

WASHINGTON COUNTY, TENNESSEE

COMPREHENSIVE ANNUAL FINANCIAL REPORT

WITH

INDEPENDENT AUDITORS' REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

WASHINGTON COUNTY, TENNESSEE  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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**SECTION I**

**INTRODUCTORY**

WASHINGTON COUNTY, TENNESSEE  
ROSTER OF COUNTY OFFICIALS  
June 30, 2009

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<u>Title</u>	<u>Name</u>
County Mayor	George Jaynes
Superintendent of Highways	John Deakins, Jr.
Director of Schools	Ronald Dykes
Trustee	Jack Daniels
County Clerk	Doyle Cloyd
Circuit and General Sessions Courts Clerk	Karen Guinn
Clerk and Master	Brenda Sneyd
Register	Ginger Jilton
Sheriff	Edwin Graybeal, Jr.
Assessor of Property	Monty Treadway

Board of Commissioners

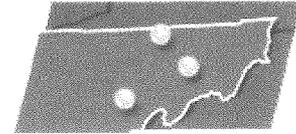
William Biles	Richard Matherly
Frank Bolus	Wendell Messimer
Ben Bowman	Phil McPeak
Sid Campbell	James T. Powell
Daniel Edens	Peggy Richardson
Ron England	Richard Shadden
Mark Ferguson	Kyle Shell
Mark Hicks, Jr.	Gerald Sparks
Sam Humphreys	Pete Speropulos III
Evert Jarrett	Janice White
C. B. Kinch, Jr.	Pat Wolfe
Mark Larkey	Paul F. Woodby
Greg Matherly	

Board of Education

Phillip McLain, Chairman	Mary Lo Silvers
Clarence Mabe, Vice Chair	Todd Ganger
Eric Barnes	Keith Ervin
Dallas Hardin	Chad Williams
William Brinkley	

## **SECTION II**

### **BASIC FINANCIAL STATEMENTS**



INDEPENDENT AUDITORS' REPORT

To the Honorable County Mayor  
and Board of Commissioners  
Washington County, Tennessee

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Washington County, Tennessee officials. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Tennessee, as of June 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2009, on our consideration of Washington County, Tennessee's internal control over financial reporting and on 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.

To the Honorable County Mayor  
and Board of Commissioners  
Page 2

The management's discussion and analysis, budgetary comparison information, and schedule of funding progress on pages 4 through 15 and 69 through 76 are not a required part of the basic financial statements but are 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 Washington County, Tennessee's basic financial statements. The introductory section, supplementary information and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Washington County, Tennessee. The supplementary information, including the schedule of expenditures of federal awards, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Blackburn, Childers and Steagall, PLC*  
BLACKBURN, CHILDERS AND STEAGALL, PLC

December 22, 2009

**WASHINGTON COUNTY GOVERNMENT**  
**Management's Discussion and Analysis**

As management of the Washington County, TN Government, we offer readers of the Washington County, TN Government's financial statements this narrative overview and analysis of the financial activities of the Washington County, TN Government for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented in this report.

**Financial Highlights**

**Primary Government**

- The liabilities of the Washington County Primary Government exceeded its assets at the close of the most recent fiscal year by \$56,730,970 (net assets). It is important to note that Washington County has the obligation to repay all of the debt on the buildings of the Board of Education; however, the Board of Education owns those assets. In other words, the debt is reflected on the financial statements of the primary government and the assets are recorded on the financial statements of the discretely presented component unit which is the primary reason for the negative net assets.
- The government's total net assets decreased by \$16,407,330.
- As of the close of the current fiscal year, Washington County Government's governmental funds reported combined ending fund balances of \$31,933,458, a decrease of \$31,663,172 in comparison with the prior year. Approximately 98.19 percent of this total amount, \$31,356,981, *is available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$12,662,133, or 39 percent of the total general fund expenditures.
- Washington County's total debt decreased by \$4,162,374 during the current fiscal year.
- Washington County Board of County Commissioners issued a 3 year capital outlay note during the 2008-2009 fiscal year. The note was issued to cover the cost of Highway Equipment for \$152,000. The Highway Dept. will transfer funds to the Debt Service Fund to cover the note payment plus interest.

**Component Unit-**

**School Board**

- The assets of the Washington County Board of Education, a component unit, exceeded its liabilities at the close of the most recent fiscal year by \$106,495,073. Of this amount, \$7,326,223 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Board of Education's net assets increased by \$6,769,887.

## Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Washington County's basic financial statements. Washington County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of Washington County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Washington County include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The activities of the Washington County Board of Education, a component unit, are governmental in nature. The business-type activities of Washington County include Washington County Emergency Communications District, a component unit.

The government-wide financial statements can be found on pages 16 and 17 of this report.

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

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

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

Washington County maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, highway fund, constitutional office's fees fund and the debt service fund, all of which are considered to be major funds. Data from the other five 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.

Washington County adopts an annual appropriated budget for its general fund and highway fund. A budgetary comparison statement has been provided for the general and highway funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18 – 21 of this report.

**Proprietary fund.** Washington County maintains one proprietary fund, the self-insurance fund, which is an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Washington County's various functions. Washington County uses the internal service fund to account for costs related to the employees' health insurance. Because this service benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the self-insurance fund.

The basic proprietary fund financial statements can be found on pages 22 - 24 of this report.

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

The basic fiduciary fund financial statements can be found on page 25 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 26 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the general and highway funds budgets. Required supplementary information can be found on pages 69 – 76 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 77 – 82 of this report. Financial statements for the Washington County Board of Education are presented immediately following the nonmajor funds on pages 83 – 89 of this report. This component unit does not issue separate financial statements.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Washington County, combined with the Board of Education, assets exceeded liabilities by \$49,764,103 at the close of the most recent fiscal year.

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

## Washington County's Net Assets

Year	<u>Primary</u>		<u>Component Unit</u>	
	Governmental Activities		Washington County Board of Education	
	2009	2008	2009	2008
Current and other assets	75,626,988	114,320,053	19,105,459	20,414,036
Capital assets	73,366,912	62,537,524	99,168,850	90,780,779
Total Assets	148,993,900	176,857,577	118,274,309	111,194,815
Long-term liabilities outstanding	160,642,882	164,763,017	-----	-0-
Other liabilities	45,081,993	52,418,200	11,639,151	11,469,629
Total liabilities	205,724,875	217,181,217	11,639,151	11,469,629
<b>Net assets:</b>				
Invested in capital assets, net of related debt	49,380,479	37,992,480	99,168,850	90,780,779
Restricted	238,327	210,752	-----	-----
Unrestricted	(106,349,776)	(78,526,872)	7,326,223	8,944,407
Total net assets	(56,730,970)	(40,323,640)	106,495,073	99,725,186

In fiscal year 2008-2009, \$238,327 is subject to external restrictions on Washington County's net assets. *Unrestricted net assets* (\$106,349,776) and \$7,326,223, Primary Government and Board of Education respectively, may be used to meet the government's ongoing obligations to citizens and creditors.

The primary government's net assets decreased by \$16,407,330 during the current fiscal year.

The Board of Education's net assets increased by \$6,769,887.

Key elements of these changes are as follows:

## Washington County Government's Changes in Net Assets

	<u>Primary</u>		<u>Component Unit</u>	
Year	Governmental		Washington County	
	Activities		Board of Education	
	2009	2008	2009	2008
<b>Revenues:</b>				
<b>Program Revenues:</b>				
Charges for services	8,525,155	8,676,408	2,087,203	2,210,351
Operating grants and contributions	4,100,056	4,662,527	7,328,414	6,205,919
Capital grants and contributions	1,821,239	1,500,642	10,817,177	36,587,579
<b>General revenues:</b>				
Property taxes	35,197,628	33,675,981	10,897,751	10,229,540
Other taxes	1,484,036	1,494,306	13,494,115	14,002,350
Grants and contributions not restricted to specific programs	4,659,980	3,438,070	30,817,163	30,410,047
Other	696,149	4,578,378	191,539	453,605
<b>Total revenues</b>	<b>56,484,243</b>	<b>58,026,312</b>	<b>75,633,362</b>	<b>100,099,391</b>
<b>Expenses:</b>				
General government	33,209,756	57,083,936	-----	-----
Public safety	10,147,418	9,842,642	-----	-----
Highway / streets	8,228,881	8,687,288	-----	-----
Sanitation	1,714,284	1,763,928	-----	-----
Library	617,653	546,008	-----	-----
Debt Service	7,382,896	7,597,620	-----	-----
Education	-----	-----	69,007,306	63,194,439
<b>Total Expenses</b>	<b>61,300,888</b>	<b>85,521,422</b>	<b>69,007,306</b>	<b>63,194,439</b>
Increase in net assets before transfers & special items	(4,816,645)	(27,495,110)	6,626,056	36,904,952
Special Items	26,623	18,865	143,831	26,591
Transfers	(11,617,308)	(29,330,390)	-0-	-0-
Increase in net assets	(16,407,330)	(56,806,635)	6,769,887	36,931,543
Net assets (7-1) Beginning	(40,323,640)	16,482,995	99,725,186	62,793,643
Prior Period Adjustments	-0-	-0-	-0-	-0-
Net assets Restated	(40,323,640)	16,482,995	99,725,186	62,793,643
Net assets (6-30) Ending	(56,730,970)	(40,323,640)	106,495,073	99,725,186

- Property tax rates increased 7% for fiscal year 2006-2007, 17.5% for fiscal year 2007-2008 and 4.255% for fiscal year 2008-2009. The current year increased the Debt Service Fund by 3 cents, 6 cents to the General Purpose School fund and 1 cent to the General Fund. Washington County Government has a county-wide re-appraisal every 6 years.
- The certified tax rate for the fiscal year 2008-2009 was \$2.45 on each \$100.00 of taxable property, which provides revenue for the operation of the County.
- Washington County Government had maintained the same tax rate of \$1.87 for two years, before increasing the rate to \$2.00 in the 2006-2007 fiscal year, \$2.35 in fiscal year 2007-2008 and \$2.45 in fiscal year 2008-2009. The budgets are reviewed by the Board of County Commissioners before a decision is made on the tax levy. The level of reserves and the ability to raise unlimited property taxes provide the county with significant financial flexibility for the foreseeable future.

- Capital grants for governmental activities increased by \$320,597, mostly as a result of increases in Highway & Street Grants. The new grant awards furnished sources to support three of Washington County's functions: public safety, highways and streets, and culture and recreation.

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

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

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

As of the end of the current fiscal year, Washington County's governmental funds reported combined ending fund balances of \$31,933,458, a decrease of \$31,663,172 in comparison with the prior year. Approximately 98.19 percent of this total amount \$31,356,981 constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to (1) liquidate contracts and purchase orders of the prior period \$576,477 (2) Unemployment and General Liabilities \$1,397,053 (3) Debt Service \$9,952,086, or (4) for a variety of other restricted purposes \$20,007,842.

The general fund is the chief operating fund of Washington County. At the end of the current fiscal year, the unreserved fund balance of the general fund was \$10,609,854, while the total fund balance reached \$13,210,681. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 33.03 percent of total general fund expenditures, while total fund balance represents 41.13 percent of that same amount.

The fund balance of Washington County's general fund decreased by \$144,837 during the current fiscal year.

The debt service fund has a total fund balance of \$9,952,086, all of which is reserved or designated for the payment of debt service. The fund balance increased during the current year in the debt service fund in the amount of \$2,157,467. The government continued to levy a portion of its property tax for debt service. This tax produced revenues of \$11,878,107 in the current fiscal year.

## General Fund Budgetary Highlights

During the year there were various increases in appropriations in the amount of \$5,546,758 between the original and final amended budget. Following is a brief summary of the difference:

- \$459,759 - Homeland Security Grants
- \$308,311 - Public Safety (Grants)
- \$2,172,800 – Employee Medical Insurance
- \$1,116,900 – Appropriated for various operational expenses
- \$1,488,988 – Transfers to other funds (Capital Projects)

Additional information on the General Fund Budgetary Highlights may be found on page 69 of this report.

## Capital Asset and Debt Administration

**Capital Assets.** Washington County's investment in capital assets as of June 30, 2009, amounts to \$73,366,912 (net of accumulated depreciation), and \$99,168,850 for the Board of Education (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, roads, and bridges.

There were no major capital asset events during the current fiscal year, however construction on the previous years bond and note issues (see below) are still in progress with final completion expected in the fall of 2009.

- On May 15, 2007, the Washington County Board of County Commissioners issued Capital Outlay Notes in the amount of \$3,500,000 for the purpose of providing funds to finance the public works project of the design and payment of cost for a jail addition and new justice center as follows: \$1,200,000 for additional cost of Detention Center and Justice Center, \$600,000 for Election Office building, \$1,200,000 for purchase of land, and \$500,000 to provide water and sewer utilities to county properties.
- On January 23, 2007, the Washington County Board of County Commissioners issued bonds at par, in the amount of \$130,360,000, with a reoffering premium of \$4,262,686.95 and transfer from prior issued debt service funds of \$128,347. The proceeds were used to finance the construction of two (2) new K-8 schools and improvements to two (2) high schools. As a result of the city of Johnson City operating the only other public school system in Washington County, Washington County Government is required by state law to share bond proceeds for education purposes with the city of Johnson City. Based on the Average Daily Attendance (ADA), Washington County will receive 56.0603% or \$60,458,308.00 of the bond proceeds and the city of Johnson City's share will be 43.9397% or \$47,386,830.00. From these bond proceeds, \$21,000,000 will be used for the addition to the Detention Center and the construction of a new justice center. The remaining \$4,674,945.10 has been deposited in escrow and will be used to pay for the restructure of School Bonds dated 12-1-2000 and various costs of issuance totaled \$1,230,150.

**Washington County's Capital Assets**  
(net of depreciation)

**Primary**  
**Governmental**

**Component Unit**  
**Washington County**

**Activities**

**Board of Education**

Year	2009	2008	2009	2008
Land	3,026,957	3,026,957	1,888,432	1,888,432
Library Infrastructure	690,536	769,587	-----	-----
Buildings and Improvements	43,083,173	20,330,789	97,442,856	57,608,384
Furniture and Fixture	85,184	85,184	1,020,249	1,020,249
Office Machinery and Equipment	1,762,058	1,710,412	571,739	538,113
Machinery and Equipment	15,145,281	14,281,650	13,440,225	12,952,155
Infrastructure	47,262,971	46,073,971	-----	-----
Construction in Progress	102,307	11,433,043	21,396,226	50,214,552
Less: Accumulated Depreciation	(37,791,555)	(35,174,069)	(36,590,877)	(33,441,106)
<b>Total</b>	<b>73,366,912</b>	<b>62,537,524</b>	<b>99,168,850</b>	<b>90,780,779</b>

Additional information on the Washington County Government's capital assets can be found in note -- on this report.

**Long-term debt.** At the end of the current fiscal year, Washington County had total debt outstanding of \$163,732,214. Of this amount, \$154,431,148 comprises debt backed by the full faith and credit of the government. The remainder of Washington County's debt represents capital outlay notes secured by the taxing power of the County. The primary government is obligated for the long-term debt of Washington County Board of Education.

**Washington County's Outstanding Debt**  
General Obligation and Revenue Bonds

**Primary**  
**Governmental**  
**Activities**

Year	2009	2008
General Obligation Bonds	154,431,148	157,119,811
Capital Outlay Notes	9,301,066	10,611,833
<b>Total</b>	<b>163,732,214</b>	<b>167,731,644</b>

- Washington County's total bonded debt and notes payable decreased \$3,999,430 during the current fiscal year
- The principal on the general bonded debt decreased \$2,475,000 and notes payable decreased \$1,462,767.
- Washington County issued a Capital Outlay Note during the 2008-2009 fiscal year for \$152,000 for Highway Equipment.

Washington County received an Aaa rating from Moody Investors Service with a stable outlook to Washington County's series 2007 Bonds. In Moody's Investors Service opinion, the high quality rating reflected the County's favorable trends of sound financial operations including a significant reserves, continued tax base growth, and low direct debt levels.

Since nearly all services rendered by the county are required by the state and require sizable investments in capital improvements, counties are *not* limited as to the amount of indebtedness. TENN. CODE ANN. § 9-21-103. However, when a county's debt ratio of outstanding debt to property values exceeds the state average or a national standard recognized by firms who trade municipal bonds, the county will pay a higher interest rate or be unable to issue additional bonds.

