	835,000	1.6 to 5.85	9-1-03	6-1-16	582,420	0	139,944	0	442,476
Public Improvement - Blount Co. PBA - D-5-E	2,000,000	Variable	12-28-05	6-1-22	1,875,000	0	50,000	1,825,000	0
Public Improvement - Blount Co. PBA - D-10-B	9,975,000	Variable	5-24-07	6-1-33	115,293	9,859,707	0	9,975,000	0
Public Improvement - Blount Co. PBA - B-13-A	1,750,000	Variable	10-18-07	6-30-24	0	1,750,000	0	0	1,750,000
Total Payable through General Debt Service Fund					\$ 14,375,293	\$ 11,609,707	\$ 1,080,000	\$ 17,425,000	\$ 7,480,000

<u>Payable through Education Debt Service Fund</u>									
Public Improvement - Blount Co. PBA - D-5-E	1,600,000	Variable	12-28-05	6-1-20	\$ 1,600,000	0 \$	0 \$	1,600,000 \$	0
Total Payable through Education Debt Service Fund					\$ 1,600,000	0 \$	0	1,600,000 \$	0
Total Other Loans Payable					\$ 15,975,293	\$ 11,609,707	\$ 1,080,000	\$ 19,025,000	\$ 7,480,000

(Continued)

Exhibit L-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-07	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-08
<b>PRIMARY GOVERNMENT (CONT.)</b>									
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation, Series 2002	\$ 1,700,000	3 to 4.65 %	2-1-02	6-1-19	\$ 1,250,000	0	100,000	0	\$ 1,150,000
Water and Sewer Revenue and Tax, Series 2000	620,000	4.75	6-20-02	4-20-40	586,744	0	7,630	0	579,114
General Obligation Refunding Bonds, Series 2008A	9,975,000	3.8 to 4.63	6-18-08	6-1-33	0	9,975,000	0	0	9,975,000
General Obligation Refunding Bonds, Series 2008B	7,410,000	3 to 4.1	6-30-08	6-1-22	0	7,410,000	0	0	7,410,000
Total Payable through General Debt Service Fund					\$ 1,836,744	\$ 17,385,000	\$ 107,630	\$ 0	\$ 19,114,114
<u>Payable through Rural Debt Service Fund</u>									
Rural School Refunding, Series 1999	4,335,000	4 to 4.25	1-1-1999	6-1-11	\$ 1,540,000	0	370,000	0	\$ 1,170,000
Rural School, Series 2002	775,000	4.1 to 4.65	2-1-02	6-1-19	775,000	0	0	0	775,000
Rural School Refunding, Series 2004	18,915,000	2 to 4.3	3-9-04	5-1-22	17,075,000	0	575,000	0	16,500,000
Total Payable through Rural Debt Service Fund					\$ 19,390,000	\$ 0	\$ 945,000	\$ 0	\$ 18,445,000
<u>Payable through Education Debt Service Fund</u>									
School Refunding, Series 1998	(1) 1,280,000	4.2 to 4.75	7-1-03	2-1-09	\$ 395,000	0	245,000	0	\$ 150,000
Rural School Refunding, Series 2008C	1,600,000	3 to 5	6-30-08	6-2-20	0	1,600,000	0	0	1,600,000
Total Payable through Education Debt Service Fund					\$ 395,000	\$ 1,600,000	\$ 245,000	\$ 0	\$ 1,750,000
Total Bonds Payable					\$ 21,621,744	\$ 18,985,000	\$ 1,297,630	\$ 0	\$ 39,309,114
<b>CAPITAL LEASES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Patrol Cars	121,573	5.6	2-23-07	2-23-09	\$ 78,822	0	38,338	0	\$ 40,484
Patrol Cars	123,302	5.1	12-26-07	12-26-09	0	123,302	43,161	0	80,141
Total Capital Leases Payable					\$ 78,822	\$ 123,302	\$ 81,499	\$ 0	\$ 120,625

(Continued)

Exhibit L-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-07	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-08
<u>DISCRETELY PRESENTED ROANE COUNTY</u>									
<u>SCHOOL DEPARTMENT</u>									
<u>NOTES PAYABLE</u>									
Payable through General Purpose School Fund									
EPA Asbestos Abatement Loan	\$ 31,508	0	% 10-6-1998	5-1-15	\$ 12,508	\$ 0	\$ 12,508	\$ 0	\$ 0
Total Notes Payable	\$ 31,508				\$ 12,508	\$ 0	\$ 12,508	\$ 0	\$ 0

(1) This debt was assumed by the county in the Harriman City School merger, effective July 1, 2003.

Exhibit L-2

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

Year Ending June 30	Note Principal	Note Interest	Total Note Requirements
2009	\$ 50,000	\$ 221,455	\$ 271,455
2010	700,000	218,830	918,830
2011	750,000	182,080	932,080
2012	800,000	142,705	942,705
2013	500,000	100,705	600,705
2014	1,235,000	84,955	1,319,955
2015	1,300,000	44,200	1,344,200
Total	\$ 5,335,000	\$ 994,930	\$ 6,329,930

Year Ending June 30	Other Loan Principal	Other Loan Interest	Other Loan Fees	Total Other Loan Requirements
2009	\$ 1,070,000	\$ 319,401	\$ 18,203	\$ 1,407,604
2010	465,000	276,412	16,640	758,052
2011	490,000	260,401	14,970	765,371
2012	500,000	243,326	13,168	756,494
2013	875,000	225,675	11,313	1,111,988
2014	225,000	195,426	7,868	428,294
2015	225,000	182,714	7,868	415,582
2016	1,310,000	319,776	7,868	1,637,644
2017	870,000	264,750	4,032	1,138,782
2018	175,000	261,472	0	436,472
2019	175,000	251,500	0	426,500
2020	200,000	266,000	0	466,000
2021	200,000	254,000	0	454,000
2022	200,000	242,000	0	442,000
2023	250,000	280,000	0	530,000
2024	250,000	265,000	0	515,000
Total	\$ 7,480,000	\$ 4,107,853	\$ 101,930	\$ 11,689,783

(Continued)

Exhibit L-2

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

Year Ending June 30	Bond Principal	Bond Interest	Total Bond Requirements
2009	\$ 1,413,001	\$ 1,639,371	\$ 3,052,372
2010	1,398,389	1,641,086	3,039,475
2011	1,438,796	1,592,070	3,030,866
2012	1,484,223	1,540,292	3,024,515
2013	1,509,671	1,481,925	2,991,596
2014	1,535,141	1,422,304	2,957,445
2015	1,585,633	1,360,525	2,946,158
2016	1,921,149	1,296,508	3,217,657
2017	2,391,690	1,206,698	3,598,388
2018	3,272,258	1,097,329	4,369,587
2019	3,377,853	935,015	4,312,868
2020	3,523,477	789,440	4,312,917
2021	2,259,131	645,492	2,904,623
2022	2,374,817	550,478	2,925,295
2023	715,537	448,678	1,164,215
2024	741,291	416,424	1,157,715
2025	767,082	383,008	1,150,090
2026	792,911	348,429	1,141,340
2027	818,781	312,684	1,131,465
2028	869,692	275,773	1,145,465
2029	895,648	234,442	1,130,090
2030	946,651	194,064	1,140,715
2031	1,022,702	151,388	1,174,090
2032	1,023,804	104,036	1,127,840
2033	1,024,960	56,630	1,081,590
2034	26,171	9,169	35,340
2035	27,442	7,898	35,340
2036	28,774	6,566	35,340
2037	30,171	5,169	35,340
2038	31,636	3,704	35,340
2039	33,172	2,169	35,341
2040	27,460	577	28,037
<b>Total</b>	<b>\$ 39,309,114</b>	<b>\$ 20,159,341</b>	<b>\$ 59,468,455</b>

(Continued)

Exhibit L-2

Roane County, Tennessee

Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Capital Lease Principal	Capital Lease Interest	Total Capital Lease Requirements
2009	\$ 79,558	\$ 6,354	\$ 85,912
2010	41,067	2,095	43,162
Total	<u>\$ 120,625</u>	<u>\$ 8,449</u>	<u>\$ 129,074</u>

Exhibit L-3

Roane County, Tennessee  
Schedule of Notes Receivable  
For the Year Ended June 30, 2008

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-08
<u>Community Development - Agency Fund</u>						
Industrial Loan (Revolving)	Browder Hardware	\$100,000	6-13-02	6-13-17	3.75 %	\$ 66,572
Industrial Loan (Revolving)	Ivan's Restaurant	40,000	9-23-02	9-25-09	3.75	24,393
Industrial Loan (Revolving)	Understanding The Way	70,000	1-13-03	1-15-18	3.25	48,548
Industrial Loan (Revolving)	Dana Audio	50,000	2-26-03	4-23-10	3.25	38,048
Industrial Loan (Revolving)	Ideal Plumbing	100,000	1-29-04	3-1-14	3.04	62,774
Industrial Loan (Revolving)	Mary Gail's Place	32,500	9-30-04	9-30-11	4	29,775
Total Notes Receivable						<u>\$ 270,110</u>

Exhibit L-4

Roane County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Roane 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	General Debt Service	Debt retirement	\$ 19,500
General	Urban Services	Operations	148,000
General	Fire Inspection	Operations	100,000
General	Employee Dental Insurance	Operations	200,000
Local Purpose Tax	General Debt Service	Debt retirement	720,000
Special Purpose	General Debt Service	Debt retirement	50,762
Highway/Public Works	General Debt Service	Debt retirement	121,498
General Debt Service	General	Internal financing	570,000
General Debt Service	Ambulance Service	Internal financing	75,000
Total Transfers Primary Government			<u>\$ 2,004,760</u>
<u>DISCRETELY PRESENTED ROANE COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Capital projects	\$ 551,585
School Federal Projects	General Purpose School	Indirect cost	9,225
General Purpose School	School Federal Projects	Operations	350,000
General Purpose School	School Transportation	Operations	250,000
Total Transfers Discretely Presented Roane County School Department			<u>\$ 1,160,810</u>

Exhibit L-5

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

Official	Authorization of Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <u>TCA</u> , and County Commission	\$ 91,560 (1)	\$ 50,000	RLI Insurance Company
Road Superintendent	Section 8-24-102, <u>TCA</u>	72,845	100,000	Western Surety Company
Director of Schools	State Board of Education and Roane County Board of Education	120,320 (2)	50,000	"
Trustee	Section 8-24-102, <u>TCA</u>	66,222	1,678,000	Auto-Owners Insurance Company
Assessor of Property	Section 8-24-102, <u>TCA</u>	66,222	50,000	Old Republic Surety Company
Director of Accounts and Budgets	County Commission	77,791 (3)	10,000	RLI Insurance Company
County Clerk	Section 8-24-102, <u>TCA</u>	66,222	50,000	Auto-Owners Insurance Company
Circuit Court Clerk	Section 8-24-102, <u>TCA</u>	66,222	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u> , and Chancery Court Judge	66,222 (4)	60,000	Western Surety Company
Register	Section 8-24-102, <u>TCA</u>	66,222	25,000	Auto-Owners Insurance Company
Sheriff	Section 8-24-102, <u>TCA</u>	72,845 (5)	25,000	RLI Insurance Company
Purchasing Agent	County Commission	50,103	10,000	Western Surety Company
Employee Blanket Bond				
Public Employee Dishonesty			100,000	Western Surety Company

(1) Includes \$7,150 salary supplement for serving as sanitation supervisor and \$1,062 for board and committee meetings.

(2) Includes incentive bonus of \$13,900 and chief executive officer supplement of \$1,000.

(3) Includes \$1,971 for board and committee meetings and \$10,000 for insurance administration.

(4) Does not include special commissioner fees of \$8,400.

(5) Does not include law enforcement training supplement of \$600.

Exhibit L-6

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

	Special Revenue Funds							
	General	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax	Special Purpose
<u>Local Taxes</u>								
<u>County Property Taxes</u>								
Current Property Tax	\$ 6,379,208	\$ 0	\$ 158,742	\$ 315,758	\$ 184,905	\$ 184,105	\$ 0	\$ 0
Trustee's Collections - Prior Year	186,084	0	963	13,742	917	8,936	0	0
Circuit/Clerk & Master Collections - Prior Years	181,078	0	0	16,764	0	3,788	0	0
Interest and Penalty	36,399	0	300	2,238	329	1,208	0	0
Pick-up Taxes	3,588	0	120	248	101	104	0	0
Payments in-Lieu-of Taxes - T.V.A.	19,763	0	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	147,006	0	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	42,222	814,701	0
<u>County Local Option Taxes</u>								
Local Option Sales Tax	448,684	0	0	350,000	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	82,364	0	0
Litigation Tax - General	398,331	0	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	160,014	0	0	0	0	0	0	0
Business Tax	417,215	0	0	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0	0	0
<u>Statutory Local Taxes</u>								
Bank Excise Tax	85,341	0	0	0	0	0	0	0
Wholesale Beer Tax	0	0	0	0	0	224,082	0	0
Interstate Telecommunications Tax	0	0	0	0	0	0	0	0
Total Local Taxes	\$ 8,462,711	\$ 0	\$ 160,125	\$ 698,750	\$ 186,252	\$ 546,809	\$ 814,701	\$ 0
<u>Licenses and Permits</u>								
<u>Licenses</u>								
Cable TV Franchise	\$ 157,799	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Permits								
Beer Permits	4,948	0	0	0	0	0	0	0
Building Permits	238,286	0	0	0	0	0	0	0
Total Licenses and Permits	\$ 401,033	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit L-6

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

	Special Revenue Funds									
	General	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax	Special Purpose		
<u>Fines, Forfeitures, and Penalties</u>										
<u>Circuit Court</u>										
Fines	\$ 10,938	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	10,194	0	0	0	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0	0	0	0	0
Drug Court Fees	471	0	0	0	0	0	0	0	0	0
Jail Fees	2,759	0	0	0	0	0	0	0	0	0
District Attorney General Fees	0	0	0	0	0	0	0	0	0	0
DUI Treatment Fines	988	0	0	0	0	0	0	0	0	0
Data Entry Fee - Circuit Court	498	0	0	0	0	0	0	0	0	0
Courtroom Security Fee	147	0	0	0	0	0	0	0	0	0
<u>General Sessions Court</u>										
Fines	40,319	0	0	0	0	0	0	0	0	0
Officers Costs	73,403	0	0	0	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0	0	0	0	0
Drug Court Fees	500	0	0	0	0	0	0	0	0	0
Jail Fees	12,729	0	0	0	0	0	0	0	0	0
District Attorney General Fees	0	0	0	0	0	0	0	0	0	0
DUI Treatment Fines	8,547	0	0	0	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	15,975	0	0	0	0	0	0	0	0	0
Courtroom Security Fee	631	0	0	0	0	0	0	0	0	0
<u>Juvenile Court</u>										
Fines	827	0	0	0	0	0	0	0	0	0
<u>Chancery Court</u>										
Officers Costs	4,054	0	0	0	0	0	0	0	0	0
Data Entry Fee - Chancery Court	3,079	0	0	0	0	0	0	0	0	0
Courtroom Security Fee	49	0	0	0	0	0	0	0	0	0
<u>Courts in Other District Counties</u>										
District Attorney General Fees	0	0	0	0	0	0	0	0	0	0
Judicial District Drug Program										
Drug Task Force Forfeitures and Seizures	200	0	0	0	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 186,308	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit L-6

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

	Special Revenue Funds							
	General	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax	Special Purpose
<u>Charges for Current Services</u>								
<u>General Service Charges</u>								
Transfer Waste Stations Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fees	0	0	0	0	0	0	0	0
Water Treatment Charges	0	0	0	0	0	0	0	406,527
Patient Charges	0	0	0	0	2,335,963	0	0	0
Past Due Collections - Ambulance	0	0	0	0	6,406	0	0	0
Other General Service Charges	1,026	97,093	0	0	0	0	0	0
Water Tap Sales	0	0	0	0	0	0	0	50,820
<u>Fees</u>								
Recreation Fees	59,535	0	0	0	0	0	0	0
Copy Fees	14,904	0	0	0	440	0	0	0
Telephone Commissions	11,789	0	0	0	0	0	0	0
Data Processing Fee - Register	22,952	0	0	0	0	0	0	0
Probation Fees	10,179	0	0	0	0	0	0	0
Data Processing Fee - Sheriff	6,248	0	0	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	1,600	0	0	0	0	0	0	0
Other Charges for Services	27,000	0	0	0	0	0	0	0
Total Charges for Current Services	\$ 155,233	\$ 97,093	\$ 0	\$ 0	\$ 2,342,829	\$ 0	\$ 0	\$ 457,347
<u>Other Local Revenues</u>								
<u>Recurring Items</u>								
Investment Income	0	0	0	0	0	0	0	0
Lease/Rentals	10,000	0	0	0	0	0	0	0
Sale of Materials and Supplies	2,867	0	0	0	0	0	0	0
Commissary Sales	3,480	0	0	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0	0	0
Commodity Rebates	350	0	0	0	0	0	0	0
Miscellaneous Refunds	1,234	0	0	0	0	0	0	0

(Continued)

Exhibit L-6

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

	Special Revenue Funds							
	General	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax	Special Purpose
<u>Other Local Revenues (Cont.)</u>								
<u>Nonrecurring Items</u>								
Sale of Property	\$ 2,128	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions and Gifts	700	6,605	0	0	0	0	0	0
<u>Other Local Revenues</u>	572	0	0	0	0	349,686	0	0
Total Other Local Revenues	\$ 21,331	\$ 6,605	\$ 0	\$ 0	\$ 0	\$ 349,686	\$ 0	\$ 0
<u>Fees Received from County Officials</u>								
<u>Fees in-Lieu-of Salary</u>								
County Clerk	\$ 361,196	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	82,539	0	0	0	0	0	0	0
General Sessions Court Clerk	512,254	0	0	0	0	0	0	0
Clerk and Master	297,848	0	0	0	0	0	0	0
Register	297,890	0	0	0	0	0	0	0
Sheriff	23,497	0	0	0	0	0	0	0
Trustee	785,217	0	0	0	0	0	0	0
Total Fees Received from County Officials	\$ 2,360,441	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>								
<u>General Government Grants</u>								
Juvenile Services Program	\$ 6,750	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	0	0	0	0	0	0	0
<u>Public Safety Grants</u>								
Law Enforcement Training Programs	15,000	0	0	0	0	0	0	0
<u>Public Works Grants</u>								
State Aid Program	0	0	0	0	0	0	0	0
Litter Program	29,233	0	0	0	0	0	0	0
<u>Other State Revenues</u>								
Income Tax	237,649	0	0	0	0	0	0	0
Beer Tax	19,312	0	0	0	0	0	0	0
Alcoholic Beverage Tax	64,509	0	0	0	0	0	0	0

(Continued)

Exhibit L-6

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

	Special Revenue Funds							
	General	Urban Services	Fire Inspection	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Local Purpose Tax	Special Purpose
State of Tennessee (Cont.)								
Other State Revenues (Cont.)								
Mixed Drink Tax	\$ 3,480	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Revenue Sharing - T.V.A.	0	0	0	415,000	0	0	0	0
Contracted Prisoner Boarding	62,510	0	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0	0	0
Reappraisal Program Reimbursement	21,657	0	0	0	0	0	0	0
Registrar's Salary Supplement	16,380	0	0	0	0	0	0	0
Other State Grants	438,821	0	0	0	0	178,224	0	0
Other State Revenues	16,930	0	0	0	0	0	0	0
Total State of Tennessee	\$ 932,231	\$ 0	\$ 0	\$ 415,000	\$ 0	\$ 178,224	\$ 0	\$ 0
Federal Government								
Federal Through State								
Job Training Partnership Act	\$ 317,765	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	266,999	0	0	0	0	0	0	0
Other Federal through State	155,727	0	0	0	0	0	0	0
Direct Federal Revenue								
Public Safety Partnership and Community Policing - COPS	8,552	0	0	0	0	0	0	0
Total Federal Government	\$ 749,043	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Governments and Citizens Groups								
Other Governments								
Contributions	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other	25,364	0	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 38,864	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 13,307,195	\$ 103,698	\$ 160,125	\$ 1,113,750	\$ 2,529,081	\$ 1,074,719	\$ 814,701	\$ 457,347

(Continued)

Exhibit L-6

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

	Special Revenue Funds					Debt Service Funds					Capital Projects Fund	
	Drug Control	District Attorney General	Other Special Revenue	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Total	Capital Projects Fund		
										Highway Capital	Projects	
<b>\$</b>	0	0	230,132	1,157,585	1,298,349	1,566,391	398,779	0	0	0	11,873,954	
County Property Taxes	0	0	8,920	29,542	18,658	60,824	14,150	0	0	0	342,736	
Current Property Tax	0	0	6,983	26,536	16,758	69,842	13,966	0	0	0	335,715	
Trustee's Collections - Prior Year	0	0	1,510	6,231	4,939	11,194	2,659	0	0	0	67,007	
Circuit/Clerk & Master Collections - Prior Years	0	0	130	649	720	1,000	226	0	0	0	6,886	
Interest and Penalty	0	0	0	0	0	0	0	0	0	0	19,763	
Pick-up Taxes	0	0	0	0	0	0	0	0	0	0	147,006	
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	0	0	0	0	0	856,923	
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0	0	0	0	0	0	
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0	0	0	0	0	0	
<u>County Local Option Taxes</u>												
Local Option Sales Tax	0	0	0	0	0	0	0	0	0	0	798,684	
Hotel/Motel Tax	0	0	0	0	0	0	0	0	0	0	82,364	
Litigation Tax - General	0	0	0	0	0	0	0	0	0	0	398,331	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0	0	0	0	0	160,014	
Business Tax	0	0	0	0	0	0	0	0	0	0	417,215	
Mineral Severance Tax	0	0	0	84,919	0	0	0	0	0	0	84,919	
<u>Statutory Local Taxes</u>												
Bank Excise Tax	0	0	0	0	0	0	0	0	0	0	85,341	
Wholesale Beer Tax	0	0	0	0	0	0	0	0	0	0	224,082	
Interstate Telecommunications Tax	0	0	0	0	0	3,904	0	0	0	0	3,904	
<b>Total Local Taxes</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>247,675</b>	<b>1,305,462</b>	<b>1,339,424</b>	<b>1,713,155</b>	<b>429,780</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,904,844</b>	
<u>Licenses and Permits</u>												
Licenses												
Cable TV Franchise Permits	\$ 0	0	0	0	0	0	0	0	0	0	157,799	
Beer Permits	0	0	0	0	0	0	0	0	0	0	4,948	
Building Permits	0	0	0	0	0	0	0	0	0	0	238,286	
<b>Total Licenses and Permits</b>	<b>\$ 0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>401,033</b>	

(Continued)

Exhibit L-6

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

	Special Revenue Funds				Debt Service Funds				Capital Projects Fund		Total
	Drug Control	District Attorney General	Other Special Revenue	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects			
								Highway	Capital Projects		
<b>Fines, Forfeitures, and Penalties</b>											
<u>Circuit Court</u>											
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10,938
Officers Costs	0	0	0	0	0	0	0	0	0	0	10,194
Drug Control Fines	1,370	0	0	0	0	0	0	0	0	0	1,370
Drug Court Fees	0	0	0	0	0	0	0	0	0	0	471
Jail Fees	0	0	0	0	0	0	0	0	0	0	2,759
District Attorney General Fees	0	1,575	0	0	0	0	0	0	0	0	1,575
DUI Treatment Fines	0	0	0	0	0	0	0	0	0	0	988
Data Entry Fee - Circuit Court	0	0	0	0	0	0	0	0	0	0	498
Courtroom Security Fee	0	0	0	0	0	0	0	0	0	0	147
<u>General Sessions Court</u>											
Fines	0	0	0	0	0	0	0	0	0	0	40,319
Officers Costs	0	0	0	0	0	0	0	0	0	0	73,403
Drug Control Fines	11,954	0	0	0	0	0	0	0	0	0	11,954
Drug Court Fees	0	0	0	0	0	0	0	0	0	0	500
Jail Fees	0	0	0	0	0	0	0	0	0	0	12,729
District Attorney General Fees	0	7,756	0	0	0	0	0	0	0	0	7,756
DUI Treatment Fines	0	0	0	0	0	0	0	0	0	0	8,547
Data Entry Fee - General Sessions Court	0	0	0	0	0	0	0	0	0	0	15,975
Courtroom Security Fee	0	0	0	0	0	0	0	0	0	0	631
<u>Juvenile Court</u>											
Fines	0	0	0	0	0	0	0	0	0	0	827
<u>Chancery Court</u>											
Officers Costs	0	0	0	0	0	0	0	0	0	0	4,054
Data Entry Fee - Chancery Court	0	0	0	0	0	0	0	0	0	0	3,079
Courtroom Security Fee	0	0	0	0	0	0	0	0	0	0	49
<u>Courts in Other District Counties</u>											
District Attorney General Fees	0	33,122	0	0	0	0	0	0	0	0	33,122
Judicial District Drug Program	30,990	0	0	0	0	0	0	0	0	0	31,190
Drug Task Force Forfeitures and Seizures	44,314	42,453	0	0	0	0	0	0	0	0	273,075
Total Fines, Forfeitures, and Penalties	\$ 44,314	\$ 42,453	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 273,075