All debt issued must first be authorized by resolution adopted by the county legislative body and then approved by the state Director of Local Finance, a division of the state Comptroller of the Treasury. Before the Director of Local Finance will approve new debt, the county must adopt a balanced budget, which must also be approved by this same director. TENN. CODE ANN. §§ 9-21-403 to 404.

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

- Favorable economic factors including strong tax base growth, a substantial job base dominated by medical, educational, and a variety of industrial employers supports an average unemployment rate of 9.3% as of August 2009, versus a 10.8% rate for the state.
- Funded by a bond issue in the amount of \$21,000,000, construction is continuing for the expansion of the current Detention Center and a new justice center. According to state regulations, the Detention Center inmate holding capacity will increase to a total of 574 individuals. The justice center will provide office space for all Washington County state and local courts. With the opening of a new justice center, courts will consolidate to the new facility from the current courthouses in Jonesborough and Johnson City.
- The Washington County Mayor and the Board of County Commissioners approved a PILOT program for two (2) Japanese manufacturers, which are locating in the Washington County Industrial Park. Nakatetsu Corporation, LTD and Koyo Corporation will begin employment with 100 employees each and both will occupy 80,000 square feet buildings at their respective park locations.

- Nakatetsu Corporation, LTD is the major supplier of auto parts, specializing in wheel bearings, with Toyota being 35% of their business. Nakatetsu's operations in Washington County will be its first plant located in the United States, while Koyo Corporation has several other plants located in the United States. Washington County, with the assistance of the state of Tennessee, is fortunate to be the chosen location for these companies new United States plants.
- Koyo Corporation and Nakatetsu Corporation, LTD opened their operations and have hired approximately 100 employees for each facility.
- In July 1997, Washington County purchased 134.564 acres of land for use as an Industrial Site. Bush Hog, LLC purchased the first 45 acres (more or less) sold for a manufacturing facility in 2002.  
Bush Hog, LLC closed the plant in early 2009 and the facility has since been purchased by ALO, the world's largest manufacturer of farming tractor frontend loaders and is expected to open in early 2010 and employ at least 200 employees.
- Plans were in process to construct a new Health Department building in a joint venture with the City of Johnson City (a municipality) within the County at an estimated cost of \$1,500,000. In June 2009 a lease purchase was offered by Mountain States Health Alliance (MSHA), Inc. to purchase a 37,368 square foot building which previously housed a medical facility in a prime location within the city limits of the city of Johnson City. The lease purchase has been approved by the Washington County Board of County Commissioners for a period of four (4) years. This lease purchase for year one (1) was included in the 2009-2010 budget. The total cost of the building would be \$1,675,000 plus 4% interest. Additionally, Washington County will transfer ownership of the old health department to MSHA. There is a stipulation that if the newly-acquired building is ever sold, Washington County must pay the city of Johnson City \$1,250,000 for the land.
- The Elderly Tax Relief Act allows Washington County to appropriate money for immediate property tax refunds or reductions for eligible seniors, and the Trustee currently implements the Elderly Tax Relief Act in conjunction with the State of Tennessee program. Washington County's Elderly Tax Relief Study Committee recommended the adoption of the Elderly Tax Relief program instead of the Tax Freeze Program. Based on prior years' history, the actual cost to Washington County to match the current Tax Relief Act with the State of Tennessee was \$210,202 which equals approximately one cent (1¢) in property tax.

All of these factors were considered in preparing the Washington County Government's budget for the 2009-10 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund decreased \$278,828 to a total of \$12,662,133. Washington County appropriated \$1,145,547 of this amount for spending in the 2008-09 fiscal year budget. Historically, this appropriation has not been utilized and returned to the unreserved fund balance at the end of the fiscal year, with the exception of fiscal year 2008-09, which resulted in a decrease in the fund balance.

## **Requests for Information**

This financial report is designed to provide a general overview of the Washington County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Director of Accounts and Budgets, Washington County Office Building, P.O. Box 219, Jonesborough, TN 37659.

Complete financial statements for the component unit may be obtained from the following:

Washington County Emergency Communications District  
401 Ashe Street  
Johnson City, Tennessee 37605

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF NET ASSETS  
June 30, 2009

	Primary	Component Units	
	Government	Washington	Emergency
	Governmental Activities	County Board of Education	Communications District
<b>ASSETS</b>			
Equity in Pooled Cash and Deposits	\$ 30,776,904	4,013,213	-
Cash and Cash Equivalents	2,440,219	465,541	588,599
Certificates of Deposit	-	-	800,000
Due from Federal Government	595,032	630,987	-
Due from State of Tennessee	1,005,847	36,978	148,070
Due from Other Local Governments	168,948	-	-
Due from Others	719,838	-	111,635
Sales Tax Receivable	-	2,071,386	-
Taxes Receivable	38,668,561	11,766,296	-
Allowance for Uncollectibles	(40,013)	(12,420)	-
Inventories	-	133,478	-
Prepaid Expenses	-	-	17,095
Bond Issue Costs, Net	1,291,652	-	-
Plant and Equipment, Net	73,366,912	99,168,850	519,052
<b>TOTAL ASSETS</b>	<b>148,993,900</b>	<b>118,274,309</b>	<b>2,184,451</b>
<b>LIABILITIES</b>			
Accounts Payable	1,687,526	493,212	100
Accrued Expenses	1,497,294	627	88,465
Retainages Payable	1,312,947	-	-
Due to Other Governments	22,285	-	-
Due to Others	51,813	-	-
Unearned Revenues	35,907,068	11,145,312	-
Long-term Liabilities			
Due Within One Year	4,603,059	140,085	53,236
Due Within More Than One Year	160,642,883	-	-
<b>TOTAL LIABILITIES</b>	<b>205,724,875</b>	<b>11,779,236</b>	<b>141,801</b>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	49,380,479	99,168,850	519,052
Restricted for Public Safety	238,327	-	-
Unrestricted	(106,349,776)	7,326,223	1,523,598
<b>TOTAL NET ASSETS</b>	<b>\$ (56,730,970)</b>	<b>106,495,073</b>	<b>2,042,650</b>

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF ACTIVITIES  
June 30, 2009

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units	
					Governmental Activities	Washington County School Board	Emergency Communications District
<b>PRIMARY GOVERNMENT</b>							
GOVERNMENT ACTIVITIES							
General Government	\$ 33,209,756	4,937,531	939,356	589,451	(26,743,418)	-	-
Sheriff's Department	10,147,418	2,855,716	869,319	-	(6,422,383)	-	-
Highways and Streets	8,228,881	405,397	2,031,066	1,189,000	(4,603,418)	-	-
Library	617,653	24,885	36,729	42,788	(513,251)	-	-
Sanitation	1,714,284	301,626	223,586	-	(1,189,072)	-	-
Interest on Long-Term Debt	7,382,896	-	-	-	(7,382,896)	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>61,300,888</b>	<b>8,525,155</b>	<b>4,100,056</b>	<b>1,821,239</b>	<b>(46,854,438)</b>	<b>-</b>	<b>-</b>
<b>COMPONENT UNITS</b>							
Education - Board of Education	69,007,306	2,087,203	7,328,414	10,817,177	-	(48,774,512)	-
Emergency Communications	2,756,905	1,922,387	1,096,022	62,460	-	-	323,964
<b>TOTAL COMPONENT UNITS</b>	<b>71,764,211</b>	<b>4,009,590</b>	<b>8,424,436</b>	<b>10,879,637</b>	<b>-</b>	<b>(48,774,512)</b>	<b>323,964</b>
<b>GENERAL REVENUES</b>							
Taxes							
Property Taxes					35,197,628	10,897,751	-
In Lieu of Taxes					506,007	166,597	-
Sales Taxes						12,919,494	-
Business Taxes					978,029	301,203	-
Miscellaneous					2,104,205	106,821	-
Other Local Governments					1,789,321	69,433	-
State Aid					766,454	30,747,730	-
Unrestricted Investment Earnings					696,149	191,539	36,030
Gain on Sale of Assets					25,840	5,000	2,128
Special Items							
Damages from Individuals					783	4,835	-
Bond Proceeds Remitted to Johnson City Schools					(11,617,308)	-	-
Insurance Recovery					-	133,996	5,586
<b>TOTAL GENERAL REVENUES AND SPECIAL ITEMS</b>					<b>30,447,108</b>	<b>55,544,399</b>	<b>43,744</b>
<b>CHANGE IN NET ASSETS</b>					<b>(16,407,330)</b>	<b>6,769,887</b>	<b>367,708</b>
<b>NET ASSETS - BEGINNING</b>					<b>(40,323,640)</b>	<b>99,725,186</b>	<b>1,674,942</b>
<b>NET ASSETS - ENDING</b>					<b>\$ (56,730,970)</b>	<b>106,495,073</b>	<b>2,042,650</b>

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2009

	General Fund	Highway Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Equity in Pooled Cash and Deposits	\$ 12,447,697	2,581,422	4,511,756	9,945,743	1,290,286	30,776,904
Cash with Paying Agent	-	-	2,146,066	-	-	2,146,066
Cash	100	-	-	-	294,053	294,153
Due from Federal Government	595,032	-	-	-	-	595,032
Due from State of Tennessee	972,450	-	-	-	33,397	1,005,847
Due from Other Local Governments	77,627	87,733	-	-	3,589	168,949
Due from Others	464,168	13,657	1,024	6,215	20,681	505,745
Taxes Receivable	20,399,091	4,988,738	-	12,073,843	1,206,889	38,668,561
Allowance for Uncollectibles	(21,153)	(4,841)	-	(12,743)	(1,276)	(40,013)
Due from Other Funds	503,187	7,318	639,300	728	-	1,150,533
<b>TOTAL ASSETS</b>	<b>\$ 35,438,199</b>	<b>7,674,027</b>	<b>7,298,146</b>	<b>22,013,786</b>	<b>2,847,619</b>	<b>75,271,777</b>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 201,040	32,840	898,475	623	5,819	1,138,797
Retainages Payable	-	-	1,497,294	-	-	1,497,294
Accrued Expenses	372,502	82,855	-	-	24,363	479,720
Deferred Revenues	20,818,006	4,579,915	-	12,061,077	1,205,611	38,664,609
Due to Other Funds	761,872	242,387	728	-	478,814	1,483,801
Due to Other Governments	22,285	-	-	-	-	22,285
Due to Others	51,813	-	-	-	-	51,813
<b>TOTAL LIABILITIES</b>	<b>22,227,518</b>	<b>4,937,997</b>	<b>2,396,497</b>	<b>12,061,700</b>	<b>1,714,607</b>	<b>43,338,319</b>
<b>FUND EQUITY</b>						
Reserved for						
Encumbrances	336,591	1,559	-	-	-	338,150
Public Safety	211,957	-	-	-	26,370	238,327
Unreserved, Designated, Reported In						
General Fund	2,052,279	-	-	-	-	2,052,279
Highway Fund	-	8,111	-	-	-	8,111
Debt Service Fund	-	-	-	9,952,086	-	9,952,086
Capital Projects Fund	-	-	4,901,649	-	-	4,901,649
Unreserved, Undesignated, Reported In						
General Fund	10,609,854	-	-	-	-	10,609,854
Highway Fund	-	2,726,360	-	-	-	2,726,360
Special Revenue Funds	-	-	-	-	1,106,642	1,106,642
<b>TOTAL FUND EQUITY</b>	<b>13,210,681</b>	<b>2,736,030</b>	<b>4,901,649</b>	<b>9,952,086</b>	<b>1,133,012</b>	<b>31,933,458</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 35,438,199</b>	<b>7,674,027</b>	<b>7,298,146</b>	<b>22,013,786</b>	<b>2,847,619</b>	<b>75,271,777</b>

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET ASSETS  
June 30, 2009

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TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 31,933,458
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$111,158,467 and the accumulated depreciation is \$37,791,555	73,366,912
Revenue for amounts not received during the period of availability and, therefore, not considered "available" has been deferred in the funds.	2,757,542
Bond issue costs are treated as an expenditure when paid in governmental funds. They are considered an asset for full accrual purposes and amortized over the life of the debt. The cost of the asset is \$1,594,475 and the accumulated amortization is \$302,823.	1,291,652
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities are included in governmental activities in the statement of net assets.	(1,369)
Accrued interest is not due and payable in the current period and, therefore, is not reported as a liability in the funds.	(833,224)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(165,245,941)</u>
TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	<u><u>\$ (56,730,970)</u></u>

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2009

	General Fund	Highway Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 20,359,297	4,450,233	-	11,878,017	1,163,366	37,850,913
Licenses and Permits	458,979	638	-	1,656	168	461,441
Fines, Forfeitures and Penalties	778,742	-	-	-	91,595	870,337
Charges for Current Services	778,744	131,682	-	-	142,806	1,053,232
Other Local Revenues	592,529	294,529	-	-	313,940	1,200,998
Investment Income	156,100	29,296	360,514	150,574	13,620	710,104
Revenue from State of Tennessee	3,719,664	2,119,877	-	185,462	242,132	6,267,135
Revenue from Federal Government	759,267	-	-	-	-	759,267
Revenue from Other Governments and Citizens Groups	1,103,143	-	-	-	5,229,776	6,332,919
<b>TOTAL REVENUES</b>	<b>28,706,465</b>	<b>7,026,255</b>	<b>360,514</b>	<b>12,215,709</b>	<b>7,197,403</b>	<b>55,506,346</b>
<b>EXPENDITURES</b>						
General Government	21,688,640	-	8,891	-	135,265	21,832,796
Sheriff's Department	9,734,886	-	-	-	-	9,734,886
Highways and Streets	-	6,897,615	-	-	-	6,897,615
Library	-	-	-	-	474,110	474,110
Sanitation	-	-	-	-	1,679,295	1,679,295
Debt Service	-	-	-	11,738,845	-	11,738,845
Capital Outlay	695,672	240,676	22,202,613	-	207,702	23,346,663
<b>TOTAL EXPENDITURES</b>	<b>32,119,198</b>	<b>7,138,291</b>	<b>22,211,504</b>	<b>11,738,845</b>	<b>2,496,372</b>	<b>75,704,210</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Note Proceeds	-	-	152,000	-	-	152,000
Contribution to the City of Johnson City	-	-	(11,617,308)	-	-	(11,617,308)
Transfers to Other Funds	(1,942,923)	(39,900)	(1,792,703)	-	(5,210,819)	(8,986,345)
Transfers from Other Funds	5,210,819	152,000	1,400,477	1,680,603	542,446	8,986,345
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,267,896</b>	<b>112,100</b>	<b>(11,857,534)</b>	<b>1,680,603</b>	<b>(4,668,373)</b>	<b>(11,465,308)</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(144,837)	64	(33,708,524)	2,157,467	32,658	(31,663,172)
Fund Balance, July 1, 2008	13,355,518	2,735,966	38,610,173	7,794,619	1,100,354	63,596,630
Fund Balance, June 30, 2009	\$ 13,210,681	2,736,030	4,901,649	9,952,086	1,133,012	31,933,458

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2009

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$(31,663,172)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay additions \$23,382,875 exceeds depreciation of (\$2,852,435) in the period.	20,530,440
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net assets.	(9,701,051)
Revenue which was not collected in the period of availability has not been reflected as revenue in the governmental funds since it was not "available". This revenue has been included in the statement of activities. The difference is the change between the prior year amount of \$2,172,136 and the current year amount of \$2,757,542.	585,406
In the statement of activities, certain operating expenses, compensated absences, are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. Compensated absences decreased by this amount for the current year.	(138,425)
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.	184,131
An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the self insurance fund is reported with governmental activities.	(1,369)
The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets.	3,796,710

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$(16,407,330)

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
June 30, 2009

	Self-Insurance Fund
ASSETS	
Due from Others	\$ 214,093
Due from Other Funds	333,268
TOTAL ASSETS	547,361
LIABILITIES AND FUND EQUITY	
LIABILITIES	
Benefits Payable	548,730
TOTAL LIABILITIES	548,730
NET ASSETS	
Unrestricted	(1,369)
TOTAL NET ASSETS	\$ (1,369)

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUND  
For the Fiscal Year Ended June 30, 2009

	Self-Insurance Fund
OPERATING REVENUE	
Charges for Services	\$ 5,539,043
Miscellaneous Refunds - Reinsurance	289,590
TOTAL OPERATING REVENUE	5,828,633
OPERATING EXPENSES	
Insurance Claims	5,456,402
Bad Debt	373,600
TOTAL OPERATING EXPENSES	5,830,002
CHANGE IN NET ASSETS	(1,369)
NET ASSETS, July 1, 2008	-
NET ASSETS, June 30, 2009	\$ (1,369)