(Continued)

Exhibit L-6

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

	Special Revenue Funds					Debt Service Funds			Capital Projects Fund		Total
	Drug Control	District Attorney General	Other Special Revenue	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects			
								Highway Capital	Projects		
<b>\$</b>	0	0	20,097	0	0	0	0	0	0	20,097	
<b>\$</b>	0	0	102,509	0	0	0	0	0	0	102,509	
Transfer Waste Stations Collection Charge	0	0	0	0	0	0	0	0	0	406,527	
Solid Waste Disposal Fees	0	0	0	0	0	0	0	0	0	2,335,983	
Water Treatment Charges	0	0	0	0	0	0	0	0	0	6,406	
Patient Charges	0	0	0	0	0	0	0	0	0	98,119	
Past Due Collections - Ambulance	0	0	0	0	0	0	0	0	0	50,820	
Other General Service Charges	0	0	0	0	0	0	0	0	0	59,535	
Water Tap Sales	0	0	0	0	0	0	0	0	0	15,344	
<b>Fees</b>	0	0	0	0	0	0	0	0	0	11,789	
Recreation Fees	0	0	0	0	0	0	0	0	0	22,952	
Copy Fees	0	0	0	0	0	0	0	0	0	10,179	
Telephone Commissions	0	0	0	0	0	0	0	0	0	6,248	
Data Processing Fee - Register	0	0	0	0	0	0	0	0	0	1,600	
Probation Fees	0	0	0	0	0	0	0	0	0	27,000	
Data Processing Fee - Sheriff	0	0	0	0	0	0	0	0	0	3,175,108	
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	0	0	0	0	596,795	
Other Charges for Services	0	0	0	0	0	0	0	0	0	10,000	
<b>Total Charges for Current Services</b>	0	0	122,606	0	439,811	130,162	23,617	3,205	0	596,795	
<b>\$</b>	0	0	122,606	0	439,811	130,162	23,617	3,205	0	3,175,108	
<b>\$</b>	0	0	0	0	0	0	0	0	0	0	
<b>Other Local Revenues</b>	0	0	0	0	0	0	0	0	0	0	
<b>Recurring Items</b>	0	0	0	0	0	0	0	0	0	0	
Investment Income	0	0	0	0	0	0	0	0	0	0	
Lease/Rentals	0	0	0	1,652	0	0	0	0	0	4,519	
Sale of Materials and Supplies	0	0	0	0	0	0	0	0	0	3,480	
Commissary Sales	0	0	0	54,598	0	0	0	0	0	54,598	
Sale of Gasoline	0	0	247,665	1,026	0	0	0	0	0	248,691	
Sale of Recycled Materials	0	0	0	0	0	0	0	0	0	350	
Commodity Rebates	0	0	0	0	0	0	0	0	0	6,125	
Miscellaneous Refunds	0	0	0	4,891	0	0	0	0	0	4,891	

(Continued)

Exhibit L-6

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

	Special Revenue Funds				Debt Service Funds			Capital Projects Fund		Total
	Drug Control	District Attorney General	Other Special Revenue	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects	Fund	
<u>Other Local Revenues (Cont.)</u>										
<u>Nonrecurring Items</u>										
Sale of Property	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	11,621 \$	0 \$	0 \$	13,749
Contributions and Gifts	6,406	0	1,147	0	0	0	0	0	0	14,858
<u>Other Local Revenues</u>										
Other Local Revenues	0	0	0	5,180	0	0	0	0	0	355,438
<b>Total Other Local Revenues</b>	<b>\$ 6,406 \$</b>	<b>0 \$</b>	<b>248,812 \$</b>	<b>67,347 \$</b>	<b>439,811 \$</b>	<b>130,162 \$</b>	<b>35,238 \$</b>	<b>3,205 \$</b>	<b>0 \$</b>	<b>1,308,603</b>
<u>Fees Received from County Officials</u>										
<u>Fees in-Lieu-of Salary</u>										
County Clerk	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	361,196
Circuit Court Clerk	0	0	0	0	0	0	0	0	0	82,539
General Sessions Court Clerk	0	0	0	0	0	0	0	0	0	512,254
Clerk and Master	0	0	0	0	0	0	0	0	0	297,848
Register	0	0	0	0	0	0	0	0	0	297,890
Sheriff	0	0	0	0	0	0	0	0	0	23,497
Trustee	0	0	0	0	0	0	0	0	0	785,217
<b>Total Fees Received from County Officials</b>	<b>\$ 0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>2,360,441</b>
<u>State of Tennessee</u>										
<u>General Government Grants</u>										
Juvenile Services Program	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	6,750
Solid Waste Grants	0	0	26,357	7,792	0	0	0	0	0	34,149
<u>Public Safety Grants</u>										
Law Enforcement Training Programs	0	0	0	0	0	0	0	0	0	15,000
<u>Public Works Grants</u>										
State Aid Program	0	0	0	209,029	0	0	0	0	0	209,029
Litter Program	0	0	0	0	0	0	0	0	0	29,233
<u>Other State Revenues</u>										
Income Tax	0	0	0	0	0	0	0	0	0	237,649
Beer Tax	0	0	0	0	0	0	0	0	0	19,312
Alcoholic Beverage Tax	0	0	0	0	0	0	0	0	0	64,509

(Continued)

Exhibit L-6

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

	Special Revenue Funds					Debt Service Funds			Capital Projects Fund		Total
	Drug Control	District Attorney General	Other Special Revenue	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Highway Capital Projects			
								Highway Capital	Projects		
<u>State of Tennessee (Cont.)</u>											
<u>Other State Revenues (Cont.)</u>											
Mixed Drink Tax	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	3,480
State Revenue Sharing - T.V.A.	0	0	0	0	0	0	0	0	0	0	415,000
Contracted Prisoner Boarding	0	0	0	0	0	0	0	0	0	0	62,510
Gasoline and Motor Fuel Tax	0	0	0	1,852,362	0	0	0	0	0	0	1,852,362
Petroleum Special Tax	0	0	0	41,689	0	0	0	0	0	0	41,689
Reappraisal Program Reimbursement	0	0	0	0	0	0	0	0	0	0	21,657
Registrar's Salary Supplement	0	0	0	0	0	0	0	0	0	0	16,380
Other State Grants	0	0	0	0	0	0	0	0	0	0	617,045
Other State Revenues	0	0	0	0	0	0	0	0	0	0	16,930
<b>Total State of Tennessee</b>	<b>\$ 0 \$</b>	<b>0 \$</b>	<b>26,357 \$</b>	<b>2,110,872 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>3,662,684</b>
<u>Federal Government</u>											
<u>Federal Through State</u>											
Job Training Partnership Act	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	317,765
Homeland Security Grants	0	0	0	0	0	0	0	0	0	0	266,999
Other Federal through State	0	0	0	0	0	0	0	0	0	0	155,727
<u>Direct Federal Revenue</u>											
Public Safety Partnership and Community Policing - COPS	0	0	0	0	0	0	0	0	0	0	8,552
<b>Total Federal Government</b>	<b>\$ 0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>749,043</b>
<u>Other Governments and Citizens Groups</u>											
<u>Other Governments</u>											
Contributions	\$ 0 \$	0 \$	0 \$	0 \$	2,053,400 \$	0 \$	0 \$	0 \$	0 \$	0 \$	2,066,900
<u>Other</u>	0	0	0	0	0	0	0	0	0	0	25,364
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>2,053,400 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>2,092,264</b>
<b>Total</b>	<b>\$ 50,720 \$</b>	<b>42,453 \$</b>	<b>645,450 \$</b>	<b>3,483,681 \$</b>	<b>3,832,635 \$</b>	<b>1,843,317 \$</b>	<b>465,018 \$</b>	<b>3,205 \$</b>	<b>29,927,095</b>		

Exhibit L-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor- tation	Extended School Program	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 10,992,840	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,992,840
Trustee's Collections - Prior Year	284,763	0	0	0	0	284,763
Circuit/Clerk & Master Collections - Prior Years	330,288	0	0	0	0	330,288
Interest and Penalty	68,323	0	0	0	0	68,323
Pick-up Taxes	6,164	0	0	0	0	6,164
Payments in-Lieu-of Taxes - Local Utilities	189,938	0	0	0	0	189,938
<u>County Local Option Taxes</u>						
Local Option Sales Tax	5,264,001	0	0	1,525,000	0	6,789,001
<u>Statutory Local Taxes</u>						
Interstate Telecommunications Tax	6,336	0	0	0	0	6,336
Total Local Taxes	\$ 17,142,653	\$ 0	\$ 0	\$ 1,525,000	\$ 0	\$ 18,667,653
<u>Licenses and Permits</u>						
Licenses						
Marriage Licenses	3,236	0	0	0	0	3,236
Total Licenses and Permits	\$ 3,236	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,236
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Other	9,800	0	0	0	0	9,800
Lunch Payments - Children	0	0	912,863	0	0	912,863
Lunch Payments - Adults	0	0	75,767	0	0	75,767
Income from Breakfast	0	0	139,128	0	0	139,128
Special Milk Sales	0	0	33,349	0	0	33,349
A la carte Sales	0	0	270,437	0	0	270,437
Receipts from Individual Schools	3,750	0	0	51,771	0	55,521
Community Service Fees - Children	0	0	0	0	298,651	298,651
<u>Other Charges for Services</u>						
Other Charges for Services	0	0	13,507	0	0	13,507
Total Charges for Current Services	\$ 13,550	\$ 0	\$ 1,445,051	\$ 51,771	\$ 298,651	\$ 1,809,023

(Continued)

Exhibit L-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	School Transportation	Extended School Program	Total
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 534,393	\$ 0	\$ 46,501	\$ 21,894	\$ 0	\$ 602,788
Lease/Rentals	525	0	0	0	0	525
Sale of Recycled Materials	4,920	0	0	0	0	4,920
Refund of Telecommunication and Internet Fees (E-Rate)	24,004	0	0	0	0	24,004
Miscellaneous Refunds	460	0	0	94	0	554
<u>Nonrecurring Items</u>						
Sale of Equipment	5,493	0	0	0	0	5,493
Damages Recovered from Individuals	0	0	0	195	0	195
Contributions and Gifts	60,646	0	0	0	0	60,646
<b>Total Other Local Revenues</b>	<b>\$ 630,441</b>	<b>\$ 0</b>	<b>\$ 46,501</b>	<b>\$ 22,183</b>	<b>\$ 0</b>	<b>\$ 699,125</b>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 48,599	\$ 48,599
On-Behalf Contributions for OPEB	271,708	0	0	0	0	271,708
<u>Public Safety Grants</u>						
Safe and Drug - Free Schools and Communities	39,800	0	0	0	0	39,800
<u>State Education Funds</u>						
Basic Education Program	29,110,001	0	0	290,000	0	29,400,001
Early Childhood Education	554,299	0	0	0	0	554,299
School Food Service	0	0	40,708	0	0	40,708
Driver Education	15,405	0	0	0	0	15,405
Other State Education Funds	257,425	0	0	0	0	257,425
Career Ladder Program	404,187	0	0	0	0	404,187
Career Ladder - Extended Contract	217,531	0	0	0	0	217,531
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	825,857	0	0	0	0	825,857
Other State Grants	30,598	0	0	0	0	30,598
Other State Revenues	62,817	0	0	0	0	62,817
<b>Total State of Tennessee</b>	<b>\$ 31,789,628</b>	<b>\$ 0</b>	<b>\$ 40,708</b>	<b>\$ 290,000</b>	<b>\$ 48,599</b>	<b>\$ 32,168,935</b>

(Continued)

Exhibit L-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor- tation	Extended School Program	Total
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0 \$	0 \$	1,329,942 \$	0 \$	0 \$	1,329,942
Breakfast	0	0	470,008	0	0	470,008
USDA - Other	0	0	0	0	28,525	28,525
Vocational Education - Basic Grants to States	0	147,719	0	0	0	147,719
Title I Grants to Local Education Agencies	0	1,533,932	0	0	0	1,533,932
Special Education - Grants to States	60,759	1,813,531	0	0	0	1,874,290
Special Education Preschool Grants	0	91,964	0	0	0	91,964
Safe and Drug-Free Schools - State Grants	0	35,367	0	0	0	35,367
Eisenhower Professional Development State Grants	0	454,896	0	0	0	454,896
Other Federal through State	0	28,541	0	0	0	28,541
<u>Direct Federal Revenue</u>	92,024	0	0	0	0	92,024
Public Law 874 - Maintenance and Operation	\$ 152,783 \$	4,105,950 \$	1,799,950 \$	0 \$	28,525 \$	6,087,208
<u>Total Federal Government</u>						
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>	\$ 0 \$	0 \$	0 \$	340,000 \$	0 \$	340,000
<u>Contributions</u>	\$ 0 \$	0 \$	0 \$	340,000 \$	0 \$	340,000
<u>Total Other Governments and Citizens Groups</u>						
<u>Total</u>	\$ 49,732,291 \$	4,105,950 \$	3,332,210 \$	2,228,954 \$	375,775 \$	59,775,180

Exhibit L-8

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

General Fund

General Government

County Commission

Deputy(ies)	\$	400	
Secretary(ies)		2,253	
Board and Committee Members Fees		30,454	
Advertising		85	
Travel		8,502	
Other Supplies and Materials		135	
Total County Commission			\$ 41,829

Board of Equalization

Board and Committee Members Fees	\$	2,260	
Total Board of Equalization			2,260

Beer Board

Board and Committee Members Fees	\$	3,219	
Advertising		220	
Total Beer Board			3,439

Budget and Finance Committee

Board and Committee Members Fees	\$	7,470	
Advertising		756	
Total Budget and Finance Committee			8,226

Other Boards and Committees

Board and Committee Members Fees	\$	39,974	
Total Other Boards and Committees			39,974

County Mayor/Executive

County Official/Administrative Officer	\$	83,348	
Assistant(s)		88,472	
Temporary Personnel		300	
Advertising		65	
Communication		1,439	
Maintenance and Repair Services - Office Equipment		476	
Printing, Stationery, and Forms		753	
Rentals		168	
Travel		4,032	
Premiums on Corporate Surety Bonds		175	
Total County Mayor/Executive			179,228

(Continued)

Exhibit L-8

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

General Fund (Cont.)

General Government (Cont.)

County Attorney

County Official/Administrative Officer	\$	46,355	
Other Charges		38,880	
Total County Attorney			\$ 85,235

Election Commission

Supervisor/Director	\$	59,600	
Deputy(ies)		73,889	
Mechanic(s)		6,008	
Part-time Personnel		1,798	
Overtime Pay		1,694	
Election Commission		13,640	
In-Service Training		4,623	
Unemployment Compensation		99	
Advertising		5,884	
Communication		1,448	
Dues and Memberships		425	
Maintenance Agreements		4,618	
Maintenance and Repair Services - Equipment		420	
Printing, Stationery, and Forms		7,719	
Rentals		1,789	
Travel		8,477	
Other Contracted Services		11,385	
Data Processing Supplies		1,986	
Library Books/Media		458	
Other Supplies and Materials		3,388	
Data Processing Equipment		8,789	
Office Equipment		1,886	
Total Election Commission			220,023

Register of Deeds

County Official/Administrative Officer	\$	66,222
Deputy(ies)		85,797
Part-time Personnel		3,754
Communication		21
Data Processing Services		2,700
Dues and Memberships		644
Maintenance Agreements		19,673
Maintenance and Repair Services - Office Equipment		40
Printing, Stationery, and Forms		2,462
Rentals		85

(Continued)

Exhibit L-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Travel	\$	2,134	
Data Processing Equipment		28,350	
Furniture and Fixtures		3,024	
Total Register of Deeds			\$ 214,906

Planning

Assistant(s)	\$	49	
Supervisor/Director		27,502	
Other Salaries and Wages		174	
Board and Committee Members Fees		7,997	
Other Per Diem and Fees		1,500	
Advertising		956	
Communication		1,522	
Contracts with Government Agencies		12,250	
Legal Notices, Recording, and Court Costs		381	
Maintenance Agreements		414	
Postal Charges		528	
Printing, Stationery, and Forms		474	
Travel		2,442	
Uniforms		324	
Other Charges		564	
Data Processing Equipment		1,031	
Office Equipment		2,186	
Total Planning			60,294

Codes Compliance

Assistant(s)	\$	19,304	
Supervisor/Director		49,645	
Part-time Personnel		10,782	
Other Salaries and Wages		44,575	
Advertising		471	
Communication		2,597	
Dues and Memberships		100	
Maintenance Agreements		1,605	
Maintenance and Repair Services - Vehicles		2,540	
Postal Charges		187	
Printing, Stationery, and Forms		2,721	
Travel		3,119	
Other Contracted Services		868	
Gasoline		8,974	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

Uniforms	\$	504	
Other Charges		552	
Data Processing Equipment		3,347	
Office Equipment		11,081	
Total Codes Compliance			\$ 162,972

County Buildings

Foremen	\$	56,441	
Custodial Personnel		46,184	
Part-time Personnel		4,316	
Communication		1,284	
Engineering Services		7,365	
Maintenance Agreements		14,081	
Maintenance and Repair Services - Buildings		13,970	
Maintenance and Repair Services - Equipment		9,524	
Maintenance and Repair Services - Vehicles		763	
Disposal Fees		1,590	
Custodial Supplies		9,347	
Electricity		76,055	
Gasoline		4,785	
Natural Gas		13,330	
Water and Sewer		18,410	
Other Supplies and Materials		7,164	
Building Improvements		9,333	
Total County Buildings			293,942

Other General Administration

In-Service Training	\$	765	
Data Processing Services		50	
Maintenance Agreements		12,123	
Data Processing Supplies		10,306	
Data Processing Equipment		5,319	
Total Other General Administration			28,563

Preservation of Records

Supervisor/Director	\$	31,521	
Temporary Personnel		3,150	
Part-time Personnel		15,195	
Maintenance Agreements		760	
Printing, Stationery, and Forms		4,502	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records (Cont.)

Electricity	\$	2,805	
Other Charges		999	
Office Equipment		4,830	
Total Preservation of Records			\$ 63,762

Finance

Accounting and Budgeting

Supervisor/Director	\$	66,222	
Accountants/Bookkeepers		180,066	
Part-time Personnel		7,900	
In-Service Training		958	
Unemployment Compensation		2,510	
Communication		409	
Dues and Memberships		910	
Maintenance Agreements		672	
Maintenance and Repair Services - Office Equipment		15	
Printing, Stationery, and Forms		675	
Travel		1,063	
Library Books/Media		83	
Periodicals		311	
Premiums on Corporate Surety Bonds		75	
Furniture and Fixtures		238	
Total Accounting and Budgeting			262,107

Purchasing

Supervisor/Director	\$	50,103	
Purchasing Personnel		60,807	
In-Service Training		2,064	
Advertising		987	
Communication		1,881	
Dues and Memberships		590	
Maintenance Agreements		925	
Printing, Stationery, and Forms		141	
Travel		926	
Premiums on Corporate Surety Bonds		75	
Total Purchasing			118,499

Property Assessor's Office

County Official/Administrative Officer	\$	66,222	
Assistant(s)		80,222	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Paraprofessionals	\$	140,628	
Communication		2,684	
Contracts with Government Agencies		7,587	
Contracts with Private Agencies		55,570	
Dues and Memberships		2,351	
Maintenance and Repair Services - Office Equipment		7,801	
Printing, Stationery, and Forms		1,103	
Travel		7,826	
Other Supplies and Materials		1,189	
Data Processing Equipment		4,098	
Total Property Assessor's Office			\$ 377,281

Reappraisal Program

Data Processing Personnel	\$	40,765	
Paraprofessionals		41,572	
Part-time Personnel		10,661	
Communication		1,835	
Data Processing Services		6,862	
Postal Charges		2,069	
Travel		8,850	
Natural Gas		98	
Other Supplies and Materials		173	
Other Charges		536	
Data Processing Equipment		1,427	
Total Reappraisal Program			114,848

County Trustee's Office

County Official/Administrative Officer	\$	66,222	
Deputy(ies)		84,665	
Part-time Personnel		3,186	
In-Service Training		485	
Advertising		721	
Communication		91	
Contracts with Government Agencies		12,380	
Dues and Memberships		694	
Maintenance Agreements		5,506	
Maintenance and Repair Services - Office Equipment		145	
Printing, Stationery, and Forms		1,501	
Rentals		92	
Travel		270	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Data Processing Supplies	\$	3,455	
Office Equipment		788	
Total County Trustee's Office			\$ 180,201

County Clerk's Office

County Official/Administrative Officer	\$	66,222	
Deputy(ies)		247,193	
Part-time Personnel		16,398	
In-Service Training		600	
Communication		2,684	
Dues and Memberships		934	
Maintenance Agreements		15,648	
Maintenance and Repair Services - Office Equipment		191	
Printing, Stationery, and Forms		716	
Rentals		168	
Travel		1,218	
Periodicals		45	
Other Supplies and Materials		1,394	
Data Processing Equipment		5,450	
Office Equipment		11,590	
Total County Clerk's Office			370,451

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	66,222	
Deputy(ies)		57,147	
Part-time Personnel		5,587	
Jury and Witness Fees		221	
Communication		565	
Contracts with Private Agencies		80	
Dues and Memberships		604	
Maintenance Agreements		1,023	
Printing, Stationery, and Forms		3,072	
Rentals		56	
Travel		328	
Data Processing Equipment		34	
Office Equipment		332	
Total Circuit Court			135,271

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

Deputy(ies)	\$	252,575	
Part-time Personnel		2,969	
Communication		182	
Contracts with Private Agencies		474	
Dues and Memberships		155	
Maintenance Agreements		11,193	
Printing, Stationery, and Forms		3,826	
Travel		263	
Data Processing Equipment		768	
Office Equipment		1,728	
Total General Sessions Court			\$ 274,133

General Sessions Judge

Judge(s)	\$	273,636	
Assistant(s)		29,660	
Paraprofessionals		37,849	
Part-time Personnel		7,934	
Communication		5,309	
Travel		8,958	
Data Processing Equipment		2,757	
Total General Sessions Judge			366,103

Chancery Court

County Official/Administrative Officer	\$	66,222	
Deputy(ies)		110,854	
Part-time Personnel		10,858	
Communication		38	
Dues and Memberships		904	
Maintenance Agreements		9,853	
Maintenance and Repair Services - Office Equipment		90	
Printing, Stationery, and Forms		3,794	
Rentals		156	
Travel		452	
Periodicals		179	
Other Supplies and Materials		1,231	
Premiums on Corporate Surety Bonds		275	
Office Equipment		2,363	
Total Chancery Court			207,269

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

Assistant(s)	\$	40,000	
Supervisor/Director		40,000	
Youth Service Officer(s)		90,172	
Attendants		5,643	
School Resource Officer		28,377	
Overtime Pay		22,485	
Communication		8,030	
Contracts with Private Agencies		4,989	
Licenses		17	
Maintenance Agreements		2,047	
Maintenance and Repair Services - Buildings		3,763	
Maintenance and Repair Services - Office Equipment		732	
Maintenance and Repair Services - Vehicles		4,031	
Medical and Dental Services		1,120	
Printing, Stationery, and Forms		2,782	
Travel		10,250	
Other Contracted Services		9,892	
Electricity		1,956	
Food Supplies		518	
Gasoline		5,302	
Library Books/Media		1,151	
Prisoners Clothing		301	
Tires and Tubes		1,200	
Uniforms		2,215	
Premiums on Corporate Surety Bonds		150	
Other Charges		928	
Data Processing Equipment		1,610	
Motor Vehicles		13,000	
Office Equipment		2,011	
Total Juvenile Court			\$ 304,672

Other Administration of Justice

Jury and Witness Fees	\$	10,372	
Food Supplies		500	
Office Equipment		1,518	
Total Other Administration of Justice			12,390

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	72,845	
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(Continued)