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the Fiscal Year Ended June 30, 2009

	Self-Insurance Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers - Including Other Funds	\$ 6,039,044
Claims Paid	(6,039,044)
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<b>0</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>0</b>
CASH AND CASH EQUIVALENTS, JULY 1, 2008	0
CASH AND CASH EQUIVALENTS, JUNE 30, 2009	\$ 0
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (1,369)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
(Increase) Decrease in Assets	
Due from Others	558,528
Due from Other Funds	25,483
Increase (Decrease) in Liabilities	
Benefits Payable	(582,642)
<b>Net Cash Used by Operating Activities</b>	<b>\$ 0</b>

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
STATEMENT OF FIDUCIARY NET ASSETS  
AGENCY FUNDS  
June 30, 2009

	Agency Funds				Total Agency Funds
	Johnson City School Fund	Cities Sales Tax Fund	Constitutional Officers	Judicial Drug Task Force	
<b>ASSETS</b>					
Cash on Hand and in Bank	\$ -	-	6,038,451	-	6,038,451
Equity in Pooled Cash and Deposits	-	-	-	363,935	363,935
Accounts Receivable	-	-	23,818	5,140	28,958
Taxes Receivable	9,483,525	-	-	-	9,483,525
Allowance for Uncollectibles	(10,005)	-	-	-	(10,005)
Sales Tax Receivable	1,668,726	3,361,676	-	-	5,030,402
<b>TOTAL ASSETS</b>	<b>\$ 11,142,246</b>	<b>3,361,676</b>	<b>6,062,269</b>	<b>369,075</b>	<b>20,935,266</b>
<b>LIABILITIES</b>					
Due to Other Governments	\$ 11,142,246	3,361,676	26,470	364,898	14,895,290
Due to State	-	-	837,877	-	837,877
Due to Litigants, Heirs and Others	-	-	5,197,922	4,177	5,202,099
<b>TOTAL LIABILITES</b>	<b>\$ 11,142,246</b>	<b>3,361,676</b>	<b>6,062,269</b>	<b>369,075</b>	<b>20,935,266</b>

The Notes to the Financial Statements are an Integral Part of this Statement.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Washington County, Tennessee (the County), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described as follows:

A. Reporting Entity

Washington County, Tennessee, is a political subdivision of the State of Tennessee governed by an elected twenty-five member board. As required by GAAP, these financial statements present Washington County, Tennessee, and its component units. In evaluating how to define the government, for financial reporting purposes, the County's management has considered all potential component units. A component unit is an organization for which the County is financially accountable, or for which the nature and significance of their relationship with the County is such that exclusion from the County's financial statements would cause them to be misleading or incomplete. The decision to include a potential component unit in the reporting entity was made by applying the criteria as set forth in GAAP. The basic criterion of financial accountability between the County and a potential component unit is demonstrated if the County's governing body appoints a voting majority of the organization's governing body and is also able to significantly influence the programs, projects, activities or level of services performed or provided by the organization. Another manifestation of financial accountability is an organization that is fiscally dependent on the County. The component units discussed below are included in the County's reporting entity because the County's management has determined that the County is financially accountable for those organizations.

**Discretely Presented Component Units** - The Component Units column in the financial statements includes the financial data of the Washington County Board of Education and the Washington County Emergency Communications District. They are reported in separate columns to emphasize that they are legally separate from the County. Both of the discretely presented component units serve the geographic area of Washington County, and their corporate charters grant them legally separate corporate powers. The Washington County Board of Education is fiscally dependent upon Washington County, which requires presentation as a discrete component unit of the County. The Washington County Board of Education may not issue debt without County approval and its budget and property tax levy are subject to County approval. The Board of Education's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Board of Education uses the *current financial resource measurement focus* and the *modified accrual basis of accounting*. Complete financial statements are not prepared by the Board of Education; therefore, a complete set of statements is included in the supplementary information for Washington County. The Washington County Emergency Communications District (WCECD) is not fiscally dependent on Washington County. However, all of the Board of Directors are appointed by the County Mayor; therefore, the County has the ability to significantly influence the activities of the WCECD. In addition, the WCECD must obtain County Commission approval before the issuance of most debt. WCECD utilizes the *economic resources measurement focus* and the *full accrual basis of accounting*.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (continued)

Complete financial statements of WCECD may be obtained from their administrative offices at:

Washington County Emergency Communications District  
P.O. Box 448  
Johnson City, Tennessee 37605

**Joint Ventures and Jointly Governed Organizations** - The County is a participant with the City of Johnson City in joint ventures to operate the Washington County-Johnson City Animal Shelter, the Washington County-Johnson City Emergency Medical Services, Inc. - Ambulance Division and the Johnson City/Jonesborough/Washington County Economic Development Board, Inc. Washington County is also a participant with six other counties to operate and govern the Upper East Tennessee Juvenile Detention Center. In conjunction with Johnson City, Tennessee; Kingsport, Tennessee; Bristol, Tennessee; Bristol, Virginia and Sullivan County, Tennessee, Washington County jointly owns and administers the Tri-Cities Regional Airport, TN-VA. Detailed disclosures for the year ended are included in Note 5.A. Jointly governed organizations include the East Tennessee Regional Agribusiness Marketing Authority and the Upper East Tennessee Educational Cooperative.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets, statement of activities, and the statement of changes in net assets) 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. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The Washington County Board of Education 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 or segment 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*.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (continued)

Washington County issues all debt for the discretely presented component unit, Washington County Board of Education. During prior years, the County issued \$4,275,000 of refunding bonds for school purposes. These transactions are being accounted for in the Debt Service Fund (major fund) of the primary government. The County also issued \$105,675,000 of local improvement bonds for school purposes. These proceeds were shared with the City of Johnson City based on average daily attendance. The transactions are being accounted for in the Capital Projects Fund (major fund) of the primary government. Separate financial statements are provided for governmental funds, proprietary fund (internal service) and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements since these funds are held by County as an agency for others and do not actually belong to the County. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund 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.

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 are 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for local revenues, 120 days for state-shared revenues, and 360 days for grant revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Certain revenues are required to be recognized as a receivable at June 30 either as revenue or deferred revenue, depending upon revenue recognition policies of the entity. The following items for the County are recorded: Property tax, In-Lieu of tax: TVA, State Beer Tax, Telecommunications, Income Tax, Local Beer Tax, Mixed Drink and Gasoline Tax. Litigation tax, business tax, bank excise tax, fines, forfeitures and penalties and performance bond forfeiture are required to be recognized; however, they are not measurable or estimatable and are not generally material to the financial statements. Therefore, they are not recognized as revenue until received.

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

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *highway fund* is used to account for transactions of the County Highway Department. The major source of funding for this is state gasoline taxes.

The *capital projects fund* accounts for financial resources used for the acquisition of major capital facilities related to the operation of the County.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The County also reports an internal service fund to account for health insurance provided to other departments of the County on a cost reimbursement basis.

An additional fund type the County reports is an agency fund, which is a fiduciary fund. An agency fund generally is used to account for assets that the County holds on behalf of others as their agent. The County currently has four agency funds: Johnson City School Fund, Cities Sales Tax Fund, Constitutional Officers and Judicial Drug Task Force. All agency funds use the accrual basis of accounting.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The discretely presented component unit, Washington County Board of Education, reports the following major governmental fund:

General Purpose School Fund – This fund is the primary operating fund for the Board of Education.

Additionally, the Washington County Board of Education reports the following fund type:

Special Revenue Funds – The funds account for the proceeds of specific revenue sources that are legally restricted for a specific purpose.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance for the WCECD, a component unit and proprietary fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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, including special assessments. 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 non-operating items. The County has one proprietary fund. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the County's internal service fund are self-insurance expenses. Operating expenses for the internal service fund include various self-insured insurance program expenses.

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

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

For the purposes of the statement of cash flows of the internal service fund, cash includes equity in pooled cash and deposits.

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 Treasurers' 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 component unit, Washington County Board of Education. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Deposits. Certificates of Deposits are reported at cost. All other investments are reported at fair value.

2. Taxes Receivable

Property taxes receivable on file in the Trustee's office are presented on the balance sheet of government funds and the statement of net assets with offsetting unearned revenue to reflect amounts not available as of June 30, 2009. Property taxes are levied on October 1 on property values assessed as of January 1. After March 1, the tax bill becomes delinquent and penalty and interest are assessed. Property taxes are declared to be a lien on the property after the 1<sup>st</sup> of January of the assessment year. The allowance for uncollectible taxes represents the estimated amount of the receivable, which will be filed in court for collection, based on historical rates. Delinquent taxes filed in court for collection are included in taxes receivable and the offsetting account, deferred revenue.

3. Inventories and Prepaid Items

Inventories are valued at cost using a first-in, first-out method. Items are recorded as expenditures when consumed rather than when purchased.

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

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Capital Assets

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition. Capital assets, including property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and library books), 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 more than \$5,000 for all assets other than infrastructure, which is a cost of \$50,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Library books are not being depreciated, as books are inexhaustible assets.

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

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

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements	20
System Infrastructure	40
Vehicles	5-10
Office Equipment	5-7
Computer Equipment	5

5. Compensated Absences

It is the government'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 the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay and compensatory time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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.

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.

Only the portion 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 are recognized to the extent that the liabilities have matured (come due for payment) each period.

7. Interfund Transactions

All interfund transactions are reported as transfers or due to/from.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Net Assets and Fund Equity

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

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

As of June 30, 2009, the County had \$135,650,000 in outstanding debt for capital purchases purposed for the discretely presented Washington County Board of Education and the City of Johnson City Public School System. In accordance with state statutes, certain County school debt proceeds must be shared with other public school systems within the county (City of Johnson City Public School System) based on an average daily attendance proration. This debt is a liability of the County, but the capital assets acquired are reported in the financial statements of the Washington County Board of Education and the City of Johnson City Public School System. This resulted in (\$106,349,776) in Unrestricted Net Assets to be reflected for the Primary Government.

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.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 2 - 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

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net assets-governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

	<u>Primary Government</u>	<u>Component Unit</u>
Bonds Payable	\$ (149,935,000)	-
Less: Deferred Charge on Refunding (net of amortization of \$361,442 recorded as interest expense)	817,104	-
Add: Bond Premium (net of amortization of \$1,326,023 recorded as interest expense)	(5,313,252)	-
Notes Payable	(9,301,066)	-
Lease Payable	(12,647)	-
Contingent Liability	(250,000)	-
Compensated Absences	<u>(1,251,080)</u>	<u>(140,085)</u>
 Net adjustment to reduce <i>fund balance-total governmental funds</i> to arrive at <i>net assets-governmental activities</i>	 \$ <u>(165,245,941)</u>	 <u>(140,085)</u>

Another element of that reconciliation explains that “revenue for amounts not received during the period of availability and, therefore, not considered “available” has been deferred in the funds.” The details of this difference are as follows:

	<u>Primary Government</u>	<u>Component Unit</u>
Property Taxes	\$ 1,960,595	608,564
Income Taxes	106,925	-
Beer Taxes	4,268	-
Federal Prison Board	468,309	-
State Prison Board	147,945	-
Local Tax Revenue	<u>69,500</u>	<u>-</u>
 Net adjustment to increase <i>fund balance-total governmental funds</i> to arrive at <i>net assets-governmental activities</i>	 \$ <u>2,757,542</u>	 <u>608,564</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances-total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net assets.” The details of this (\$9,701,051) difference are as follows:

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	\$ 1,189,000
Contributions of capital assets decrease net assets in the statement of activities, but do not appear in the governmental funds because they do not require the use of current financial resources.	(10,817,177)
The statement of activities reports <i>losses</i> arising from the disposal of capital assets. Conversely, governmental funds do not report any gain or loss on disposals of capital assets.	<u>(72,874)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	\$ <u>(9,701,051)</u>

Another element of that reconciliation states that “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$3,796,710 difference are as follows:

Debt Issued or Incurred:	
Issuance of Capital Outlay Notes	\$ 152,000
Principal Repayments:	
General Obligation Debt	3,937,767
Capital Leases	<u>10,943</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	\$ <u>3,796,710</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)

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 (continued)

Another element of that reconciliation states that “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 governmental funds.” The details of this \$184,131 difference are as follows:

Prior year Accrued Interest	\$ 862,539
Current year Accrued Interest	(833,224)
Amortization of Bond Issuance Costs	(58,847)
Amortization of Bond Premiums	295,804
Amortization of Deferred Charge on Refunding	<u>(82,141)</u>

Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*.

\$ 184,131

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the District Attorney General Fund (special revenue fund) and the Constitutional Officers – Fees fund (special revenue fund) which are not budgeted, and the capital projects fund, 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.

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

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

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

B. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the County Commission in the following appropriation categories in the following funds:

<u>Fund / Major Category</u>	<u>Amount Overspent</u>
General Fund:	
Drug Court	\$ 15,159
Federal Asset Forfeiture	2,083
Other Emergency Management	4,913
Economic and Community Development	17,332
Highway Fund:	
Employee Benefits	41,084
Board of Education:	
General Purpose School Fund	
Vocational Education	12,460
Adult Education Program	1,092
Operation of Plant	155,554
Community Service	6,588
Capital Outlay	12,441

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The captions on the statement of net assets related to cash and deposits are as follows for Washington County and its discretely presented component units:

	<u>Washington County</u>	<u>Washington County Board of Education</u>	<u>Washington County Emergency Communications</u>
Equity in Pooled Cash and Deposits	\$ 30,776,904	4,013,213	-
Cash and Cash Equivalents	<u>2,440,219</u>	<u>465,541</u>	<u>588,599</u>
	<u>\$ 33,217,123</u>	<u>4,478,754</u>	<u>588,599</u>

Agency Funds

Equity in Pooled Cash and Deposits	\$ 363,935
Cash on Hand and in Bank	<u>6,038,451</u>
	<u>\$ 6,402,386</u>

Washington County and the Washington County Board of Education maintain a cash and deposits pool through the office of the County Trustee.

The Washington County Trustee is the treasurer of the County and in this capacity, is responsible for receiving, disbursing, depositing and investing most County funds.

Each fund type's portion of this pool is displayed on the balance sheet as "Equity in Pooled Cash and Deposits." "Cash" reflected on the balance sheet represents non-pooled amounts held separately by individual funds.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Cash on the statement of net assets includes demand deposits, certificates of deposit with a maturity date of less than twelve months, and passbook savings accounts.

Various restrictions on deposits and investments, including repurchase agreements, are imposed by state statutes. These restrictions are summarized as follows:

DEPOSITS - All deposits with financial institutions must be collateralized in an amount equal to 105% of the market value of uninsured deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the County.

The County does not have a policy for interest rate risk or other credit risk other than pledging securities for amounts in excess of FDIC coverage.

Separate disclosures concerning carrying amounts and bank balances of pooled deposits cannot be made for Washington County and the discretely presented Washington County Board of Education since both pool their deposits and investments through the County Trustee. The carrying amount of Washington County's, including the agency funds, and the Washington County Board of Education's deposits with financial institutions were \$35,154,052 and the bank balance was \$26,099,699. Overnight repurchase agreements are included in deposits rather than in investments. There were no overnight repurchase agreements on June 30, 2009.

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

In addition to the above County deposits, the following deposits were held for operations. The balances are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Primary Government:		
Cash in Bank - Others (Elected Officials Accounts)	\$ <u>6,323,222</u>	<u>7,166,858</u>
Cash with Paying Agent - Bond Proceeds	\$ <u>2,146,066</u>	<u>2,146,066</u>
Component Unit:		
Washington County Emergency Communications District	\$ <u>588,599</u>	<u>635,034</u>
Washington County Board of Education - School Food Service	\$ <u>465,541</u>	<u>539,211</u>

All of the County and its component units' deposits were collateralized with the State of Tennessee Collateral Pool or insured by the FDIC.

INVESTMENTS - Counties are authorized to make direct investments in bonds, notes or treasury 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 the State law are followed. Counties are also authorized to make investments in the State Pooled Investment Fund 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 2% below the market value of the securities on the day of purchase.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

These investments are being held by a paying agent as a result of bond proceeds not yet disbursed.

*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 maturities of certain investments as previously disclosed. The 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. The County has no investment policy that would further limit its investment choices.

B. Receivables

	General	Highway	Debt Service	Capital Projects	Nonmajor and Other	Internal Service	Total Primary Government	Component Units	Reporting Entity Total (Memorandum Only)
Sales Tax	\$ -	-	-	-	-	-	-	2,071,386	2,071,386
Property Tax	20,399,091	4,988,738	12,073,843	-	1,206,889	-	38,668,561	11,766,296	50,434,857
Due from Others	464,169	13,657	6,215	1,024	20,681	214,093	719,839	-	719,839
Intergovernmental	1,645,108	87,733	-	-	36,986	-	1,769,827	667,965	2,437,792
Gross Receivables	22,508,368	5,090,128	12,080,058	1,024	1,264,556	214,093	41,158,227	14,505,647	55,663,874
Less: Allowance for Uncollectibles	(21,153)	(4,841)	(12,743)	-	(1,276)	-	(40,013)	(12,420)	(52,433)
Net Total Receivables	<u>\$ 22,487,215</u>	<u>5,085,287</u>	<u>12,067,315</u>	<u>1,024</u>	<u>1,263,280</u>	<u>214,093</u>	<u>41,118,214</u>	<u>14,493,227</u>	<u>55,611,441</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Property taxes are levied as of the first Monday in October and the lien date is January 1. 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. Numerous additional costs attach to delinquent taxes after court suit has been filed.

Revenues from property taxes are recognized on the accrual basis. Taxes receivable on file in the Trustee's office in the amount of \$50,434,857 are presented on the statement of net assets with an allowance for uncollectibles and an offsetting contra-account, for the unearned portion as indicated below.

Tennessee Code Annotated Section 67-1326 provides for a ten year limitation on the collection of delinquent land taxes.

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. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Primary Government</u>		<u>Component Unit</u>	
	<u>Unavailable</u>	<u>Unearned</u>	<u>Unavailable</u>	<u>Unearned</u>
Receivables not received within period of availability:				
Property Taxes Receivable:				
General Fund	\$ 1,036,486	18,984,573	-	-
Highway Fund	237,222	4,342,693	-	-
Debt Service Fund	624,385	11,436,692	-	-
Solid Waste Fund	62,502	1,143,109	-	-
General Purpose School Fund	-	-	608,564	11,145,312
Beer Tax (General Fund)	4,268	-	-	-
Income Tax Receivable (General Fund)	106,925	-	-	-
Federal Prisoner Board (General Fund)	468,309	-	-	-
State Prisoner Board (General Fund)	147,945	-	-	-
Local Tax Revenue (General Fund)	69,500	-	-	-
	<u>\$ 2,757,542</u>	<u>35,907,067</u>	<u>608,564</u>	<u>11,145,312</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets  
**Primary Government**

Capital asset activity for the year ended June 30, 2009 is as follows:

	Beginning Balance	Increases	Decreases	Transfers/ Adjustments	Ending Balance
Capital Assets, Not Being Depreciated					
Land	\$ 3,026,957	-	-	-	3,026,957
Library Infrastructure	769,587	74,838	(153,889)	-	690,536
Construction in Progress	11,433,043	22,238,825	-	(33,569,561)	102,307
<b>Total, Capital Assets, Not Being Depreciated</b>	<b>15,229,587</b>	<b>22,313,663</b>	<b>(153,889)</b>	<b>(33,569,561)</b>	<b>3,819,800</b>
Capital Assets, Being Depreciated					
Buildings and Improvements	20,330,789	-	-	22,752,384	43,083,173
Furniture and Fixtures	85,184	-	-	-	85,184
Office Machinery and Equipment	1,710,412	51,646	-	-	1,762,058
Machinery and Equipment	14,281,650	1,092,404	(228,773)	-	15,145,281
Roads and Bridges	46,073,971	1,189,000	-	-	47,262,971
<b>Total, Capital Assets, Being Depreciated</b>	<b>82,482,006</b>	<b>2,333,050</b>	<b>(228,773)</b>	<b>22,752,384</b>	<b>107,338,667</b>
Less Accumulated Depreciation for					
Buildings and Improvements	(7,525,127)	(565,762)	-	-	(8,090,889)
Furniture and Fixtures	(74,243)	(2,351)	-	-	(76,594)
Office Machinery and Equipment	(1,471,918)	(79,989)	-	-	(1,551,907)
Machinery and Equipment	(9,722,849)	(1,037,325)	234,949	-	(10,525,225)
Roads and Bridges	(16,379,932)	(1,167,008)	-	-	(17,546,940)
<b>Total Accumulated Depreciation</b>	<b>(35,174,069)</b>	<b>(2,852,435)</b>	<b>234,949</b>	<b>0</b>	<b>(37,791,555)</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>47,307,937</b>	<b>(519,385)</b>	<b>6,176</b>	<b>22,752,384</b>	<b>69,547,112</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 62,537,524</b>	<b>21,794,278</b>	<b>(147,713)</b>	<b>(10,817,177)</b>	<b>73,366,912</b>

Note 1: The \$(10,817,777) adjustment from Construction in Progress is due to the transfer of the construction of new schools and school renovations from the Primary Government to the Discretely Presented Component Unit - Washington County Board of Education. The remaining (\$22,752,384) is due to the transfer of the Detention Center to the buildings and improvements asset account.

Note 2: The amount of additions to capital assets and total capital outlay differs due to Library infrastructure items being recorded in supply expense accounts within the Library fund and a new capital lease with payments recorded in rental expense accounts within the General fund.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

**Primary Government (continued)**

Depreciation Expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

General Government	\$ 865,348
Sheriff's Department	433,954
Highways and Streets, including Depreciation of General Infrastructure Assets	1,471,039
Library	21,290
Sanitation	<u>60,804</u>
Total Depreciation Expense-Governmental Activities	<u><u>\$ 2,852,435</u></u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

**Discretely Presented Component Units**

Washington County Board of Education

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers/ Adjustments</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated					
Land	\$ 1,888,432	-	-	-	1,888,432
Construction In Progress	50,214,552	10,817,177	-	(39,635,503)	21,396,226
<b>Total Capital Assets, Not Being Depreciated</b>	<b>52,102,984</b>	<b>10,817,177</b>	<b>0</b>	<b>(39,635,503)</b>	<b>23,284,658</b>
Capital Assets, Being Depreciated					
Buildings and Improvements	57,608,384	198,969	-	39,635,503	97,442,856
Furniture and Fixtures	1,020,249	-	-	-	1,020,249
Office Machinery and Equipment	538,113	33,626	-	-	571,739
Machinery and Equipment	12,952,155	488,070	-	-	13,440,225
<b>Total, Capital Assets Not Being Depreciated</b>	<b>72,118,901</b>	<b>720,665</b>	<b>0</b>	<b>39,635,503</b>	<b>112,475,069</b>
Less Accumulated Depreciation for					
Buildings and Improvements	(21,730,758)	(2,522,092)	-	-	(24,252,850)
Furniture and Fixtures	(975,568)	(24,520)	-	-	(1,000,088)
Office Machinery and Equipment	(520,608)	(13,681)	-	-	(534,289)
Machinery and Equipment	(10,214,172)	(589,478)	-	-	(10,803,650)
<b>Total Accumulated Depreciation</b>	<b>(33,441,106)</b>	<b>(3,149,771)</b>	<b>0</b>	<b>0</b>	<b>(36,590,877)</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>38,677,795</b>	<b>(2,429,106)</b>	<b>0</b>	<b>39,635,503</b>	<b>75,884,192</b>
<b>Washington County Board of Education Capital Assets, Net</b>	<b>\$ 90,780,779</b>	<b>8,388,071</b>	<b>0</b>	<b>0</b>	<b>99,168,850</b>

Note: The adjustment is due to transfer of construction in progress from the Primary Government.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

**Discretely Presented Component Units (Continued)**

Washington County Emergency Communications District, Proprietary Fund Type

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Being Depreciated				
Building Improvements	\$ 498,231	-	(3,799)	494,432
Vehicles	41,962	-	-	41,962
Office Equipment	945,742	156,228	(96,758)	1,005,212
Furniture and Fixtures	56,468	398	-	56,866
Total, Capital Assets				
Being Depreciated	<u>1,542,403</u>	<u>156,626</u>	<u>(100,557)</u>	<u>1,598,472</u>
Less Accumulated Depreciation for				
Building Improvements	(235,306)	(24,976)	3,799	(256,483)
Vehicles	(19,076)	(6,392)	-	(25,468)
Office Equipment	(741,145)	(101,528)	96,758	(745,915)
Furniture and Fixtures	(50,398)	(1,156)	-	(51,554)
Total Accumulated Depreciation	<u>(1,045,925)</u>	<u>(134,052)</u>	<u>100,557</u>	<u>(1,079,420)</u>
Total, Capital Assets				
Being Depreciated, Net	<u>\$ 496,478</u>	<u>22,574</u>	<u>0</u>	<u>519,052</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Construction Commitments

At June 30, 2009, the County had an estimated \$2,000,000 in uncompleted construction contracts for school improvement projects and a justice center in the Capital Projects fund. Funding has been provided for these expenditures through the issuance of debt and operating transfers from the general fund.

E. Operating Leases

Washington County is committed under leases for several copiers and storage facilities. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2009 amount to \$58,133. Future minimum lease payments are as follows:

Year Ending June 30	Amount
2010	\$ 37,446
2011	23,296
2012	16,921
2013	8,255
Total	<u>\$ 85,918</u>

Washington County Board of Education is committed under a lease for a copier. The lease is considered for accounting purposes to be an operating lease. Lease expenditures for the year ended June 30, 2009 amount to \$2,575. Future minimum lease payments are as follows:

Year Ending June 30	Amount
2010	\$ 1,931
Total	<u>\$ 1,931</u>

F. Capital Leases

During 2003, the County entered into lease agreements for copy equipment for the Circuit Court, Health Department, and County Office. The lease agreements qualify as capital leases for accounting purposes (bargain purchase options) and therefore, have been recorded at the present value of their future minimum lease payments as of the inception dates.

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Capital Leases (Continued)

The assets acquired through capital leases are as follows:

Copy Equipment	\$ 29,899
Less: Accumulated Depreciation	<u>(19,434)</u>
Total	<u>\$ 10,465</u>
Copy Equipment	\$ 10,431
Less: Accumulated Depreciation	<u>(6,867)</u>
Total	<u>\$ 3,564</u>
Copy Equipment	\$ 12,443
Less: Accumulated Depreciation	<u>(7,777)</u>
Total	<u>\$ 4,666</u>

During 2005, the County entered into a lease agreement for copy equipment for the Sheriff's department. The lease agreement qualifies as a capital lease for accounting purposes (minimum lease payments equal or exceed fair market value) and therefore, has been recorded at the present value of its future minimum lease payments as of the date of the inception of the lease.

The asset acquired through the capital lease is as follows:

Copy Equipment	\$ 48,237
Less: Accumulated Depreciation	<u>(38,590)</u>
Total	<u>\$ 9,647</u>

During 2006, the County entered into a lease agreement for copy equipment for County Court Clerk. The lease agreement qualifies as a capital lease for accounting purposes (bargain purchase options) and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Copy Equipment	\$ 5,500
Less: Accumulated Depreciation	<u>(3,667)</u>
Total	<u>\$ 1,833</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Capital Leases (Continued)

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2009, are presented in section G of this footnote.

G. Long-Term Debt

The following is a summary of bonds, notes and other long-term obligations comprising general long-term debt for the fiscal year ended June 30, 2009.

Governmental Activities

	Balance Beginning of Year	Additions	Retirements / Reductions	Balance End of Year	Due Within One Year
Governmental Activities					
Primary Government					
General Obligation Bonds	\$ 152,410,000	-	(2,475,000)	149,935,000	2,920,000
Less: Deferred Amounts on Refunding	(899,245)	-	82,141	(817,104)	-
Add: For Issuance of Premium	5,609,056	-	(295,804)	5,313,252	-
Total General Obligation Bonds	157,119,811	-	(2,688,663)	154,431,148	2,920,000
Capital Outlay Notes	10,611,833	152,000	(1,462,767)	9,301,066	1,261,734
Capital Leases	23,591	-	(10,943)	12,648	11,414
Compensated Absences	1,112,655	138,425	-	1,251,080	159,911
Contingent Liability	250,000	-	-	250,000	250,000
Primary Government Long-Term Liabilities	<u>\$ 169,117,890</u>	<u>290,425</u>	<u>(4,162,373)</u>	<u>165,245,942</u>	<u>4,603,059</u>
Component Unit					
Compensated Absences	134,229	5,856	-	140,085	140,085
Component Unit Long-Term Liabilities	<u>\$ 134,229</u>	<u>5,856</u>	<u>0</u>	<u>140,085</u>	<u>140,085</u>

	Date Issued	Date Matures	Amount Issued	Interest Rate	Outstanding June 30, 2009
<u>Leases Payable</u>					
Sheriff Copier	6/30/2005	6/30/2010	\$ 48,237	2.13%	\$ 10,045
County Court Clerk Copier	3/8/2006	3/8/2011	5,500	21.23%	2,602
Total					<u>\$ 12,647</u>

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

Leases Payable (Continued)

Copy Equipment - Sheriff

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ <u>10,045</u>	<u>116</u>	<u>10,161</u>

County Court Clerk Copier

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,369	424	1,793
2011	<u>1,234</u>	<u>112</u>	<u>1,346</u>
Total	\$ <u>2,603</u>	<u>536</u>	<u>3,139</u>

Total future minimum lease obligations are as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 11,414	540	11,954
2011	<u>1,234</u>	<u>112</u>	<u>1,346</u>
Total	\$ <u>12,648</u>	<u>652</u>	<u>13,300</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

<u>Bonds Payable</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2009</u>
School Construction Bonds	09/15/04	06/30/18	\$ 19,700,000	2.70-5.00%	19,575,000
School Construction Bonds	01/23/07	06/01/37	105,675,000	4.37-5.00%	105,675,000
Refunding Bonds	01/23/07	06/01/18	4,275,000	4.37-5.00%	4,275,000
Justice Center Construction Bond	01/23/07	06/01/35	20,410,000	4.37-5.00%	<u>20,410,000</u>
Total					<u>\$ 149,935,000</u>

School Construction Bonds issued September 15, 2004, debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 2,920,000	978,750	3,898,750
2011	2,370,000	832,750	3,202,750
2012	2,520,000	714,250	3,234,250
2013	1,970,000	588,250	2,558,250
2014	1,815,000	489,750	2,304,750
2015-2018	<u>7,980,000</u>	<u>985,000</u>	<u>8,965,000</u>
Total	<u>\$ 19,575,000</u>	<u>4,588,750</u>	<u>24,163,750</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

Bonds Payable (Continued)

School Construction Bonds issued January 23, 2007 debt service requirements to maturity are as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ -	4,929,256	4,929,256
2011	-	4,929,256	4,929,256
2012	-	4,929,256	4,929,256
2013	-	4,929,256	4,929,256
2014	-	4,929,256	4,929,256
2015-2019	3,420,000	24,646,282	28,066,282
2020-2024	19,700,000	22,057,331	41,757,331
2025-2029	25,075,000	16,672,419	41,747,419
2030-2034	31,645,000	10,111,225	41,756,225
2035-2037	<u>25,835,000</u>	<u>2,421,007</u>	<u>28,256,007</u>
Total	<u>\$105,675,000</u>	<u>100,554,544</u>	<u>206,229,544</u>

Refunding Bonds issued January 23, 2007, debt service requirements to maturity are as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ -	204,250	204,250
2011	-	204,250	204,250
2012	-	204,250	204,250
2013	150,000	204,250	354,250
2014	435,000	198,250	633,250
2015-2018	<u>3,690,000</u>	<u>540,100</u>	<u>4,230,100</u>
Total	<u>\$ 4,275,000</u>	<u>1,555,350</u>	<u>5,830,350</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

Bonds Payable (Continued)

Justice Center Construction Bonds issued January 23, 2007 debt service requirements to maturity are as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ -	954,331	954,331
2011	160,000	954,331	1,114,331
2012	165,000	947,931	1,112,931
2013	230,000	941,331	1,171,331
2014	240,000	932,131	1,172,131
2015-2019	1,800,000	4,491,906	6,291,906
2020-2024	4,195,000	3,805,756	8,000,756
2025-2029	5,340,000	2,660,219	8,000,219
2030-2034	6,745,000	1,261,781	8,006,781
2035	<u>1,535,000</u>	<u>67,158</u>	<u>1,602,158</u>
Total	<u>\$20,410,000</u>	<u>17,016,875</u>	<u>37,426,875</u>