Exhibit L-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Assistant(s)	\$	46,059	
Deputy(ies)		575,386	
Investigator(s)		178,943	
Lieutenant(s)		35,387	
Sergeant(s)		96,365	
Salary Supplements		16,200	
Foremen		91,281	
Dispatchers/Radio Operators		82,480	
Secretary(ies)		44,736	
Part-time Personnel		34,000	
Overtime Pay		129,297	
In-Service Training		15,071	
Communication		11,216	
Contracts with Government Agencies		122,634	
Dues and Memberships		2,050	
Licenses		172	
Maintenance and Repair Services - Office Equipment		24	
Maintenance and Repair Services - Vehicles		46,500	
Printing, Stationery, and Forms		2,991	
Tow-in Services		900	
Travel		9,480	
Other Contracted Services		2,850	
Gasoline		166,129	
Law Enforcement Supplies		67,762	
Library Books/Media		313	
Periodicals		872	
Tires and Tubes		9,560	
Uniforms		8,047	
Other Supplies and Materials		2,845	
Premiums on Corporate Surety Bonds		900	
Other Self-Insured Claims		5,000	
Other Charges		700	
Data Processing Equipment		1,561	
Motor Vehicles		136,552	
Office Equipment		460	
Other Equipment		33,455	
Total Sheriff's Department			\$ 2,051,023

Jail

Assistant(s)	\$	84,061
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(Continued)

Exhibit L-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Sergeant(s)	\$	27,631	
Guards		539,277	
Cafeteria Personnel		24,811	
Part-time Personnel		15,466	
Overtime Pay		102,429	
In-Service Training		1,444	
Unemployment Compensation		6,911	
Communication		3,883	
Laundry Service		4,677	
Maintenance Agreements		14,240	
Maintenance and Repair Services - Buildings		27,534	
Maintenance and Repair Services - Equipment		4,598	
Medical and Dental Services		368,673	
Printing, Stationery, and Forms		2,334	
Travel		2,804	
Disposal Fees		1,590	
Custodial Supplies		15,858	
Electricity		28,089	
Food Preparation Supplies		578	
Food Supplies		94,820	
Law Enforcement Supplies		821	
Prisoners Clothing		11,126	
Uniforms		8,551	
Water and Sewer		21,708	
Other Supplies and Materials		2,470	
Data Processing Equipment		6,931	
Office Equipment		1,485	
Other Equipment		4,311	
Total Jail			\$ 1,429,111

Fire Prevention and Control

Contributions	\$	95,000	
Other Contracted Services		2,000	
Other Capital Outlay		87,500	
Total Fire Prevention and Control			184,500

Civil Defense

Assistant(s)	\$	32,266	
Supervisor/Director		47,012	
Secretary(ies)		19,102	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

In-Service Training	\$	11,348	
Communication		12,859	
Dues and Memberships		2,714	
Maintenance Agreements		2,113	
Maintenance and Repair Services - Office Equipment		4,698	
Maintenance and Repair Services - Vehicles		6,442	
Postal Charges		480	
Travel		3,930	
Other Contracted Services		4,890	
Gasoline		10,985	
Instructional Supplies and Materials		4,610	
Office Supplies		2,000	
Small Tools		514	
Other Supplies and Materials		91,635	
Other Charges		184,621	
Communication Equipment		40,617	
Total Civil Defense			\$ 482,836

Rescue Squad

Contributions	\$	15,000	
Other Capital Outlay		15,000	
Total Rescue Squad			30,000

Other Emergency Management

In-Service Training	\$	350	
Other Supplies and Materials		8,435	
Total Other Emergency Management			8,785

County Coroner/Medical Examiner

Communication	\$	43	
Travel		22,925	
Premiums on Corporate Surety Bonds		50	
Other Charges		17,371	
Total County Coroner/Medical Examiner			40,389

Other Public Safety

Contracts with Private Agencies	\$	27	
Total Other Public Safety			27

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Assistant(s)	\$	63,035	
Social Workers		26,143	
Medical Personnel		44,645	
Maintenance Personnel		28,841	
Part-time Personnel		3,792	
Social Security		10,257	
State Retirement		10,328	
Life Insurance		284	
Medical Insurance		28,639	
Dental Insurance		1,074	
Advertising		50	
Communication		14,374	
Dues and Memberships		575	
Janitorial Services		11,247	
Maintenance Agreements		5,051	
Maintenance and Repair Services - Buildings		3,168	
Maintenance and Repair Services - Equipment		1,374	
Postal Charges		4,001	
Printing, Stationery, and Forms		262	
Travel		7,500	
Disposal Fees		1,797	
Other Contracted Services		16,870	
Drugs and Medical Supplies		2,439	
Electricity		27,913	
Gasoline		796	
Natural Gas		21,461	
Office Supplies		1,218	
Water and Sewer		9,019	
Workers' Compensation Insurance		8,200	
Other Charges		16,159	
Total Local Health Center			\$ 370,512

Rabies and Animal Control

Other Charges	\$	52,130	
Total Rabies and Animal Control			52,130

Maternal and Child Health Services

Contributions	\$	2,780	
Total Maternal and Child Health Services			2,780

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Dental Health Program

Assistant(s)	\$	16,610	
Medical Personnel		108,790	
Social Security		9,088	
State Retirement		9,343	
Life Insurance		154	
Medical Insurance		14,062	
Dental Insurance		586	
Janitorial Services		5,623	
Postal Charges		800	
Travel		1,768	
Office Supplies		1,504	
Liability Insurance		1,304	
Workers' Compensation Insurance		6,300	
Health Equipment		120	
Other Equipment		358	
Total Dental Health Program			\$ 176,410

Appropriation to State

Other Contracted Services	\$	5,790	
Total Appropriation to State			5,790

Other Local Welfare Services

Contributions	\$	89,670	
Total Other Local Welfare Services			89,670

Sanitation Management

Supervisor/Director	\$	41,444	
Travel		698	
Total Sanitation Management			42,142

Social, Cultural, and Recreational Services

Libraries

Contributions	\$	10,000	
Maintenance and Repair Services - Records		428	
Library Books/Media		390	
Total Libraries			10,818

Parks and Fair Boards

Assistant(s)	\$	23,589	
Supervisor/Director		25,608	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Communication	\$	3,117	
Maintenance Agreements		819	
Maintenance and Repair Services - Buildings		17,587	
Maintenance and Repair Services - Equipment		2,657	
Maintenance and Repair Services - Vehicles		352	
Rentals		69	
Disposal Fees		2,701	
Custodial Supplies		928	
Diesel Fuel		834	
Electricity		7,283	
Food Supplies		297	
Gasoline		4,422	
Propane Gas		1,792	
Tires and Tubes		103	
Vehicle Parts		638	
Water and Sewer		3,462	
Other Charges		182	
Other Equipment		16,460	
Other Construction		2,765	
Other Capital Outlay		106,099	
Total Parks and Fair Boards			\$ 221,764

Agriculture and Natural Resources

Agriculture Extension Service

Communication	\$	1,551	
Contracts with Government Agencies		71,325	
Contributions		3,183	
Rentals		1,800	
Other Supplies and Materials		6,214	
Total Agriculture Extension Service			84,073

Soil Conservation

Supervisor/Director	\$	22,679	
Part-time Personnel		2,280	
Social Security		1,878	
State Retirement		1,773	
Life Insurance		57	
Medical Insurance		5,369	
Dental Insurance		195	
Contracts with Private Agencies		3,000	
Total Soil Conservation			37,231

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Other Operations

Industrial Development

Assistant(s)	\$	109,642	
In-Service Training		49,489	
Social Security		8,340	
State Retirement		8,217	
Life Insurance		189	
Medical Insurance		20,090	
Dental Insurance		646	
Unemployment Compensation		1,247	
Advertising		846	
Postal Charges		389	
Travel		76,063	
Other Contracted Services		23,943	
Office Supplies		4,879	
Workers' Compensation Insurance		98	
Other Charges		610	
Other Equipment		350	
Total Industrial Development			\$ 305,038

Veterans' Services

Other Per Diem and Fees	\$	3,000	
Total Veterans' Services			3,000

Employee Benefits

Social Security	\$	417,441	
State Retirement		425,017	
Life Insurance		8,616	
Medical Insurance		856,700	
Dental Insurance		27,942	
Workers' Compensation Insurance		115,032	
Total Employee Benefits			1,850,748

Miscellaneous

In-Service Training	\$	2,967	
Bank Charges		579	
Communication		23,070	
Consultants		10,299	
Contracts with Government Agencies		28,130	
Dues and Memberships		11,714	
Legal Services		19,962	
Legal Notices, Recording, and Court Costs		448	

(Continued)

Exhibit L-8

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Maintenance Agreements	\$	10,564	
Postal Charges		82,080	
Printing, Stationery, and Forms		5,952	
Drugs and Medical Supplies		1,725	
Duplicating Supplies		6,990	
Office Supplies		19,494	
Boiler Insurance		685	
Building and Contents Insurance		16,235	
Liability Insurance		180,200	
Refunds		960	
Trustee's Commission		183,287	
Vehicle and Equipment Insurance		67,782	
Other Self-Insured Claims		30,755	
Other Charges		100,411	
Communication Equipment		6,753	
Data Processing Equipment		150	
Other Equipment		4,352	
Other Capital Outlay		201,100	
Total Miscellaneous			\$ 1,016,644

Highways

Litter and Trash Collection

Contributions	\$	34,392	
Total Litter and Trash Collection			34,392

Total General Fund \$ 12,657,691

Urban Services Fund

Public Health and Welfare

Rabies and Animal Control

Supervisor/Director	\$	28,874	
Deputy(ies)		55,473	
Attendants		42,069	
Part-time Personnel		6,067	
In-Service Training		1,290	
Social Security		9,600	
State Retirement		10,029	
Life Insurance		267	
Medical Insurance		25,354	
Dental Insurance		912	

(Continued)

Exhibit L-8

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

Urban Services Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Advertising	\$	222	
Communication		4,870	
Licenses		747	
Maintenance and Repair Services - Buildings		800	
Maintenance and Repair Services - Equipment		4,010	
Maintenance and Repair Services - Vehicles		2,695	
Postal Charges		91	
Printing, Stationery, and Forms		277	
Travel		284	
Disposal Fees		885	
Other Contracted Services		1,850	
Animal Food and Supplies		2,508	
Custodial Supplies		2,984	
Drugs and Medical Supplies		2,819	
Electricity		4,343	
Gasoline		9,807	
Natural Gas		18,995	
Uniforms		775	
Water and Sewer		4,049	
Other Supplies and Materials		1,300	
Building and Contents Insurance		877	
Liability Insurance		2,580	
Trustee's Commission		606	
Vehicle and Equipment Insurance		2,624	
Workers' Compensation Insurance		6,497	
Motor Vehicles		1,922	
Total Rabies and Animal Control			\$ 259,352
Total Urban Services Fund			\$ 259,352

Fire Inspection Fund

Public Safety

Fire Prevention and Control

Supervisor/Director	\$	20,975
Part-time Personnel		1,153
In-Service Training		602
Social Security		1,283
State Retirement		1,572
Life Insurance		44
Medical Insurance		6,580

(Continued)

Exhibit L-8

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

Fire Inspection Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Dental Insurance	\$	130	
Contracts with Government Agencies		23,208	
Dues and Memberships		140	
Maintenance and Repair Services - Equipment		4,984	
Maintenance and Repair Services - Vehicles		280	
Travel		849	
Gasoline		2,862	
Small Tools		135	
Trustee's Commission		3,194	
Vehicle and Equipment Insurance		296	
Workers' Compensation Insurance		200	
Other Charges		299	
Data Processing Equipment		1,500	
Motor Vehicles		21,287	
Other Equipment		24,607	
Total Fire Prevention and Control			\$ 116,180

Total Fire Inspection Fund \$ 116,180

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Foremen	\$	7,150
Clerical Personnel		4,194
Part-time Personnel		247,310
Overtime Pay		1,359
Other Salaries and Wages		65,168
Social Security		24,593
State Retirement		6,110
Life Insurance		164
Medical Insurance		18,538
Dental Insurance		586
Communication		3,761
Maintenance and Repair Services - Buildings		2,858
Maintenance and Repair Services - Equipment		10,461
Maintenance and Repair Services - Vehicles		1,474
Disposal Fees		563,020
Concrete		1,685
Crushed Stone		1,075
Electricity		9,479

(Continued)

Exhibit L-8

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Gasoline	\$	3,977	
Road Signs		337	
Water and Sewer		163	
Other Supplies and Materials		3,775	
Liability Insurance		2,580	
Trustee's Commission		12,079	
Vehicle and Equipment Insurance		2,112	
Workers' Compensation Insurance		18,000	
Other Capital Outlay		22,175	
Total Convenience Centers			\$ 1,034,183

Total Solid Waste/Sanitation Fund \$ 1,034,183

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

Supervisor/Director	\$	48,628	
Clerical Personnel		95,738	
Attendants		661,561	
Part-time Personnel		106,564	
Overtime Pay		430,280	
In-Service Training		382	
Social Security		98,330	
State Retirement		95,021	
Life Insurance		1,700	
Medical Insurance		171,769	
Dental Insurance		5,324	
Unemployment Compensation		1,272	
Communication		11,321	
Contracts with Government Agencies		129,031	
Contracts with Private Agencies		6,000	
Dues and Memberships		280	
Licenses		1,167	
Maintenance Agreements		9,199	
Maintenance and Repair Services - Buildings		6,118	
Maintenance and Repair Services - Equipment		5,620	
Maintenance and Repair Services - Vehicles		38,390	
Medical and Dental Services		1,043	
Postal Charges		9,810	
Printing, Stationery, and Forms		6,837	

(Continued)

Exhibit L-8

Roane 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.)