Total bond debt service requirements to maturity are as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 2,920,000	7,066,587	9,986,587
2011	2,530,000	6,920,587	9,450,587
2012	2,685,000	6,795,687	9,480,687
2013	2,350,000	6,663,088	9,013,088
2014	2,490,000	6,549,388	9,039,388
2015-2019	16,890,000	30,663,288	47,553,288
2020-2024	23,895,000	25,863,088	49,758,088
2025-2029	30,415,000	19,332,638	49,747,638
2030-2034	38,390,000	11,373,006	49,763,006
2035-2037	<u>27,370,000</u>	<u>2,488,162</u>	<u>29,858,162</u>
Total	<u>\$149,935,000</u>	<u>123,715,519</u>	<u>273,650,519</u>

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

Capital Outlay Notes

	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2009</u>
Highway Department Capital Outlay	03/25/03	03/25/10	\$ 211,000	3.05%	\$ 30,400
Education Department Capital Outlay	04/29/03	04/29/15	4,742,000	1.46-3.80%	2,372,000
Education Department Capital Outlay	09/15/05	09/15/17	5,000,000	3.20-3.80%	3,753,000
Highway Department Capital Outlay	08/23/06	07/23/09	235,000	4.09%	77,000
General Capital Outlay	05/15/07	09/15/08	3,500,000	4.079%	2,916,666
Highway Department Capital Outlay	11/24/08	11/24/11	152,000	2.89%	<u>152,000</u>
Total					<u>\$ 9,301,066</u>

Highway Department Capital Outlay Note payable issued March 25, 2003, debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ <u>30,400</u>	<u>927</u>	<u>31,327</u>

Education Department Capital Outlay Note payable issued April 29, 2003, debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 395,000	84,409	479,409
2011	395,000	71,571	466,571
2012	395,000	57,943	452,943
2013	395,000	43,921	438,921
2014	395,000	29,701	424,701
2015	<u>397,000</u>	<u>15,087</u>	<u>412,087</u>
Total	<u>\$ 2,372,000</u>	<u>302,632</u>	<u>2,674,632</u>

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

Capital Outlay Notes (Continued)

Education Department Capital Outlay Note payable issued September 15, 2005, debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	417,000	127,081	544,081
2011	417,000	113,007	530,007
2012	417,000	98,725	515,725
2013	417,000	84,234	501,234
2014	417,000	69,535	486,535
2015-2019	<u>1,668,000</u>	<u>125,308</u>	<u>1,793,308</u>
Total	<u>\$ 3,753,000</u>	<u>617,890</u>	<u>4,370,890</u>

Highway Department Capital Outlay Note payable issued August 23, 2006, debt services requirements to maturity are as follows:

Fiscal Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	<u>\$ 77,000</u>	<u>3,149</u>	<u>80,149</u>

General Capital Outlay Note payable issued May 15, 2007, debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 291,667	118,971	410,638
2011	291,667	107,074	398,741
2012	291,667	95,177	386,844
2013	291,667	83,280	374,947
2014	291,667	71,383	363,050
2015-2019	<u>1,458,331</u>	<u>178,455</u>	<u>1,636,786</u>
Total	<u>\$ 2,916,666</u>	<u>654,340</u>	<u>3,571,006</u>

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Debt (Continued)

Capital Outlay Notes (Continued)

Highway Department Capital Outlay Note payable issued November 24, 2008, debt services requirements to maturity are as follows:

Fiscal Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 50,667	4,465	55,132
2011	50,667	2,967	53,634
2012	<u>50,666</u>	<u>1,486</u>	<u>52,152</u>
Total	\$ <u>152,000</u>	<u>8,918</u>	<u>160,918</u>

Total annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,261,734	339,002	1,600,736
2011	1,154,334	294,619	1,448,953
2012	1,154,333	253,331	1,407,664
2013	1,103,667	211,435	1,315,102
2014	1,103,667	170,619	1,274,286
2015-2019	<u>3,523,331</u>	<u>318,850</u>	<u>3,842,181</u>
Total	\$ <u>9,301,066</u>	<u>1,587,856</u>	<u>10,888,922</u>

Contingent Liability

The County is involved in a lawsuit in which the claimant seeks damages for injuries allegedly resulting from inadequate medical care while incarcerated at the Washington County Detention Center. The County denies any liability. This is a disputed matter, but the Plaintiff is more likely than not to recover. The County has a potential exposure of \$250,000. Accordingly, a provision for this liability that may result has been made in the financial statements.

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

**NOTE 4 - DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

The composition of interfund balances as of June 30, 2009, is as follows:

**Due to/from Other Funds**

	Payable Fund					Total
	General Fund	Capital Projects Fund	Highway Fund	Self Insurance Fund	Nonmajor Governmental Funds	
Receivable Fund						
General Fund	\$ -	-	61,513	1,669	440,005	503,187
Highway Fund	-	-	-	-	7,318	7,318
Debt Service	-	728	-	-	-	728
Capital Projects	639,300	-	-	-	-	639,300
Self-Insurance Fund	122,572	-	180,873	-	31,492	334,937
	<u>\$ 761,872</u>	<u>728</u>	<u>242,386</u>	<u>1,669</u>	<u>478,815</u>	<u>1,485,470</u>

**Interfund Transfers**

	Transfer In					Total
	General Fund	Highway Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	
Transfer Out						
General Fund	\$ -	-	-	1,400,477	542,446	1,942,923
Highway Fund	-	-	39,900	-	-	39,900
Capital Projects	-	152,000	1,640,703	-	-	1,792,703
Constitutional Officers	5,210,819	-	-	-	-	5,210,819
Total Transfers Out	<u>\$ 5,210,819</u>	<u>152,000</u>	<u>1,680,603</u>	<u>1,400,477</u>	<u>542,446</u>	<u>8,986,345</u>

The purposes for the interfund transfers noted above were to fund operations and remit excess fees and commissions.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION

A. Joint Ventures

Johnson City and Washington County, Tennessee, jointly own an animal shelter operated by the Washington County-Johnson City Animal Control Center. Washington County is responsible for funding 50% of any deficits from operations. Washington County contributed \$132,919 to the operations during the year ended June 30, 2009.

The Washington County-Johnson City Emergency Medical Services, Inc., - Ambulance Division receives revenue from Washington County and Johnson City, as well as patient billings. Washington County contributed \$1,291,272 to the operations during the year ended June 30, 2009.

Washington County is responsible for funding at least 30% of operations of the Johnson City/Jonesborough/Washington County Economic Development Board, Inc. Washington County contributed \$139,244 to the operations during the year ended June 30, 2009.

The Tri-Cities Airport is jointly owned and administered by Johnson City, Kingsport and Bristol, Tennessee; Bristol, Virginia; and Washington and Sullivan County, Tennessee. Washington County is a 20% owner and is represented by three of the twelve commissioners.

The Upper East Tennessee Juvenile Detention Center was formed through a cooperative agreement between the counties of Carter, Greene, Hawkins, Johnson, Sullivan, Unicoi and Washington. Each county mayor serves on the Board of Directors. The County contributed \$211,440 to the operations during the year ended June 30, 2009. Financial statements for the joint venture are not available. However, information about the management company operating the facility is available on their website as [www.uhsinc.com](http://www.uhsinc.com).

Complete financial statements for each of the individual joint ventures may be obtained at the administrative offices of:

Animal Control Center  
525 Sells Avenue  
Johnson City, TN 37601

Tri-Cities Airport Commission  
P.O. Box 1055  
Blountville, TN 37617

Emergency Medical Services  
Wesley Street  
Johnson City, TN 37601

Economic Development Board  
603 East Market Street  
Johnson City, TN 37601

Audited information for each of the above, as of June 30, 2009, is available at their respective administrative offices and is summarized below for each organization. All are presented on the accrual basis of accounting.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 5 - OTHER INFORMATION (CONTINUED)

A. Joint Ventures (Continued)

	Washington County Johnson City Animal Control Center	Emergency Medical Services - Ambulance Division	Johnson City/ Jonesborough/ Washington County Economic Development Board, Inc.	Tri-Cities Airport Commission
Operating Revenues	\$ 95,912	6,876,706	388,343	5,818,444
Operating Expenses	(496,607)	(7,901,923)	(401,298)	(5,431,972)
Depreciation	-	(408,728)	(1,193)	(2,855,601)
Amortization	-	-	-	(13,501)
Other Income (Expense)	371,359	1,865,257	25,972	781,318
Capital Contributions	-	-	-	7,485,388
Net Income(Loss) or Excess of Revenues and Other Sources over Expenditures Transferred to Fund Equity	(29,336)	431,312	11,824	5,784,076
Total Fund Equity, July 1	364,115	3,073,972	898,760	50,165,338
Prior Period Adjustments:				
Total Fund Equity, June 30	<u>\$ 334,779</u>	<u>3,505,284</u>	<u>910,584</u>	<u>55,949,414</u>
Total Assets	\$ 373,616	6,152,651	964,084	65,325,593
Total Liabilities	38,837	2,647,367	53,500	9,376,179
Total Fund Equity	<u>\$ 334,779</u>	<u>3,505,284</u>	<u>910,584</u>	<u>55,949,414</u>

B. Jointly Owned Organizations

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

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

B. Jointly Owned Organizations (Continued)

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

C. Risk Management

The County has chosen to establish reserves in the General Fund for Unemployment Compensation, General Liability and Health Insurance for risks associated with the related expenses. Assets are set aside for claim settlements. The Unemployment Compensation Reserve is used to set aside funds for future unemployment claims. The General Liability Reserve is used to provide additional reserves for general liabilities of the County.

Washington County carries insurance coverage through Tennessee Risk Management Trust and Tennessee Board of Educations Liability Trust for all commercial property, general liability, automobile liability, loss of money, miscellaneous contractors, and workman compensation insurance. The County carries additional coverage for public officials and a dishonesty policy through Jonesborough Insurance Agency. There was no reduction in insurance coverage from the prior year. During the past three years the settlements paid by the County for General Liabilities were as follows:

June 30, 2007	\$ 240
June 30, 2008	153
June 30, 2009	14,717

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

C. Risk Management (Continued)

As of July 1, 2006, Washington County chose to establish the Self-Insurance Fund for risks associated with the employees' health insurance plans. The Self-Insurance fund is accounted for as an internal service fund where assets are set aside for claim settlements. The County retains the risk of loss of \$125,000 per specific loss and \$3,000,000 in aggregate.

All full-time employees of the primary government are eligible to participate. A premium charge is allocated to each fund that accounts for its 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. Liabilities of the 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, 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. A reconciliation of claims for the years ended June 30, 2009 is as follows:

	2009
Claims Accrued at July 1	\$ 1,131,372
Claims Incurred	5,187,240
Claims Paid	<u>(5,769,882)</u>
Claims Accrued at June 30	<u>\$ 548,730</u>

In addition to the above insurance, the County provides vision and dental benefits. These costs are accounted for within the individual funds. The County retains the risk of loss of \$250 for vision benefits and \$800 for dental benefits per covered individual each year. A reconciliation of claims for the years ended June 30, 2009 and 2008 are as follows:

	2009	2008
Claims Accrued at July 1	\$ 412	\$ 207
Claims Incurred	250,905	283,423
Claims Paid	<u>(250,209)</u>	<u>(283,218)</u>
Claims Accrued at June 30	<u>\$ 1,108</u>	<u>\$ 412</u>

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

D. Retirement Plan

Plan Description

Employees of the County and the Washington County Emergency Communications District (WCECD) 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, Chapter 34-37 of the Tennessee Code Annotated (TCA). State statutes are amended by the Tennessee General Assembly. Political subdivisions such as the County and the WCECD 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 Tennessee Treasury Department, Consolidated Retirement System, 10th Floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at <http://www.tn.gov/treasury/tcrs/PS/>.

Funding Policy

Both Washington County and WCECD has adopted a noncontributory retirement plan for its employees by assuming employee contributions up to 5.0 percent of annual covered payroll.

The County is required to contribute at an actuarially determined rate; the rate for the fiscal year ending June 30, 2009 was 13.67% of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the County is established and may be amended by the TCRS Board of Trustees.

The WCECD is required to contribute at an actuarially determined rate; the rate for the fiscal year ending June 30, 2009 was 11.82% of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the WCECD is established and may be amended by the TCRS Board of Trustees.

WASHINGTON COUNTY, TENNESSEE  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

D. Retirement Plan (Continued)

Annual Pension Cost

For the year ending June 30, 2009, the County's annual pension cost of \$3,025,592 to TCRS was equal to County's required and actual contributions and the WCECD's annual pension cost of \$172,556 to TCRS was equal to the WCECD's required and actual contributions. The required contribution was determined as part of the July 1, 2007 actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post retirement increases of 3.0 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. Washington 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, 2007 was 8 years for the County and 11 years for WCECD. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

**Washington County**

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2009	\$ 3,025,592	100%	\$ 0
June 30, 2008	\$ 2,940,960	100%	\$ 0
June 30, 2007	\$ 2,807,436	100%	\$ 0

**WCECD**

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2009	\$ 172,556	100%	\$ 0
June 30, 2008	\$ 156,481	100%	\$ 0
June 30, 2007	\$ 142,622	100%	\$ 0

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

NOTE 5 - OTHER INFORMATION (CONTINUED)

D. Retirement Plan (Continued)

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the County's plan was 88.85% funded. The actuarial accrued liability for benefits was \$55.97 million, and the actuarial value of assets was \$49.73 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$6.2 million. The covered payroll was \$19.9 million, and the ratio of the UAAL to the covered payroll was 31.32%. The WCECD plan was 78.22% funded. The actuarial accrued liability for benefits was \$2.45 million, and the actuarial value of assets was \$1.91 million, resulting in an UAAL of \$0.54 million. The covered payroll (annual payroll of active employees covered by the plan) was \$1.27 million, and the ratio of the UAAL to the covered payroll was 42.01%.

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 (ARC) 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.

	(a)	(b) (AAL) Actuarial	(b) – (a)	(a/b)	(c)	((b-a)/c)
Actuarial Valuation Date	Actuarial Value of Assets	Accrued Liability -Entry Age	(UAAL) Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
July 1, 2007	\$ 49,734	\$ 55,976	\$ 6,242	88.85%	\$ 19,930	31.32%

	(a)	(b) (AAL) Actuarial	(b) – (a)	(a/b)	(c)	((b-a)/c)
Actuarial Valuation Date	Actuarial Value of Assets	Accrued Liability -Entry Age	(UAAL) Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
July 1, 2007	\$ 1,918	\$ 2,452	\$ 534	78.22%	\$ 1,271	42.01%

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

D. Retirement Plan (Continued)

Component Unit - Washington County Schools

Plan Description

The Washington County Schools contribute 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 the Tennessee Code Annotated (TCA). State statutes are amended by the Tennessee General Assembly. Cost of living adjustments (COLA) are 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 5.0% of salary to the plan. The employer contribution rate for Washington County Schools is established at an actuarially determined rate. The employer rate for the fiscal year ending June 30, 2009 was 6.42% of annual covered payroll. The employer contribution requirement for Washington County Schools is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ending June 30, 2009, 2008, and 2007 were \$1,844,488, \$1,685,290, and \$1,604,029 respectively, equal to the required contributions for each year.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

E. Postemployment Healthcare Plan

Plan Description

The Washington County Department of Education participates in the state – administered Teacher Group 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 Tennessee Code Annotated (TCA) 8-27-302. Prior to reaching the age of 65, all members have the option of choosing a preferred provider organization (PPO), point of service (POS), or health maintenance organization (HMO) plan for healthcare benefits. Subsequent to age 65, members who are also in the state’s retirement system may participate in a state-administered medicare supplement plan that does not include pharmacy. The plans are reported in the State of Tennessee Comprehensive annual financial report (CAFR). The CAFR is available on the state’s website at <http://tennessee.gov/finance/act/cafr.html>.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plans are self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in each plan develop their own contribution policy in terms of subsidizing active employees or retired employees’ premiums since the committee is not prescriptive on that issue.

Annual OPEB cost and Net OPEB Obligation

As of the date of this report, no annual OPEB cost, net OPEB obligation or funded status and funding process has been calculated or reflected in the financial statements.