Tow-in Services	\$	175	
Travel		2,446	
Disposal Fees		10,132	
Custodial Supplies		1,792	
Data Processing Supplies		1,098	
Diesel Fuel		84,930	
Drugs and Medical Supplies		84,137	
Electricity		11,782	
Instructional Supplies and Materials		942	
Natural Gas		5,373	
Tires and Tubes		9,401	
Uniforms		17,493	
Water and Sewer		3,062	
Other Supplies and Materials		19,249	
Building and Contents Insurance		877	
Liability Insurance		28,360	
Trustee's Commission		26,604	
Vehicle and Equipment Insurance		24,414	
Workers' Compensation Insurance		99,000	
In Service/Staff Development		3,479	
Building Improvements		4,600	
Data Processing Equipment		3,731	
Furniture and Fixtures		4,639	
Motor Vehicles		92,000	
Health Equipment		80,138	
Other Equipment		2,798	
Total Ambulance/Emergency Medical Services			\$ 2,564,037

Total Ambulance Service Fund \$ 2,564,037

Industrial/Economic Development Fund

Other Operations

Industrial Development

Contracts with Other Public Agencies	\$	142,500	
Contributions		2,086,087	
Trustee's Commission		13,158	
Other Charges		4,832	
Underwriter's Discount		21,875	
Other Debt Issuance Charges		34,538	
Site Development		549,297	
Total Industrial Development			\$ 2,852,287

Total Industrial/Economic Development Fund 2,852,287

(Continued)

Exhibit L-8

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

Special Purpose Fund

Public Health and Welfare

Other Waste Collection

Assistant(s)	\$	75,682	
Supervisor/Director		25,514	
Overtime Pay		2,750	
Board and Committee Members Fees		2,800	
Social Security		7,613	
State Retirement		8,253	
Life Insurance		199	
Medical Insurance		26,146	
Dental Insurance		700	
Unemployment Compensation		466	
Communication		4,469	
Data Processing Services		479	
Dues and Memberships		275	
Engineering Services		4,658	
Licenses		2,500	
Maintenance Agreements		3,019	
Maintenance and Repair Services - Buildings		992	
Maintenance and Repair Services - Equipment		62,953	
Maintenance and Repair Services - Vehicles		695	
Postal Charges		609	
Travel		570	
Disposal Fees		7,028	
Diesel Fuel		583	
Electricity		53,319	
Gasoline		3,693	
Uniforms		540	
Water and Sewer		2,835	
Building and Contents Insurance		877	
Liability Insurance		3,580	
Trustee's Commission		4,443	
Vehicle and Equipment Insurance		2,112	
Workers' Compensation Insurance		3,500	
Other Charges		3,915	
Other Capital Outlay		65,151	
Total Other Waste Collection		<u>65,151</u>	\$ <u>382,918</u>
Total Special Purpose Fund			\$ 382,918

(Continued)

Exhibit L-8

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

Drug Control Fund

Public Safety

Sheriff's Department

In-Service Training	\$	955	
Communication		2,028	
Maintenance and Repair Services - Vehicles		13	
Travel		1,585	
Veterinary Services		159	
Animal Food and Supplies		1,440	
Law Enforcement Supplies		3,730	
Other Supplies and Materials		17,831	
Trustee's Commission		517	
Total Sheriff's Department			\$ 28,258

Total Drug Control Fund \$ 28,258

District Attorney General Fund

Administration of Justice

District Attorney General

Communication	\$	1,394	
Rentals		3,600	
Office Supplies		502	
Other Supplies and Materials		13,005	
Trustee's Commission		279	
Total District Attorney General			\$ 18,780

Total District Attorney General Fund 18,780

Other Special Revenue Fund

Public Health and Welfare

Recycling Center

Overtime Pay	\$	151	
Other Salaries and Wages		112,799	
Social Security		8,253	
State Retirement		7,551	
Life Insurance		250	
Medical Insurance		22,777	
Dental Insurance		830	
Advertising		648	
Communication		4,816	
Contracts with Private Agencies		15,431	
Dues and Memberships		344	
Licenses		17	

(Continued)

Exhibit L-8

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

Other Special Revenue Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center (Cont.)

Maintenance Agreements	\$	4,047	
Maintenance and Repair Services - Buildings		500	
Maintenance and Repair Services - Equipment		24,963	
Maintenance and Repair Services - Office Equipment		197	
Maintenance and Repair Services - Vehicles		2,034	
Postal Charges		196	
Printing, Stationery, and Forms		222	
Travel		1,061	
Disposal Fees		132,879	
Asphalt - Hot Mix		4,759	
Concrete		58	
Crushed Stone		327	
Custodial Supplies		1,567	
Diesel Fuel		43,927	
Drugs and Medical Supplies		30	
Electricity		10,460	
Equipment and Machinery Parts		800	
Gasoline		1,169	
General Construction Materials		2,593	
Office Supplies		34	
Propane Gas		1,022	
Tires and Tubes		6,555	
Uniforms		3,872	
Water and Sewer		1,234	
Other Supplies and Materials		4,678	
Building and Contents Insurance		881	
Liability Insurance		2,580	
Trustee's Commission		8,467	
Vehicle and Equipment Insurance		2,242	
Workers' Compensation Insurance		4,000	
Other Charges		8,575	
Motor Vehicles		6,035	
Other Equipment		<u>72,738</u>	
Total Recycling Center			\$ 528,569

Postclosure Care Costs

Contracts for Postclosure Care Costs	\$	21,261	
Electricity		<u>55</u>	
Total Postclosure Care Costs			<u>21,316</u>

Total Other Special Revenue Fund \$ 549,885

(Continued)

Exhibit L-8

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	72,845	
Assistant(s)		45,688	
Secretary(ies)		33,821	
Dues and Memberships		3,133	
Legal Notices, Recording, and Court Costs		300	
Maintenance and Repair Services - Buildings		877	
Maintenance and Repair Services - Office Equipment		101	
Postal Charges		247	
Printing, Stationery, and Forms		280	
Travel		398	
Other Contracted Services		300	
Drugs and Medical Supplies		617	
Office Supplies		883	
Total Administration			\$ 159,490

Highway and Bridge Maintenance

Foremen	\$	73,633	
Equipment Operators		115,602	
Equipment Operators - Light		66,421	
Truck Drivers		128,072	
Laborers		129,119	
Overtime Pay		26,229	
Engineering Services		4,585	
Asphalt - Hot Mix		1,218,705	
Concrete		402	
Crushed Stone		31,023	
Fertilizer, Lime, and Seed		537	
Pipe		30,225	
Road Signs		45,853	
Salt		1,966	
Structural Steel		3,114	
Wood Products		278	
Other Supplies and Materials		284	
Total Highway and Bridge Maintenance			1,876,048

Operation and Maintenance of Equipment

Mechanic(s)	\$	60,940	
Overtime Pay		44	
Maintenance and Repair Services - Equipment		18,260	
Custodial Supplies		1,879	

(Continued)

Exhibit L-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Diesel Fuel	\$	69,066	
Equipment and Machinery Parts		102,038	
Garage Supplies		2,503	
Gasoline		53,113	
Lubricants		3,924	
Tires and Tubes		17,704	
Uniforms		11,298	
Total Operation and Maintenance of Equipment	\$		340,769

Traffic Control

Maintenance Personnel	\$	22,028	
Part-time Personnel		63	
Traffic Control Equipment		12,475	
Total Traffic Control			34,566

Other Charges

Communication	\$	15,606	
Licenses		81	
Maintenance Agreements		5,587	
Disposal Fees		382	
Electricity		9,658	
Food Supplies		380	
Natural Gas		3,581	
Water and Sewer		1,357	
Building and Contents Insurance		2,237	
Liability Insurance		51,564	
Premiums on Corporate Surety Bonds		350	
Trustee's Commission		48,174	
Vehicle and Equipment Insurance		42,674	
Other Self-Insured Claims		4,968	
Total Other Charges			186,599

Employee Benefits

Social Security	\$	56,269	
State Retirement		57,887	
Life Insurance		1,355	
Medical Insurance		156,977	
Dental Insurance		4,689	
Unemployment Compensation		4,446	
Workers' Compensation Insurance		65,000	
Total Employee Benefits			346,623

(Continued)

Exhibit L-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

Building Improvements	\$	1,466	
Highway Equipment		177,985	
Motor Vehicles		78,821	
Other Equipment		7,997	
Total Capital Outlay		<u>266,269</u>	\$ 266,269

Total Highway/Public Works Fund \$ 3,210,364

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	7,630	
Principal on Notes		95,503	
Principal on Capital Leases		81,499	
Principal on Other Loans		18,505,000	
Total General Government		<u>18,689,632</u>	\$ 18,689,632

Highways and Streets

Principal on Bonds	\$	100,000	
Total Highways and Streets		<u>100,000</u>	100,000

Interest on Debt

General Government

Interest on Bonds	\$	58,911	
Interest on Notes		225,358	
Interest on Capital Leases		4,414	
Interest on Other Loans		881,538	
Total General Government		<u>1,170,221</u>	1,170,221

Highways and Streets

Interest on Bonds	\$	21,497	
Total Highways and Streets		<u>21,497</u>	21,497

Other Debt Service

General Government

Trustee's Commission	\$	61,929	
Underwriter's Discount		173,850	
Other Debt Issuance Charges		221,234	
Other Debt Service		68,751	
Total General Government		<u>525,764</u>	525,764

Total General Debt Service Fund 20,507,114

(Continued)

Exhibit L-8

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

<u>Rural Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>Education</u>		
Principal on Bonds	\$ 945,000	
Total Education		\$ 945,000
 <u>Interest on Debt</u>		
<u>Education</u>		
Interest on Bonds	\$ 803,842	
Total Education		803,842
 <u>Other Debt Service</u>		
<u>General Government</u>		
Other Contracted Services	\$ 1,568	
Trustee's Commission	33,590	
Total General Government		<u>35,158</u>
Total Rural Debt Service Fund		\$ 1,784,000
 <u>Education Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>Education</u>		
Principal on Bonds	\$ 245,000	
Principal on Other Loans	1,600,000	
Total Education		\$ 1,845,000
 <u>Interest on Debt</u>		
<u>Education</u>		
Interest on Bonds	\$ 18,518	
Interest on Other Loans	94,801	
Total Education		113,319
 <u>Other Debt Service</u>		
<u>Education</u>		
Contracts with Private Agencies	\$ 3,752	
Contributions	340,000	
Trustee's Commission	8,464	
Underwriter's Discount	16,000	
Other Debt Issuance Charges	26,887	
Total Education		<u>395,103</u>
Total Education Debt Service Fund		2,353,422

(Continued)

Exhibit L-8

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

<u>General Capital Projects Fund</u>		
<u>Public Safety</u>		
<u>Jail</u>		
Supervisor/Director	\$ 41,751	
Laborers	70,604	
Social Security	8,595	
Other Charges	4,926	
Building Purchases	<u>3,543,690</u>	
Total Jail		<u>\$ 3,669,566</u>
Total General Capital Projects Fund		\$ 3,669,566
<u>Highway Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Highway and Street Capital Projects</u>		
Highway Construction	\$ 41,283	
Total Highway and Street Capital Projects	<u>41,283</u>	<u>\$ 41,283</u>
Total Highway Capital Projects Fund		<u>41,283</u>
Total Governmental Funds - Primary Government		<u>\$ 52,029,320</u>

Exhibit L-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 16,271,351	
Career Ladder Program	242,611	
Career Ladder Extended Contracts	137,710	
Homebound Teachers	1,535	
Educational Assistants	560,312	
Certified Substitute Teachers	28,539	
Non-certified Substitute Teachers	180,529	
Social Security	1,034,408	
State Retirement	1,072,534	
Life Insurance	19,999	
Medical Insurance	2,988,159	
Dental Insurance	88,557	
Unemployment Compensation	367	
Employer Medicare	242,175	
Other Fringe Benefits	136,035	
Other Contracted Services	205,958	
Instructional Supplies and Materials	306,619	
Textbooks	500,839	
Other Supplies and Materials	12,218	
Regular Instruction Equipment	171,177	
Total Regular Instruction Program		\$ 24,201,632

Alternative Instruction Program

Teachers	\$ 158,086	
Career Ladder Program	2,000	
Career Ladder Extended Contracts	1,600	
Educational Assistants	26,451	
Certified Substitute Teachers	241	
Non-certified Substitute Teachers	1,519	
Social Security	11,498	
State Retirement	12,168	
Life Insurance	330	
Medical Insurance	30,756	
Dental Insurance	1,151	
Employer Medicare	2,689	
Other Fringe Benefits	800	
Instructional Supplies and Materials	1,480	
Total Alternative Instruction Program		250,769

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	2,641,002	
Career Ladder Program		38,166	
Career Ladder Extended Contracts		13,480	
Homebound Teachers		3,970	
Educational Assistants		376,416	
Certified Substitute Teachers		3,718	
Non-certified Substitute Teachers		23,425	
Social Security		182,659	
State Retirement		194,544	
Life Insurance		5,539	
Medical Insurance		547,761	
Dental Insurance		17,919	
Unemployment Compensation		3,875	
Employer Medicare		43,031	
Other Fringe Benefits		21,360	
Other Contracted Services		201,500	
Instructional Supplies and Materials		26,644	
Textbooks		8,734	
Other Supplies and Materials		679	
Special Education Equipment		9,067	
Total Special Education Program			\$ 4,363,489

Vocational Education Program

Teachers	\$	1,315,325	
Career Ladder Program		11,000	
Certified Substitute Teachers		2,287	
Non-certified Substitute Teachers		14,406	
Social Security		81,175	
State Retirement		82,763	
Life Insurance		2,013	
Medical Insurance		225,330	
Dental Insurance		6,904	
Employer Medicare		18,984	
Other Fringe Benefits		10,000	
Other Contracted Services		6,896	
Instructional Supplies and Materials		56,449	
Textbooks		13,566	
Other Supplies and Materials		5,695	
Vocational Instruction Equipment		93,765	
Total Vocational Education Program			1,946,558

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	34,689	
Career Ladder Program		3,000	
Career Ladder Extended Contracts		800	
Other Salaries and Wages		7,369	
Social Security		2,725	
State Retirement		2,749	
Life Insurance		33	
Medical Insurance		6,767	
Dental Insurance		460	
Employer Medicare		637	
Other Fringe Benefits		400	
Travel		1,261	
Other Supplies and Materials		1,754	
Total Attendance			\$ 62,644

Health Services

Supervisor/Director	\$	54,251	
Medical Personnel		219,348	
Clerical Personnel		7,086	
Social Security		16,081	
State Retirement		20,890	
Life Insurance		531	
Medical Insurance		39,213	
Dental Insurance		1,544	
Employer Medicare		3,922	
Travel		1,580	
Other Contracted Services		7,460	
Drugs and Medical Supplies		7,999	
Other Supplies and Materials		25,159	
In Service/Staff Development		780	
Other Charges		1,686	
Other Equipment		25,387	
Total Health Services			432,917

Other Student Support

Career Ladder Program	\$	11,000
Guidance Personnel		729,883
Career Ladder Extended Contracts		5,122
Clerical Personnel		7,086

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Other Salaries and Wages	\$	171,010	
Social Security		56,470	
State Retirement		59,949	
Life Insurance		1,462	
Medical Insurance		146,995	
Dental Insurance		4,911	
Employer Medicare		13,046	
Other Fringe Benefits		4,640	
Contracts with Government Agencies		135,000	
Evaluation and Testing		36,033	
Travel		2,630	
Other Contracted Services		5,186	
Other Supplies and Materials		8,496	
In Service/Staff Development		2,702	
Other Charges		1,563	
Other Equipment		6,318	
Total Other Student Support			\$ 1,409,502

Regular Instruction Program

Supervisor/Director	\$	187,761
Career Ladder Program		18,500
Career Ladder Extended Contracts		4,740
Librarians		751,568
Education Media Personnel		97,138
Instructional Computer Personnel		339,679
Secretary(ies)		41,526
Other Salaries and Wages		9,597
Social Security		86,248
State Retirement		92,997
Life Insurance		1,921
Medical Insurance		200,897
Dental Insurance		6,167
Employer Medicare		20,432
Other Fringe Benefits		6,720
Travel		8,574
Other Contracted Services		446,928
Library Books/Media		140,677
Other Supplies and Materials		56,982
In Service/Staff Development		15,718

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Charges	\$	2,867	
Other Equipment		26,183	
Total Regular Instruction Program			\$ 2,563,820

Alternative Instruction Program

Travel	\$	83	
Other Supplies and Materials		1,349	
Other Charges		512	
Administration Equipment		1,137	
Total Alternative Instruction Program			3,081

Special Education Program

Supervisor/Director	\$	76,316	
Career Ladder Program		3,000	
Psychological Personnel		216,867	
Career Ladder Extended Contracts		800	
Clerical Personnel		38,030	
Other Salaries and Wages		356,396	
Social Security		41,977	
State Retirement		38,752	
Life Insurance		1,459	
Medical Insurance		86,244	
Dental Insurance		4,244	
Unemployment Compensation		146	
Employer Medicare		9,817	
Other Fringe Benefits		2,000	
Communication		605	
Travel		7,040	
Other Supplies and Materials		112	
Total Special Education Program			883,805

Vocational Education Program

Supervisor/Director	\$	58,734
Secretary(ies)		42,400
Social Security		6,149
State Retirement		6,998
Life Insurance		102
Medical Insurance		15,743
Dental Insurance		573

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program (Cont.)

Employer Medicare	\$	1,438	
Travel		5,690	
Other Supplies and Materials		2,737	
Total Vocational Education Program			\$ 140,564

Other Programs

On-Behalf Payments to OPEB	\$	271,708	
Total Other Programs			271,708

Board of Education

Secretary to Board	\$	7,940	
Board and Committee Members Fees		29,161	
Social Security		2,359	
State Retirement		2,228	
Medical Insurance		5,422	
Employer Medicare		579	
Payments to Retirees		136,707	
Other Fringe Benefits		6,491	
Audit Services		14,950	
Dues and Memberships		20,702	
Legal Services		6,226	
Travel		16,089	
Liability Insurance		116,827	
Trustee's Commission		294,591	
Workers' Compensation Insurance		175,000	
Liability Claims		7,000	
Refund to Applicant for Criminal Investigation		5,997	
Other Charges		11,071	
Total Board of Education			859,340

Director of Schools

County Official/Administrative Officer	\$	105,420	
Career Ladder Program		1,000	
Secretary(ies)		47,600	
Social Security		8,951	
State Retirement		11,382	
Life Insurance		198	
Medical Insurance		23,237	
Dental Insurance		690	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Employer Medicare	\$	2,354	
Other Fringe Benefits		13,900	
Communication		2,473	
Dues and Memberships		3,847	
Postal Charges		4,940	
Travel		1,578	
Other Contracted Services		262	
Office Supplies		3,496	
Other Charges		3,402	
Administration Equipment		180	
Total Director of Schools			\$ 234,910

Office of the Principal

Principals	\$	1,169,517	
Career Ladder Program		36,416	
Career Ladder Extended Contracts		8,170	
Assistant Principals		605,663	
Secretary(ies)		802,814	
Social Security		156,596	
State Retirement		171,750	
Life Insurance		3,911	
Medical Insurance		374,302	
Dental Insurance		12,891	
Employer Medicare		36,967	
Other Fringe Benefits		9,040	
Communication		64,555	
Dues and Memberships		760	
Travel		11,735	
Other Contracted Services		4,698	
In Service/Staff Development		1,452	
Other Charges		2,734	
Administration Equipment		32,359	
Total Office of the Principal			3,506,330

Fiscal Services

Supervisor/Director	\$	72,134	
Accountants/Bookkeepers		82,051	
Other Salaries and Wages		29,768	
Social Security		11,106	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

State Retirement	\$	13,405	
Life Insurance		240	
Medical Insurance		21,328	
Dental Insurance		690	
Employer Medicare		2,597	
Travel		75	
Other Contracted Services		3,755	
Other Supplies and Materials		5,129	
In Service/Staff Development		251	
Other Charges		2,339	
Administration Equipment		4,261	
Total Fiscal Services			\$ 249,129

Human Services/Personnel

Supervisor/Director	\$	34,689	
Social Security		2,261	
State Retirement		2,277	
Life Insurance		33	
Medical Insurance		6,767	
Dental Insurance		230	
Employer Medicare		529	
Other Contracted Services		497	
Other Supplies and Materials		651	
Total Human Services/Personnel			47,934

Operation of Plant

Custodial Personnel	\$	92,442	
Social Security		5,726	
State Retirement		7,266	
Life Insurance		232	
Medical Insurance		21,690	
Dental Insurance		921	
Employer Medicare		1,339	
Janitorial Services		946,924	
Licenses		1,155	
Pest Control		14,040	
Rentals		18,177	
Disposal Fees		24,411	
Other Contracted Services		25,511	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Custodial Supplies	\$	67,889	
Electricity		1,499,653	
Natural Gas		331,197	
Water and Sewer		215,757	
Other Supplies and Materials		23,808	
Boiler Insurance		6,621	
Building and Contents Insurance		154,338	
Other Charges		117,022	
Plant Operation Equipment		21,584	
Total Operation of Plant			\$ 3,597,703

Maintenance of Plant

Supervisor/Director	\$	58,476	
Maintenance Personnel		384,726	
Other Salaries and Wages		19,867	
Social Security		27,424	
State Retirement		34,836	
Life Insurance		799	
Medical Insurance		80,213	
Dental Insurance		3,249	
Employer Medicare		6,516	
Communication		17,575	
Maintenance and Repair Services - Buildings		53,418	
Maintenance and Repair Services - Equipment		46,844	
Other Contracted Services		23,858	
Other Supplies and Materials		85,710	
Other Charges		27,847	
Maintenance Equipment		2,098	
Other Equipment		4,018	
Total Maintenance of Plant			877,474

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	60,544	
Social Security		3,678	
State Retirement		3,717	
Employer Medicare		860	
Travel		1,354	
Other Contracted Services		720	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Other Supplies and Materials	\$	48,765	
Other Charges		372	
Other Equipment		760	
Total Community Services			\$ 120,770

Early Childhood Education

Teachers	\$	103,947	
Educational Assistants		39,431	
Non-certified Substitute Teachers		900	
Social Security		8,559	
State Retirement		9,586	
Life Insurance		396	
Medical Insurance		28,209	
Dental Insurance		1,381	
Employer Medicare		2,002	
Other Fringe Benefits		760	
Contracts with Other Public Agencies		320,774	
Travel		874	
Other Contracted Services		9,000	
Instructional Supplies and Materials		32,761	
Other Supplies and Materials		4,278	
In Service/Staff Development		1,747	
Other Equipment		16,743	
Total Early Childhood Education			581,348

Capital Outlay

Regular Capital Outlay

Principal on Notes	\$	12,508	
Furniture and Fixtures		21,776	
Motor Vehicles		40,639	
Other Capital Outlay		42,534	
Total Regular Capital Outlay			117,457

Total General Purpose School Fund \$ 46,722,884

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	966,456	
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(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Educational Assistants	\$	200,744	
Certified Substitute Teachers		750	
Non-certified Substitute Teachers		10,750	
Social Security		71,357	
State Retirement		75,663	
Life Insurance		2,151	
Medical Insurance		212,421	
Dental Insurance		8,607	
Employer Medicare		16,688	
Other Fringe Benefits		5,120	
Other Contracted Services		4,250	
Instructional Supplies and Materials		89,341	
Regular Instruction Equipment		51,763	
Total Regular Instruction Program			\$ 1,716,061