F. On-Behalf Payments

As required by the Governmental Accounting Standards Board the on-behalf payments have been recorded for the teacher group insurance plan. The State of Tennessee makes a contribution (on-behalf payment) for retired teachers who participate in the State-administered Teacher Group Insurance Plan through TCRS as described in Note 5. D. The on-behalf payment for 2009 was \$246,341 and has been recorded as revenue and expenditure in the general purpose school fund.

G. Contingent Liabilities

The County is a defendant in various lawsuits. The outcome of these suits is not presently determinable, except for the lawsuit stated in Note 4.G. However, it is the opinion of the County Attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the County.

WASHINGTON COUNTY, TENNESSEE

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2009

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NOTE 5 - OTHER INFORMATION (CONTINUED)

H. Office of Central Accounting, Budgeting, and Purchasing

Washington County operates under provisions of the Fiscal Control Acts of 1957, which provides for a system of central accounting, budgeting, and purchasing covering funds administered by the County Mayor and the Highway Superintendent. These funds were maintained in the Office of Central Accounting and Purchasing under the supervision of the Director of Finance.

I. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's office are governed by the County Purchasing Law of 1957, Section 5-14-102 through 5-14-106, T.C.A., which provides for purchases in excess of \$5,000 to be made after public advertisement and competitive bidding.

Office of Road Superintendent

Purchasing procedures for the Highway Department are governed by provisions of the Uniform Road Law, Section 54-7-113, T.C.A., which provides for purchases in excess of \$10,000 to be made after public advertisement and competitive bidding.

Office of the Director of Schools

Purchasing procedures for the discretely presented Washington County Board of Education are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, T.C.A., which provides for the County Board of Education, through its executive committee (School Superintendent and Chairman of the Board of Education), to make all purchases. This statute requires that competitive bids be solicited through newspaper advertisement on all purchases estimated to exceed \$5,000.

**SECTION III**

**REQUIRED SUPPLEMENTARY INFORMATION**

WASHINGTON COUNTY, TENNESSEE  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis) (See Note A)	Final Budget- Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 19,956,701	19,956,701	20,359,297	402,596
Licenses and Permits	435,000	436,000	458,979	22,979
Fines, Forfeitures and Penalties	475,000	476,700	778,742	302,042
Charges for Current Services	582,000	582,000	778,744	196,744
Other Local Revenues	296,500	397,627	748,629	351,002
Revenue from State of Tennessee	3,244,712	3,646,961	3,719,664	72,703
Revenue from Federal Government	21,000	486,582	759,267	272,685
Revenue from Other Governments and Citizens Groups	625,000	625,000	1,103,143	478,143
<b>TOTAL REVENUES</b>	<b>25,635,913</b>	<b>26,607,571</b>	<b>28,706,465</b>	<b>2,098,894</b>
<b>EXPENDITURES AND ENCUMBRANCES</b>				
County Commission	168,376	168,376	156,634	11,742
Boards and Committees	500	500	-	500
Board of Equalization	7,680	7,680	7,261	419
County Mayor	196,822	196,822	187,365	9,457
County Attorney	48,875	48,875	47,241	1,634
Election Commission	691,738	766,996	638,118	128,878
Register of Deeds	487,081	487,081	412,400	74,681
Planning and Zoning	30,991	30,991	24,827	6,164
Codes Compliance	242,466	242,466	233,561	8,905
County Building	63,750	63,750	23,579	40,171
Other General Administration	2,541,071	2,706,091	2,424,548	281,543
Accounting and Budgeting	283,710	283,710	265,059	18,651
Purchasing	154,920	154,920	134,702	20,218
Property Assessor	467,105	467,105	405,023	62,082
Reappraisal Program	380,551	380,551	312,756	67,795
County Trustee	429,453	429,453	370,723	58,730
County Clerk	825,596	825,596	757,552	68,044
General Sessions Judge	365,558	365,558	358,988	6,570
Drug Court	-	-	15,159	(15,159)
Circuit Court	1,379,555	1,379,555	1,293,481	86,074
Chancery Court	562,440	568,277	550,802	17,475
District Attorney General	75,000	75,000	63,657	11,343
Judicial Court	245,665	245,665	196,433	49,232
Courtroom Security	452,971	452,971	446,575	6,396
Sheriff's Department	4,700,559	4,828,088	4,385,440	442,648
NETCIAU Grant	-	9,859	9,113	746
Substance Abuse Grant	-	133,314	133,314	-
NCIC Grant	-	5,236	3,513	1,723
Network Law Enforcement Grant	-	11,715	3,768	7,947
Jail	5,111,707	5,579,042	5,187,595	391,447
Juvenile Services	470,071	470,071	461,550	8,521
Work Release Program	13,104	13,104	11,859	1,245
Federal Asset Forfeiture	15,000	22,000	24,083	(2,083)
JAG Grant	-	19,636	15,008	4,628
Fire Protection and Control	835,000	835,000	835,000	-
Civil Defense	109,058	109,058	109,058	-
Hazardous Materials	-	11,400	10,156	1,244
Rescue Squad	74,300	74,300	74,300	-

(Continued)

WASHINGTON COUNTY, TENNESSEE  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>EXPENDITURES AND ENCUMBRANCES</b>				
<b>(CONTINUED)</b>				
Other Emergency Management	11,400	374,446	379,359	(4,913)
County Coroner	133,862	140,164	135,017	5,147
School Resource Officer	-	2,000	1,510	490
Other Public Safety	43,744	40,036	40,036	-
County Health Center	788,813	845,313	801,720	43,593
Local Health Center Grant	789,256	789,256	760,578	28,678
Rabies and Animal Control	132,919	132,919	132,919	-
Ambulance Service	1,291,272	1,291,272	1,291,272	-
Alcohol and Drug Program	12,132	12,132	6,066	6,066
Regional Mental Health Center	65,250	65,250	65,250	-
Public Welfare	96,200	107,200	103,600	3,600
Aid to Dependent Children	5,000	45,000	45,000	-
Sanitation Education	53,076	71,032	49,210	21,822
Senior Citizen's Assistance	139,977	139,977	139,977	-
Libraries	127,500	127,500	127,500	-
Social, Cultural and Recreational	15,000	15,000	15,000	-
National Storytelling	50,000	50,000	50,000	-
Agriculture Extension Service	233,570	233,570	217,008	16,562
Forest Service	1,500	1,500	1,500	-
Soil Conservation	73,448	73,448	72,104	1,344
Storm Water Management	84,370	84,370	75,220	9,150
Agriculture and Natural Resources	17,040	17,040	11,998	5,042
Tourism	6,971	6,971	6,971	-
Industrial Development	141,947	141,947	139,244	2,703
Economic and Community Development	21,250	21,250	38,582	(17,332)
Transportation	13,000	13,000	13,000	-
Contributions to Other Agencies	68,200	68,200	61,495	6,705
Employee Benefits	4,550,000	6,722,800	5,577,574	1,145,226
Judgments	25,000	25,000	14,717	10,283
Emergency Communications District	546,246	546,246	546,246	-
Capital Outlay	438,000	776,293	720,674	55,619
<b>TOTAL EXPENDITURES AND ENCUMBRANCES</b>	<b>31,406,616</b>	<b>35,449,944</b>	<b>32,230,548</b>	<b>3,219,396</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to Library Fund	(453,935)	(453,935)	(453,935)	-
Transfer to Other Funds	-	(1,488,988)	(1,488,988)	-
Transfer from Constitutional Officers - Fees Fund	4,975,000	4,975,000	5,210,819	235,819
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>4,521,065</b>	<b>3,032,077</b>	<b>3,267,896</b>	<b>235,819</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures, Encumbrances and Other Financing Uses				
	(1,249,638)	(5,810,296)	(256,187)	5,554,109
Fund Balance, July 1, 2008	13,130,277	13,130,277	13,130,277	-
Fund Balance, June 30, 2009	<u>\$ 11,880,639</u>	<u>7,319,981</u>	<u>12,874,090</u>	<u>5,554,109</u>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

Explanation of Differences between Budgetary Expenditures and GAAP Expenditures.

	Actual Budgetary Basis	Budget to GAAP Differences (1)		Actual GAAP Basis
		Less: Encumbrances 6/30/2009	Add: Encumbrances 6/30/2008	
TOTAL REVENUES	\$ 28,706,465	-	-	28,706,465
EXPENDITURES				
County Commission	156,634	-	-	156,634
Boards and Committees	7,261	-	-	7,261
County Mayor	187,365	-	-	187,365
County Attorney	47,241	-	-	47,241
Election Commission	638,118	-	160	638,278
Register of Deeds	412,400	-	-	412,400
Planning and Zoning	24,827	-	-	24,827
Codes Compliance	233,561	-	-	233,561
County Building	23,579	-	1,000	24,579
Other General Administration	2,424,548	112,560	115,621	2,427,609
Accounting and Budgeting	265,059	-	-	265,059
Purchasing	134,702	-	-	134,702
Property Assessor	405,023	-	-	405,023
Reappraisal Program	312,756	-	-	312,756
County Trustee	370,723	1,020	2,638	372,341
County Clerk	757,552	-	-	757,552
General Sessions Judge	358,988	-	-	358,988
Drug Court	15,159	-	-	15,159
Circuit Court	1,293,481	14,203	-	1,279,278
Chancery Court	550,802	22,060	-	528,742
District Attorney	63,657	-	-	63,657
Judicial Court	196,433	52,184	-	144,249
Courtroom Security	446,575	-	-	446,575
Sheriff's Department	4,385,440	29,371	13,165	4,369,234
NETCIAU Grant	9,113	-	-	9,113
Substance Abuse Grant	133,314	-	-	133,314
NCIC Grant	3,513	-	-	3,513
Network Law Enforcement Grant	3,768	-	-	3,768
Jail	5,187,595	3,659	5,141	5,189,077
Juvenile Services	461,550	-	-	461,550
Work Release Program	11,859	-	-	11,859
Federal Asset Forfeiture	24,083	-	-	24,083
JAG Grant	15,008	-	-	15,008
Fire Protection and Control	835,000	-	-	835,000
Civil Defense	109,058	-	-	109,058
Hazardous Materials	10,156	-	-	10,156
Rescue Squad	74,300	-	-	74,300
Other Emergency Management	379,359	-	4,872	384,231
County Coroner	135,017	-	-	135,017
School Resource Officer Grant	1,510	-	-	1,510
Other Public Safety	40,036	-	-	40,036
County Health Center	801,720	456	-	801,264

(Continued)

WASHINGTON COUNTY, TENNESSEE  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

Explanation of Differences between Budgetary Expenditures and GAAP Expenditures (continued).

	Actual Budgetary Basis	Budget to GAAP Differences (1)		Actual GAAP Basis
		Less: Encumbrances 6/30/2009	Add: Encumbrances 6/30/2008	
EXPENDITURES (CONTINUED)				
Local Health Center Grant	760,578	119	-	760,459
Rabies and Animal Control	132,919	-	-	132,919
Ambulance Service	1,291,272	-	-	1,291,272
Alcohol and Drug Program	6,066	-	-	6,066
Regional Mental Health Center	65,250	-	-	65,250
Public Welfare	103,600	-	-	103,600
Aid to Dependent Children	45,000	-	-	45,000
Sanitation Education	49,210	-	-	49,210
Senior Citizen's Assistance	139,977	-	-	139,977
Libraries	127,500	-	-	127,500
Social, Cultural and Recreational	15,000	-	-	15,000
National Storytelling	50,000	-	-	50,000
Agriculture Extension Service	217,008	-	-	217,008
Forest Service	1,500	-	-	1,500
Soil Conservation	72,104	-	-	72,104
Storm Water Management	75,220	-	6,687	81,907
Agriculture and Natural Resources	11,998	-	-	11,998
Tourism	6,971	-	-	6,971
Industrial Development	139,244	-	-	139,244
Economic and Community Development	38,582	-	-	38,582
Transportation	13,000	-	-	13,000
Contributions to Other Agencies	61,495	-	-	61,495
Employee Benefits	5,577,574	-	-	5,577,574
Judgments	14,717	-	-	14,717
Emergency Communications District	546,246	-	-	546,246
Capital Outlay	720,674	100,959	75,957	695,672
<b>TOTAL EXPENDITURES</b>	<b>32,230,548</b>	<b>336,591</b>	<b>225,241</b>	<b>32,119,198</b>
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>3,267,896</b>	<b>0</b>	<b>0</b>	<b>3,267,896</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(256,187)	336,591	(225,241)	(144,837)
Fund Balance, July 1, 2008	13,130,277	-	225,241	13,355,518
Fund Balance, June 30, 2009	<u>\$ 12,874,090</u>	<u>336,591</u>	<u>0</u>	<u>13,210,681</u>

(1) Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
HIGHWAY FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$ 4,283,793	4,283,793	4,450,233	166,440
Licenses and Permits	500	500	638	138
Charges for Current Services	100,000	100,000	131,682	31,682
Other Local Revenue	165,000	165,000	323,825	158,825
Revenue from State of Tennessee	2,726,235	2,726,235	2,119,877	(606,358)
TOTAL REVENUES	7,275,528	7,275,528	7,026,255	(249,273)
EXPENDITURES AND ENCUMBRANCES				
Administration	684,109	676,606	584,889	91,717
Highway and Bridge Maintenance	2,898,697	2,891,812	2,342,774	549,038
Operation and Maintenance of Equipment	762,037	778,840	693,768	85,072
Asphalt Plant Operations	2,559,739	2,504,739	2,027,727	477,012
Other Charges	113,000	116,000	111,832	4,168
Employee Benefits	1,094,000	1,094,000	1,135,084	(41,084)
Capital Outlay	206,361	439,196	240,676	198,520
TOTAL EXPENDITURES AND ENCUMBRANCES	8,317,943	8,501,193	7,136,750	1,364,443
OTHER FINANCING SOURCES (USES)				
Transfer from Other Funds	-	152,000	152,000	-
Transfer to Other Funds	25,000	39,900	(39,900)	-
TOTAL OTHER FINANCING SOURCES (USES)	25,000	191,900	112,100	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures, Encumbrances and Other Financing Uses	(1,017,415)	(1,033,765)	1,605	1,115,170
Fund Balance, July 1, 2008	2,732,866	2,732,866	2,732,866	-
Fund Balance, June 30, 2009	\$ 1,715,451	1,699,101	2,734,471	1,115,170

(Continued)

WASHINGTON COUNTY, TENNESSEE  
HIGHWAY FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

Explanation of Differences between Budgetary Expenditures and GAAP Expenditures.

	Actual Budgetary Basis	Budget to GAAP Differences (1)		Actual GAAP Basis
		Less: Encumbrances 6/30/2009	Add: Encumbrances 6/30/2008	
TOTAL REVENUES	\$ 7,026,255	-	-	7,026,255
EXPENDITURES				
Administration	584,889	200	3,100	587,789
Highway and Bridge Maintenance	2,342,774	409	-	2,342,365
Operation and Maintenance of Equipment	693,768	950	-	692,818
Asphalt Plant Operations	2,027,727	-	-	2,027,727
Other Charges	111,832	-	-	111,832
Employee Benefits	1,135,084	-	-	1,135,084
Capital Outlay	240,676	-	-	240,676
TOTAL EXPENDITURES	7,136,750	1,559	3100	7,138,291
OTHER FINANCING SOURCES(USES)				
Transfer from Other Funds	152,000	-	-	152,000
Transfer to Other Funds	(39,900)	-	-	(39,900)
TOTAL OTHER FINANCING SOURCES(USES)	112,100	0	0	112,100
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,605	1,559	(3,100)	64
Fund Balance, July 1, 2008	2,732,866	-	3,100	2,735,966
Fund Balance, June 30, 2009	\$ 2,734,471	1,559	0	2,736,030

(1) Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
For the Fiscal Year Ended June 30, 2009

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BUDGETARY REPORTING

The Budgetary Comparison Schedules for the General and Highway Funds present comparisons of the original and final legally adopted budget with actual data.

Washington County is required by state statute to adopt annual budgets. Annual appropriated budgets are adopted for the General and Highway Funds. Budgets are prepared on the basis where 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. The inclusion of the encumbrances is not consistent with accounting principles generally accepted in the United States of America. All unencumbered appropriations lapse at fiscal year end.

The budgetary level of control is at the major category level. Management may make revisions within major categories except for certain line items such as salaries, but only the governing body may make revisions between major categories. During the year, several supplementary appropriations were necessary.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is utilized in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

See Independent Auditor's Report.

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF FUNDING PROGRESS (UNAUDITED)  
 For the Fiscal Year Ended June 30, 2009

(Dollar Amounts in Thousands)

**Washington County**

	(a)	(b)	(b) – (a)	(a/b)	(c)	((b-a)/c)
		(AAL)				
Actuarial	Actuarial	Actuarial	(UAAL)	Funded	Covered	UAAL as a %
Valuation	Value of	Accrued	Unfunded	Ratio	Payroll	of Covered
<u>Date</u>	<u>Assets</u>	<u>-Entry Age</u>	<u>AAL</u>			<u>Payroll</u>
July 1, 2007	\$ 49,734	\$ 55,976	\$ 6,242	88.85%	\$ 19,930	31.32%

**Washington County Emergency Communications District**

	(a)	(b)	(b) – (a)	(a/b)	(c)	((b-a)/c)
		(AAL)				
Actuarial	Actuarial	Actuarial	(UAAL)	Funded	Covered	UAAL as a %
Valuation	Value of	Accrued	Unfunded	Ratio	Payroll	of Covered
<u>Date</u>	<u>Assets</u>	<u>-Entry Age</u>	<u>AAL</u>			<u>Payroll</u>
July 1, 2007	\$ 1,918	\$ 2,452	\$ 534	78.22%	\$ 1,271	42.01%

The Governmental Accounting Standards Board (GASB) 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.

See Independent Auditor's Report.

**SECTION IV**

**SUPPLEMENTARY INFORMATION**

WASHINGTON COUNTY, TENNESSEE  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2009

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste/ Sanitation Fund	Library Fund	Drug Fines Fund	District Attorney General	Constitutional Officers - Fee Fund	
<b>ASSETS</b>						
Equity in Pooled Cash and Deposits	\$ 665,156	97,936	363,935	19,979	143,280	1,290,286
Cash	-	-	-	-	294,053	294,053
Due from State of Tennessee	33,397	-	-	-	-	33,397
Due from Other Local Governments	2,295	-	1,000	294	-	3,589
Due from Others	15,949	591	4,141	-	-	20,681
Taxes Receivable	1,206,889	-	-	-	-	1,206,889
Allowance for Uncollectibles	(1,276)	-	-	-	-	(1,276)
<b>TOTAL ASSETS</b>	<b>\$ 1,922,410</b>	<b>98,527</b>	<b>369,076</b>	<b>20,273</b>	<b>437,333</b>	<b>2,847,619</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ 1,487	155	4,177	-	-	5,819
Accrued Expenses	14,831	9,532	-	-	-	24,363
Due to Other Funds	37,937	873	-	2,671	437,333	478,814
Deferred Revenues	1,205,611	-	-	-	-	1,205,611
<b>TOTAL LIABILITIES</b>	<b>1,259,866</b>	<b>10,560</b>	<b>4,177</b>	<b>2671</b>	<b>437,333</b>	<b>1,714,607</b>
<b>FUND EQUITY</b>						
Reserved for Public Safety	-	-	26,370	-	-	26,370
Unreserved, Undesignated, Reported in Special Revenue Funds	662,544	87,967	338,529	17,602	-	1,106,642
<b>TOTAL FUND EQUITY</b>	<b>662,544</b>	<b>87,967</b>	<b>364,899</b>	<b>17,602</b>	<b>0</b>	<b>1,133,012</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,922,410</b>	<b>98,527</b>	<b>369,076</b>	<b>20,273</b>	<b>437,333</b>	<b>2,847,619</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended June 30, 2009

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Solid Waste/ Sanitation Fund	Library Fund	Drug Fines Fund	District Attorney General	Constitutional Officers - Fee Fund	
<b>REVENUES</b>						
Taxes	\$ 1,163,366	-	-	-	-	1,163,366
Licenses and Permits	168	-	-	-	-	168
Fines, Forfeitures and Penalties	-	9,836	28,994	52,765	-	91,595
Charges for Current Services	134,229	8,577	-	-	-	142,806
Other Local Revenues	167,655	33,201	78,736	-	34,348	313,940
Investment Income	9,876	877	2,867	-	-	13,620
Revenue from State of Tennessee	242,132	-	-	-	-	242,132
Revenue from Other Governments and Citizens Groups	-	10,000	-	-	5,219,776	5,229,776
<b>TOTAL REVENUES</b>	<b>1,717,426</b>	<b>62,491</b>	<b>110,597</b>	<b>52,765</b>	<b>5,254,124</b>	<b>7,197,403</b>
<b>EXPENDITURES</b>						
General Government	-	-	38,650	53,310	43,305	135,265
Library	-	474,110	-	-	-	474,110
Sanitation	1,679,295	-	-	-	-	1,679,295
Capital Outlay	120,374	-	87,328	-	-	207,702
<b>TOTAL EXPENDITURES</b>	<b>1,799,669</b>	<b>474,110</b>	<b>125,978</b>	<b>53,310</b>	<b>43,305</b>	<b>2,496,372</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers to Other Funds	-	-	-	-	(5,210,819)	(5,210,819)
Transfers from Other Funds	-	453,935	88,511	-	-	542,446
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>453,935</b>	<b>88,511</b>	<b>0</b>	<b>(5,210,819)</b>	<b>(4,668,373)</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(82,243)	42,316	73,130	(545)	-	32,658
Fund Balance, July 1, 2008	744,787	45,651	291,769	18,147	-	1,100,354
Fund Balance, June 30, 2009	\$ 662,544	87,967	364,899	17,602	0	1,133,012

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
SOLID WASTE / SANITATION FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$ 1,142,535	1,142,535	1,163,366	20,831
Licenses and Permits	200	200	168	(32)
Charges for Current Services	122,000	122,000	134,229	12,229
Other Local Revenues	187,000	187,000	177,531	(9,469)
Revenue from State of Tennessee	290,000	315,000	242,132	(72,868)
TOTAL REVENUES	<u>1,741,735</u>	<u>1,766,735</u>	<u>1,717,426</u>	<u>(49,309)</u>
EXPENDITURES				
Sanitation	1,975,716	2,073,053	1,679,205	393,848
Capital Outlay	-	-	60,569	(60,569)
TOTAL EXPENDITURES	<u>1,975,716</u>	<u>2,073,053</u>	<u>1,739,774</u>	<u>333,279</u>
Excess of Revenues Over (Under) Expenditures	(233,981)	(306,318)	(22,348)	283,970
Fund Balance, July 1, 2008	<u>684,892</u>	<u>684,892</u>	<u>684,892</u>	<u>-</u>
Fund Balance, June 30, 2009	<u>\$ 450,911</u>	<u>378,574</u>	<u>662,544</u>	<u>283,970</u>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SOLID WASTE/SANITATION FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

Note A-Explanation of Differences between Budgetary Expenditures and GAAP Expenditures.

	Actual Budgetary Basis	Budget to GAAP Differences (1)		Actual GAAP Basis
		Less: Encumbrances 6/30/2009	Add: Encumbrances 6/30/2008	
TOTAL REVENUES	\$ 1,717,426	-	-	1,717,426
EXPENDITURES				
Sanitation Operations	1,354,146	-	90	1,354,236
Tire Center Operations	325,059	-	-	325,059
Capital Outlay	60,569	-	59,805	120,374
TOTAL EXPENDITURES	1,739,774	0	59,895	1,799,669
Excess of Revenues Over (Under) Expenditures	(22,348)	-	(59,895)	(82,243)
Fund Balance, July 1, 2008	684,892	-	59,895	744,787
Fund Balance, June 30, 2009	\$ 662,544	0	0	662,544

(1) Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
LIBRARY FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines, Forfeitures and Penalties	\$ 5,500	5,500	9,836	4,336
Charges for Current Services	5,000	5,000	8,577	3,577
Other Local Revenues	100	1,329	34,078	32,749
Revenue from Other Governments and Citizens Groups	10,000	10,000	10,000	-
<b>TOTAL REVENUES</b>	<b>20,600</b>	<b>21,829</b>	<b>62,491</b>	<b>40,662</b>
<b>EXPENDITURES</b>				
Library	474,535	477,314	474,110	3,204
<b>TOTAL EXPENDITURES</b>	<b>474,535</b>	<b>477,314</b>	<b>474,110</b>	<b>3,204</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers from Other Funds	453,935	453,935	453,935	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>453,935</b>	<b>453,935</b>	<b>453,935</b>	<b>0</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(1,550)	42,316	43,866
Fund Balance, July 1, 2008	45,651	45,651	45,651	-
Fund Balance, June 30, 2009	<u>\$ 45,651</u>	<u>44,101</u>	<u>87,967</u>	<u>43,866</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 DRUG FINES FUND  
 BUDGETARY COMPARISON SCHEDULE  
 For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines, Forfeitures and Penalties	\$ 25,000	25,000	28,994	3,994
Other Local Revenues	5,400	5,400	81,603	76,203
Revenue from State of Tennessee	10,000	10,000	-	(10,000)
<b>TOTAL REVENUES</b>	<b>40,400</b>	<b>40,400</b>	<b>110,597</b>	<b>70,197</b>
<b>EXPENDITURES</b>				
General Government	67,550	68,733	38,650	30,083
Capital Outlay	-	87,328	87,328	-
<b>TOTAL EXPENDITURES</b>	<b>67,550</b>	<b>156,061</b>	<b>125,978</b>	<b>30,083</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers from Other Funds	-	88,511	88,511	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>0</b>	<b>88,511</b>	<b>88,511</b>	<b>0</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(27,150)	(27,150)	73,130	100,280
Fund Balance, July 1, 2008	291,769	291,769	291,769	-
Fund Balance, June 30, 2009	\$ 264,619	264,619	364,899	100,280

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 COMPONENT UNIT - BOARD OF EDUCATION  
 STATEMENT OF ACTIVITIES  
 For the Fiscal Year Ended June 30, 2009

Functions/Programs	Expenses	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Board of Education  Governmental Activities
<b>COMPONENT UNIT</b>					
<b>GOVERNMENTAL ACTIVITIES</b>					
Regular Instruction	\$ 37,516,038	6,550	2,970,240	9,194,600	(25,344,648)
Special Education	5,631,429	-	1,952,364	1,081,718	(2,597,347)
Vocational Education	2,239,132	-	235,505	540,859	(1,462,768)
Adult Education	8,135	6,375	-	-	(1,760)
Attendance	105,167	-	-	-	(105,167)
Health Services	822,716	-	105,000	-	(717,716)
Other Student Support	1,093,948	-	-	-	(1,093,948)
Board of Education	951,201	-	-	-	(951,201)
Office of the Director	622,775	-	-	-	(622,775)
Office of the Principal	3,105,355	-	-	-	(3,105,355)
Fiscal Services	186,570	-	-	-	(186,570)
Operation of Plant	4,144,366	3,295	-	-	(4,141,071)
Maintenance of Plant	1,673,335	1,514,428	-	-	(158,907)
Transportation	2,772,245	556,555	-	-	(2,215,690)
Central and Other	143,801	-	-	-	(143,801)
Food Service	4,237,205	-	2,065,305	-	(2,171,900)
Community Service	604,117	-	-	-	(604,117)
Depreciation - All Unallocated	3,149,771	-	-	-	(3,149,771)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 69,007,306</b>	<b>2,087,203</b>	<b>7,328,414</b>	<b>10,817,177</b>	<b>(48,774,512)</b>
<b>GENERAL REVENUES</b>					
<b>Taxes</b>					
Property Taxes					10,897,751
In Lieu of Taxes					166,597
Sales Taxes					12,919,494
Business Taxes					301,203
Miscellaneous					106,821
Other Local Governments					69,433
State Aid					30,747,730
Unrestricted Investment Earnings					191,539
Gain of Sale of Capital Assets					5,000
Special Item - Damages Recovered from Individuals					4,835
Special Item - Insurance Recovery					133,996
<b>TOTAL GENERAL REVENUES AND SPECIAL ITEMS</b>					<b>55,544,399</b>
<b>CHANGE IN NET ASSETS</b>					
Net Assets - Beginning					99,725,186
Net Assets - Ending					<b>\$ 106,495,073</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 COMPONENT UNIT - BOARD OF EDUCATION  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 June 30, 2009

	Washington County Board of Education			Total Washington County Board of Education
	General Purpose School Fund	School Federal Projects Fund	School Food Service Fund	
<b>ASSETS</b>				
Equity in Pooled Cash and Deposits	\$ 4,357,812	(344,599)	-	4,013,213
Cash and Deposits	-	-	465,541	465,541
Accounts Receivable				
Due from State of Tennessee	36,978	-	-	36,978
Due from Federal Government	94,379	355,902	180,706	630,987
Sales Tax Receivable	2,071,386	-	-	2,071,386
Inventory - Food Service	-	-	133,478	133,478
Taxes Receivable	11,766,296	-	-	11,766,296
Allowance for Uncollectibles	(12,420)	-	-	(12,420)
<b>TOTAL ASSETS</b>	<b>\$ 18,314,431</b>	<b>11,303</b>	<b>779,725</b>	<b>19,105,459</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 493,212	-	-	493,212
Accrued Expenses	-	-	627	627
Deferred Revenues	11,753,876	-	-	11,753,876
<b>TOTAL LIABILITIES</b>	<b>12,247,088</b>	<b>-</b>	<b>627</b>	<b>12,247,715</b>
<b>FUND EQUITY</b>				
Reserved for Encumbrances	339,678	11,303	-	350,981
Reserved for Inventory	-	-	133,479	133,479
Reserved for Special Projects	1,657,639	-	-	1,657,639
Unreserved	4,070,026	-	645,619	4,715,645
<b>TOTAL FUND EQUITY</b>	<b>6,067,343</b>	<b>11,303</b>	<b>779,098</b>	<b>6,857,744</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 18,314,431</b>	<b>11,303</b>	<b>779,725</b>	<b>19,105,459</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
COMPONENT UNIT - BOARD OF EDUCATION  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS  
June 30, 2009

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TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 6,857,744

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds. The cost of the assets is \$135,759,727 and the accumulated depreciation is \$36,590,877 99,168,850

Taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. 608,564

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of compensated absences. (140,085)

TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES \$106,495,073

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 COMPONENT UNIT - BOARD OF EDUCATION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 For the Fiscal Year Ended June 30, 2009

	Washington County Board of Education			Total Washington County Board of Education
	General Purpose School Fund	School Federal Projects Fund	School Food Service Fund	
<b>REVENUES</b>				
Taxes	\$ 24,242,846	-	-	24,242,846
Licenses and Permits	1,611	-	-	1,611
Fines, Forfeitures and Penalties	67,222	-	-	67,222
Charges for Current Services	569,480	-	1,514,428	2,083,908
Other Local Revenue	195,852	-	-	195,852
Other Local - Investment Income	148,774	-	42,765	191,539
Revenue from State of Tennessee	31,571,772	-	-	31,571,772
Revenue from Federal Government	161,800	4,311,925	2,065,305	6,539,030
<b>TOTAL REVENUES</b>	<b>56,959,357</b>	<b>4,311,925</b>	<b>3,622,498</b>	<b>64,893,780</b>
<b>EXPENDITURES</b>				
Regular Instruction	35,433,811	2,092,779	-	37,526,590
Special Education	4,058,100	1,589,058	-	5,647,158
Vocational Education	2,053,528	186,317	-	2,239,845
Adult Education	8,135	-	-	8,135
Attendance	105,167	-	-	105,167
Health Services	822,716	-	-	822,716
Other Student Support	1,010,612	83,336	-	1,093,948
Board of Education	951,201	-	-	951,201
Office of the Director	622,775	-	-	622,775
Office of the Principal	3,105,355	-	-	3,105,355
Fiscal Services	186,570	-	-	186,570
Operation of Plant	4,144,366	-	-	4,144,366
Maintenance of Plant	1,673,335	-	-	1,673,335
Transportation	2,445,272	326,973	-	2,772,245
Central and Other	143,801	-	-	143,801
Food Service	266,812	-	3,970,393	4,237,205
Community Service	604,117	-	-	604,117
Capital Outlay	651,220	23,500	45,945	720,665
<b>TOTAL EXPENDITURES</b>	<b>58,286,893</b>	<b>4,301,963</b>	<b>4,016,338</b>	<b>66,605,194</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,327,536)	9,962	(393,840)	(1,711,414)
Fund Balance, July 1, 2008	7,394,879	1,341	1,172,938	8,569,158
Fund Balance, June 30, 2009	<u>\$ 6,067,343</u>	<u>11,303</u>	<u>779,098</u>	<u>6,857,744</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 COMPONENT UNIT - BOARD OF EDUCATION  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 For the Fiscal Year Ended June 30, 2009