Special Education Program

Teachers	\$	3,613	
Educational Assistants		326,802	
Social Security		20,026	
State Retirement		25,604	
Life Insurance		1,272	
Medical Insurance		69,983	
Dental Insurance		4,398	
Employer Medicare		4,684	
Maintenance and Repair Services - Equipment		2,899	
Other Contracted Services		1,081,710	
Instructional Supplies and Materials		11,766	
Textbooks		15,788	
Other Supplies and Materials		79,739	
Special Education Equipment		23,535	
Total Special Education Program			1,671,819

Vocational Education Program

Other Contracted Services	\$	23,040	
Instructional Supplies and Materials		45,963	
Vocational Instruction Equipment		46,716	
Total Vocational Education Program			115,719

(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

Travel	\$	20,000	
In Service/Staff Development		10,000	
Other Charges		22,873	
Total Other Student Support			\$ 52,873

Regular Instruction Program

Supervisor/Director	\$	45,790	
Secretary(ies)		13,264	
Other Salaries and Wages		28,640	
In-Service Training		11,020	
Social Security		6,130	
State Retirement		6,185	
Life Insurance		66	
Medical Insurance		4,509	
Dental Insurance		230	
Employer Medicare		1,434	
Consultants		12,524	
Travel		5,887	
Other Supplies and Materials		16,438	
In Service/Staff Development		164,445	
Other Equipment		1,810	
Total Regular Instruction Program			318,372

Special Education Program

Other Salaries and Wages	\$	101,185	
In-Service Training		34,125	
Social Security		8,363	
State Retirement		7,953	
Life Insurance		396	
Medical Insurance		19,996	
Dental Insurance		1,381	
Employer Medicare		1,956	
Travel		728	
Other Supplies and Materials		9,042	
In Service/Staff Development		30,505	
Other Equipment		3,604	
Total Special Education Program			219,234

(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

Travel	\$ 2,000	
Total Vocational Education Program		\$ 2,000

Total School Federal Projects Fund \$ 4,096,078

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 59,843	
Accountants/Bookkeepers	34,833	
Clerical Personnel	32,350	
Cafeteria Personnel	1,046,459	
Social Security	72,661	
State Retirement	63,543	
Life Insurance	3,239	
Medical Insurance	243,278	
Dental Insurance	11,066	
Unemployment Compensation	7	
Employer Medicare	16,993	
Maintenance and Repair Services - Equipment	32,931	
Pest Control	6,600	
Transportation - Other than Students	13,702	
Travel	2,633	
Disposal Fees	22,770	
Other Contracted Services	12,585	
Food Preparation Supplies	93,358	
Food Supplies	1,371,260	
Office Supplies	484	
Other Supplies and Materials	7,026	
Workers' Compensation Insurance	33,300	
In Service/Staff Development	4,255	
Other Charges	920	
Food Service Equipment	115,573	
Total Food Service		\$ 3,301,669

Total Central Cafeteria Fund 3,301,669

(Continued)

Exhibit L-9

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

School Transportation Fund

Support Services

Transportation

Supervisor/Director	\$	53,160	
Mechanic(s)		112,479	
Bus Drivers		646,998	
Secretary(ies)		23,900	
Other Salaries and Wages		154,542	
Social Security		60,680	
State Retirement		68,023	
Life Insurance		1,465	
Medical Insurance		124,393	
Dental Insurance		4,336	
Unemployment Compensation		26	
Employer Medicare		14,191	
Communication		4,412	
Maintenance and Repair Services - Vehicles		34	
Medical and Dental Services		7,834	
Tow-in Services		1,640	
Other Contracted Services		25,234	
Diesel Fuel		442,137	
Garage Supplies		11,879	
Gasoline		44,286	
Lubricants		5,916	
Tires and Tubes		27,562	
Vehicle Parts		101,742	
Other Supplies and Materials		7,413	
Vehicle and Equipment Insurance		71,734	
Workers' Compensation Insurance		46,000	
Other Charges		4,040	
Motor Vehicles		364,379	
Transportation Equipment		22,257	
Total Transportation			\$ 2,452,692

Total School Transportation Fund \$ 2,452,692

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	234,628
Social Security		14,285
State Retirement		11,677

(Continued)

Exhibit L-9

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

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Life Insurance	\$	521	
Medical Insurance		32,511	
Dental Insurance		1,786	
Unemployment Compensation		568	
Employer Medicare		3,341	
Travel		7,629	
Other Contracted Services		5,220	
Food Supplies		33,366	
Other Supplies and Materials		16,490	
In Service/Staff Development		1,485	
Other Charges		9,856	
Total Community Services			\$ 373,363

Total Extended School Program Fund \$ 373,363

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Engineering Services	\$	1,500	
Building Improvements		393,751	
Site Development		28,412	
Total Education Capital Projects			\$ 423,663

Total Education Capital Projects Fund 423,663

Total Governmental Funds - Roane County School Department \$ 57,370,349

Exhibit L-10

Roane County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balances - City Agency Funds  
For the Year Ended June 30, 2008

	Cities - Sales Tax Fund	Cities - Property Tax Fund	City School ADA - Oak Ridge Fund	Total
<u>Cash Receipts</u>				
Current Property Taxes	\$ 0	\$ 0	\$ 624,049	\$ 624,049
Trustee's Collections - Prior Years	0	0	50,383	50,383
Circuit/Clerk and Master Collections - Prior Years	0	0	18,656	18,656
Interest and Penalty	0	0	7,171	7,171
Pick-up Taxes	0	0	369	369
Payments in-Lieu-of Taxes - Local Utilities	0	0	10,719	10,719
Local Option Sales Tax	6,352,259	0	351,622	6,703,881
Interstate Telecommunications Tax	0	0	352	352
Licenses	0	0	193	193
Miscellaneous Refunds	0	1,645	0	1,645
Other Local Revenue	0	0	37	37
<b>Total Cash Receipts</b>	<b>\$ 6,352,259</b>	<b>\$ 1,645</b>	<b>\$ 1,063,551</b>	<b>\$ 7,417,455</b>
<u>Cash Disbursements</u>				
Remittance of Revenues Collections	\$ 6,288,736	\$ 3,148	\$ 1,047,022	\$ 7,338,906
Trustee's Commission	63,523	0	16,732	80,255
<b>Total Cash Disbursements</b>	<b>\$ 6,352,259</b>	<b>\$ 3,148</b>	<b>\$ 1,063,754</b>	<b>\$ 7,419,161</b>
<u>Excess of Cash Receipts Over (Under)</u>				
Cash Disbursements	\$ 0	\$ (1,503)	\$ (203)	\$ (1,706)
Cash Balance, July 1, 2007	0	5,753	778	6,531
<b>Cash Balance, June 30, 2008</b>	<b>\$ 0</b>	<b>\$ 4,250</b>	<b>\$ 575</b>	<b>\$ 4,825</b>

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## SINGLE AUDIT SECTION

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STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF COUNTY AUDIT  
SUITE 1500  
JAMES K. POLK STATE OFFICE BUILDING  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7841

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

June 12, 2009

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

To the County Executive and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Roane County, Tennessee, as of and for the year ended June 30, 2008, which collectively comprise Roane County's basic financial statements and have issued our report thereon dated June 12, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Roane County Emergency Communications District and the Roane County Industrial Development Board as described in our report of Roane County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered Roane 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 Roane County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Roane 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.

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.

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 Roane County's internal control.

Our consideration of 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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Roane 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

This report is intended solely for the information and use of management, the county executive, director of schools, road superintendent, director of accounts and budgets, County Commission, Board of Education, others within Roane 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

June 12, 2009

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

To the County Executive and Board of County Commissioners:

Compliance

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

In our opinion, Roane 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 Roane 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 Roane 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 Roane 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 Roane County as of and for the year ended June 30, 2008, and have issued our report thereon dated June 12, 2009. Our audit was performed for the purpose of

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

This report is intended solely for the information and use of management, the county executive, director of schools, road superintendent, director of accounts and budgets, County Commission, Board of Education, others within Roane 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.

Yours very truly,

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

Justin P. Wilson  
Comptroller of the Treasury

JPW/sb

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

Federal/Pass-through Agency/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	\$ 159,944 (6)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	470,008
National School Lunch Program	10.555	N/A	1,329,942 (6)
Summer Food Service Program for Children	10.559	N/A	28,525
Total U.S. Department of Agriculture			\$ 1,988,419
U.S. Department of Commerce:			
Passed-through State Department of Economic and Community Development:			
Economic Development Administration - Revolving Loan Program	11.307	(2)	\$ 876,951
Total U.S. Department of Commerce			\$ 876,951
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
HOME Investment Partnerships Program	14.239	(2)	\$ 116,730
Total U.S. Department of Housing and Urban Development			\$ 116,730
U.S. Department of Justice:			
Direct Program:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	\$ 8,552
Passed-through State Office of Criminal Justice Programs:			
Edward Byrne Memorial State and Local Law Enforcement Assistance	16.580	(2)	15,000
Total U.S. Department of Justice			\$ 23,552
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce Development:			
WIA Cluster:			
WIA Adult Program	17.258	(2)	\$ 105,649
WIA Youth Activities	17.259	(2)	94,488
WIA Dislocated Workers	17.260	(2)	117,628
Total U.S. Department of Labor			\$ 317,765
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	(3)	\$ 15,552
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	GG-07-20337-00	6,672
Total U.S. Department of Transportation			\$ 22,224
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,545,343
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,954,608
Special Education - Preschool Grants	84.173	N/A	93,518
Vocational Education - Basic Grants to States	84.048	N/A	147,719
Safe and Drug Free Schools and Communities - State Grants	84.186	(2)	61,586
State Grants for Innovative Programs	84.298	N/A	4,250
Education Technology State Grants	84.318	(2)	16,395
Improving Teacher Quality State Grants	84.367	N/A	434,667
Total U.S. Department of Education			\$ 4,258,086

(Continued)

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

Federal/Pass-through Agency/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(2)	\$ 1,773
Total U.S. Election Assistance Commission			<u>\$ 1,773</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Urban Areas Security Initiative	97.008	(4)	\$ 15,380
Homeland Security Grant Program	97.067	(5)	251,619
Total U.S. Department of Homeland Security			<u>\$ 266,999</u>
Total Expenditures of Federal Awards			<u>\$ 7,872,499</u>

State Grants		Contract Number	
Juvenile Services Program - State Children's Services Commission	N/A	(2)	\$ 9,000
Litter Program - State Department of Transportation	N/A	(2)	31,088
Transportation Enhancement Program - State Department of Transportation	N/A	(2)	2,918
Driver's Education - State Department of Education	N/A	(2)	11,814
Early Childhood Education - State Department of Education	N/A	(2)	391,609
Safe Schools Act - State Department of Education	N/A	(2)	40,580
Waste Tire Options Grant - State Department of Environment and Conservation	N/A	(2)	46,513
Waste Reduction Grant - State Department of Environment and Conservation	N/A	(2)	55,526
DGA Grant - State Department of Health	N/A	(2)	207,121
Child Care Assistance - State Department of Human Services	N/A	(2)	40,257
Pegasus Sewer Extension - State Department of Economic and Community Development	N/A	(2)	74,493
FastTrack Infrastructure Development Program - State Department of Economic and Community Development	N/A	(2)	16,885
Reappraisal Program - Comptroller of the Treasury	N/A	(2)	21,341
Family Resource Center Grant - State Department of Education	N/A	(2)	31,911
Local Parks and Recreation Grant - State Department of Environment and Conservation	N/A	(2)	2,245
Highway Safety Grant - State Department of Transportation	N/A	(2)	4,992
Total State Grants			<u>\$ 988,293</u>

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) \$14,491 - Z-08-024002-00; \$1,061 - Z-08-023660-00.
- (4) \$14,331 - GG-07-20514-00; \$1,049 - GG-08-24144-00.
- (5) \$166,286 - Z-05-025202-00; \$85,333 - GG-07-21343-01.
- (6) Total for CFDA No. 10.555 is \$1,489,886.

Roane 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. There were no findings from the Annual Financial Report for Roane County, Tennessee, for the year ended June 30, 2007.

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**ROANE COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2008**

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

1. Our report on the financial statements of Roane County is unqualified.
2. The audit of the financial statements of Roane County disclosed no significant deficiencies in internal control.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Roane County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: the School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children (CFDA Nos. 10.553, 10.555, and 10.559); the Economic Development Administration – Revolving Loan Fund (CFDA No. 11.307); the Special Education Cluster: Special Education Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173); and the 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. Roane County did not qualify as a low-risk auditee.

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

There were no findings related to the financial statements of Roane County, Tennessee, as a result of our examination for the year ended June 30, 2008.

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

There were no findings and questioned costs for federal awards.

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**ROANE 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.