---

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ (1,711,414)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense of \$3,149,771 exceeds capital outlay of \$720,665 (2,429,106)

The effect of other transactions involving capital assets such as a contribution from the primary government is to increase net assets. 10,817,177

Because some property taxes will not be collected for several months after the district's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues decreased by this amount for the current year. 99,086

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. Compensated absences expended for the current year were less than the amount earned. (5,856)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 6,769,887

WASHINGTON COUNTY, TENNESSEE  
 COMPONENT UNIT - BOARD OF EDUCATION  
 GENERAL PURPOSE SCHOOL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis) (See Note A)	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 25,150,121	24,650,421	24,242,846	(407,575)
Licenses and Permits	2,100	2,100	1,611	(489)
Fines, Forfeitures and Penalties	61,980	65,189	67,222	2,033
Charges for Current Services	613,272	613,272	569,480	(43,792)
Other Local Revenue	446,386	385,382	344,626	(40,756)
Revenue from State of Tennessee	31,309,177	31,259,026	31,571,772	312,746
Revenue from Federal Government	59,948	62,433	161,800	99,367
<b>TOTAL REVENUES</b>	<b>57,642,984</b>	<b>57,037,823</b>	<b>56,959,357</b>	<b>(78,466)</b>
<b>EXPENDITURES</b>				
Regular Instruction	35,603,051	35,241,475	34,878,965	362,510
Special Education Program	4,083,444	4,130,586	4,058,100	72,486
Vocational Education Program	2,052,355	2,040,929	2,053,389	(12,460)
Adult Education Program	7,043	7,043	8,135	(1,092)
Attendance	105,364	105,364	105,167	197
Health Services	843,208	838,895	822,651	16,244
Other Student Services	1,041,156	1,015,211	1,010,612	4,599
Board of Education	1,094,048	1,042,648	951,201	91,447
Office of Director	628,179	626,040	622,775	3,265
Office of Principal	3,166,145	3,080,708	3,051,248	29,460
Fiscal Services	191,847	191,847	186,570	5,277
Operation of Plant	3,824,645	3,920,662	4,076,216	(155,554)
Maintenance of Plant	1,726,314	1,708,277	1,659,255	49,022
Transportation	2,601,231	2,569,732	2,445,303	124,429
Central and Other	150,042	150,042	143,797	6,245
Food Service	266,903	266,903	266,812	91
Community Service	596,529	596,529	603,117	(6,588)
Capital Outlay	510,000	560,879	573,320	(12,441)
<b>TOTAL EXPENDITURES</b>	<b>58,491,504</b>	<b>58,093,770</b>	<b>57,516,633</b>	<b>577,137</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(848,520)	(1,055,947)	(557,276)	(655,603)
Fund Balance, July 1, 2008	6,284,941	6,284,941	6,284,941	-
Fund Balance, June 30, 2009	<u>\$ 5,436,421</u>	<u>5,228,994</u>	<u>5,727,665</u>	<u>(655,603)</u>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 COMPONENT UNIT - BOARD OF EDUCATION  
 GENERAL PURPOSE SCHOOL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 For the Fiscal Year Ended June 30, 2009

Note A - Explanation of Differences between Budgetary Expenditures and GAAP Expenditures.

	Budget to GAAP Differences (1)			Actual GAAP Basis
	Actual Budgetary Basis	Less: Encumbrances 6/30/2009	Add: Encumbrances 6/30/2008	
TOTAL REVENUES	\$ 56,959,357	-	-	56,959,357
EXPENDITURES				
Regular Instruction	34,878,965	334,938	889,784	35,433,811
Special Education Program	4,058,100	-	-	4,058,100
Vocational Education Program	2,053,389	-	139	2,053,528
Adult Education Program	8,135	-	-	8,135
Attendance	105,167	-	-	105,167
Health Services	822,651	-	65	822,716
Other Student Services	1,010,612	-	-	1,010,612
Board of Education	951,201	-	-	951,201
Office of Director	622,775	-	-	622,775
Office of Principal	3,051,248	-	54,107	3,105,355
Fiscal Services	186,570	-	-	186,570
Operation of Plant	4,076,216	4,709	72,859	4,144,366
Maintenance of Plant	1,659,255	-	14,080	1,673,335
Transportation	2,445,303	31	-	2,445,272
Central and Other	143,797	-	4	143,801
Food Service	266,812	-	-	266,812
Community Service	603,117	-	1,000	604,117
Capital Outlay	573,320	-	77,900	651,220
TOTAL EXPENDITURES	57,516,633	339,678	1,109,938	58,286,893
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(557,276)	339,678	(1,109,938)	(1,327,536)
Fund Balance, July 1, 2008	6,284,941	-	1,109,938	7,394,879
Fund Balance, June 30, 2009	\$ 5,727,665	339,678	0	6,067,343

(1) Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purposes, but are reported in the year the equipment and supplies are received for GAAP purposes.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT AND OTHER NOTES PAYABLE  
For the Fiscal Year Ended June 30, 2009

Description of Indebtedness	Creditor	Authority	Original Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Outstanding 7/1/2008	Issued During Period	Paid and/or Matured During Period	Outstanding 6/30/2009	Anticipated Source of Revenue
CAPITAL OUTLAY NOTES											
PAYABLE THROUGH DEBT SERVICE FUND											
Highway Department Capital Outlay	First TN Bank	Sections 5-10-501 to 5-10-509, T.C.A.	\$ 152,000	2.89%	11/24/2008	11/24/2011	\$ -	152,000	-	152,000	Ad Valorem
Highway Department Capital Outlay	First TN Bank	Sections 5-10-501 to 5-10-509, T.C.A.	211,000	3.05%	3/25/2003	3/25/2010	60,500	-	30,100	30,400	Ad Valorem
Board of Education Capital Outlay	Suntrust	Sections 5-10-501 to 5-10-509, T.C.A.	4,742,000	1.46% - 3.80%	4/29/2003	4/29/2015	2,767,000	-	395,000	2,372,000	Ad Valorem
Highway Department Capital Outlay	AmSouth	Sections 5-10-501 to 5-10-509, T.C.A.	760,000	3.58%	12/28/2005	12/28/2008	250,000	-	250,000	-	Ad Valorem
Board of Education Capital Outlay	Suntrust	Sections 5-10-501 to 5-10-509, T.C.A.	5,000,000	3.2% - 3.80%	9/15/2005	9/15/2017	4,170,000	-	417,000	3,753,000	Ad Valorem
Highway Department Capital Outlay	Suntrust	Sections 5-10-501 to 5-10-509, T.C.A.	235,000	4.09%	8/23/2006	7/23/2009	156,000	-	79,000	77,000	Ad Valorem
General Capital Outlay	Bank of America	Sections 5-10-501 to 5-10-509, T.C.A.	3,500,000	4.08%	5/15/2007	9/15/2018	3,208,333	-	291,667	2,916,666	Ad Valorem
TOTAL CAPITAL OUTLAY NOTES PAYABLE - PAYABLE THROUGH DEBT SERVICE FUND							<u>\$ 10,611,833</u>	<u>152,000</u>	<u>1,462,767</u>	<u>9,301,066</u>	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT AND OTHER NOTES PAYABLE  
For the Fiscal Year Ended June 30, 2009

Description of Indebtedness	Authority	Original Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Outstanding 7/1/2008	Issued During Period	Paid and/or Matured During Period	Outstanding 6/30/2009	Anticipated Source of Revenue
GENERAL BONDED DEBT PAYABLE THROUGH COUNTY TRUSTEE										
School Bonds (1999)	Section 9-21-901 to 9-21-909, T.C.A.	\$ 8,100,000	3.55% - 5.50%	10/21/1999	10/21/2018	\$ 800,000	-	800,000	-	Ad Valorem
School Bonds (1999)	Section 9-21-901 to 9-21-909, T.C.A.	8,100,000	4.9-5.2%	3/1/1999	3/1/2009	1,550,000	-	1,550,000	-	Ad Valorem
School Bonds (2004)	Section 9-21-901 to 9-21-909, T.C.A.	19,700,000	2.70% - 5.00%	9/15/2004	6/30/2018	19,700,000	-	125,000	19,575,000	Ad Valorem
School Refunding (2007)	Section 9-21-901 to 9-21-909, T.C.A.	4,275,000	4.37% - 5.00%	1/23/2007	6/1/2018	4,275,000	-	-	4,275,000	Ad Valorem
General Bonds (2007)	Section 9-21-901 to 9-21-909, T.C.A.	20,410,000	4.37% - 5.00%	1/23/2007	6/1/2035	20,410,000	-	-	20,410,000	Ad Valorem
School Bonds (2007)	Section 9-21-901 to 9-21-909, T.C.A.	105,675,000	4.37% - 5.00%	1/23/2007	6/1/2037	105,675,000	-	-	105,675,000	Ad Valorem
TOTAL GENERAL BONDED DEBT - PAYABLE THROUGH COUNTY TRUSTEE						<u>\$ 152,410,000</u>	<u>0</u>	<u>2,475,000</u>	<u>149,935,000</u>	

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF TRANSFERS - ALL FUNDS  
 For the Fiscal Year Ended June 30, 2009

From Fund	To Fund	Purpose	Amount
OPERATING TRANSFERS			
General	Library	To provide funds for operations	\$ 453,935
General	Drug Fund	To provide funds for operations	88,511
General	Capital Projects	To provide funds for capital projects	1,400,477
Constitutional Officers - Fees Fund	General	Excess fees and commissions	5,210,819
Capital Projects	Debt Service	To provide funds for debt service	1,640,703
Capital Projects	Highway	To reimburse for capital outlay note	152,000
Highway	Debt Service	Quarry payment	<u>39,900</u>
TOTAL OPERATING TRANSFERS			<u>\$ 8,986,345</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF SALARIES AND OFFICIAL BONDS OF PRINCIPAL OFFICIALS  
 For the Fiscal Year Ended June 30, 2009

	Authorization for Salary	Salary Paid During Period	Special Commissioner Fees	Bond	Surety
COUNTY MAYOR	Section 8-24-102, T.C.A.	\$ 103,232	-	50,000	Traveler's Casualty and Surety
HIGHWAY SUPERINTENDENT	Section 54-7-106, T.C.A.	89,378	-	100,000	Traveler's Casualty and Surety
DIRECTOR OF SCHOOLS	Minimum Salary - State Board of Education Schedule plus local supplement to comply with Southern Asso- ciation of Schools Requirements	98,000	-	100,000	Western Surety Company
TRUSTEE	Section 8-24-102, T.C.A.	73,866	-	2,000,000	Traveler's Casualty and Surety
ASSESSOR OF PROPERTY	Section 8-24-102, T.C.A.	73,866	-	10,000	Traveler's Casualty and Surety
COUNTY CLERK	Section 8-24-102, T.C.A.	73,866	-	50,000	Traveler's Casualty and Surety
CIRCUIT COURT CLERK	Section 8-24-102, T.C.A. Section 8-24-102(j)(2), T.C.A.	73,866 7,387	-	50,000	Traveler's Casualty and Surety
CLERK AND MASTER	Section 8-24-102, T.C.A. Section 8-21-801, T.C.A.	73,866	-	50,000	Traveler's Casualty and Surety
REGISTER	Section 8-24-102, T.C.A.	73,866	-	25,000	Traveler's Casualty and Surety
SHERIFF	Section 8-24-102, T.C.A. Section 8-24-111, T.C.A.	89,378 8,938	-	25,000	Traveler's Property and Casualty

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES - ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

Source	County General	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Total Primary Government (Memorandum Only)	Total Component Unit	Total Reporting Entity (Memorandum Only)
<b>TAXES</b>							
Current Property Taxes	\$ 17,431,718	5,040,497	-	10,501,035	32,973,250	10,235,233	43,208,483
Taxes Prior Years							
Trustee	643,027	188,331	-	367,902	1,199,260	356,997	1,556,257
Clerk and Master	156,956	45,939	-	89,962	292,857	86,922	379,779
Interest and Penalty	168,352	49,308	-	96,440	314,100	94,235	408,335
Pick-Up Taxes	44,301	12,889	-	26,035	83,225	25,279	108,504
Tax Equivalent							
Federal	2,617	757	-	1,577	4,951	2,775	7,726
Local	244,866	102,386	-	147,510	494,762	143,776	638,538
Other	3,931	-	-	2,362	6,293	20,046	26,339
Excise Tax	84,007	24,291	-	50,606	158,904	49,325	208,229
Local Option Sales Tax	-	-	-	-	-	12,919,494	12,919,494
Interstate Telecommunications	4,958	-	-	-	4,958	7,561	12,519
Litigation Tax	555,374	-	-	285,036	840,410	-	840,410
Business Tax	519,275	149,201	-	309,552	978,028	301,203	1,279,231
Beer Tax	342,969	-	-	-	342,969	-	342,969
Other Statutory Local Tax	156,946	-	-	-	156,946	-	156,946
<b>TOTAL TAXES</b>	<b>20,359,297</b>	<b>5,613,599</b>	<b>0</b>	<b>11,878,017</b>	<b>37,850,913</b>	<b>24,242,846</b>	<b>62,093,759</b>
<b>LICENSES AND PERMITS</b>							
Marriage Licenses	2,781	806	-	1,656	5,243	1,611	6,854
Cable TV Franchise	368,595	-	-	-	368,595	-	368,595
Building Permits	71,943	-	-	-	71,943	-	71,943
Handgun Permits	15,660	-	-	-	15,660	-	15,660
<b>TOTAL LICENSES AND PERMITS</b>	<b>458,979</b>	<b>806</b>	<b>0</b>	<b>1,656</b>	<b>461,441</b>	<b>1,611</b>	<b>463,052</b>
<b>FINES, FORFEITURES AND PENALTIES</b>							
Circuit Court	45,522	63,865	-	-	109,387	67,222	176,609

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES - ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

Source	County General	Special Revenue Funds	Total Capital Projects Funds	Debt Service Fund	Total Primary Government (Memorandum Only)	Total Component Unit	Total Reporting Entity (Memorandum Only)
<b>FINES, FORFEITURES AND PENALTIES (CONTINUED)</b>							
Criminal Court	210,141	-	-	-	210,141	-	210,141
General Sessions Court	208,021	17,894	-	-	225,915	-	225,915
Chancery Court	278,468	-	-	-	278,468	-	278,468
Other Courts	36,590	9,836	-	-	46,426	-	46,426
<b>TOTAL FINES, FORFEITURES AND PENALTIES</b>	<b>778,742</b>	<b>91,595</b>	<b>0</b>	<b>0</b>	<b>870,337</b>	<b>67,222</b>	<b>937,559</b>
<b>CHARGES FOR CURRENT SERVICES</b>							
Breakfast and Lunch Payments	-	-	-	-	-	1,201,254	1,201,254
A la Carte Sales	-	-	-	-	-	313,174	313,174
Tuition and Fees	-	-	-	-	-	569,480	569,480
Other Employee Benefit	422,801	-	-	-	422,801	-	422,801
Other Charges	309,307	274,488	-	-	583,795	-	583,795
Work Release	46,636	-	-	-	46,636	-	46,636
<b>TOTAL CHARGES FOR CURRENT SERVICES</b>	<b>778,744</b>	<b>274,488</b>	<b>0</b>	<b>0</b>	<b>1,053,232</b>	<b>2,083,908</b>	<b>3,137,140</b>
<b>OTHER LOCAL REVENUES</b>							
Investment Income	156,100	42,916	360,514	150,574	710,104	191,539	901,643
Sale of Property	27,564	173,464	-	-	201,028	-	201,028
Refunds	349,429	-	-	-	349,429	-	349,429
Insurance Recovery	28,485	623	-	-	29,108	-	29,108
Damages from Individuals	-	-	-	-	-	4,835	4,835
Employee Benefit Charges	-	137,857	-	-	137,857	-	137,857
Rentals	-	-	-	-	-	3,295	3,295
Contributions	6,500	-	-	-	6,500	600	7,100
Fingerprinting Services	1,728	7,000	-	-	8,728	-	8,728
Proceeds-Confiscated Property	-	69,249	-	-	69,249	-	69,249

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES - ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

Source	County General	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Total Primary Government (Memorandum Only)	Total Component Unit	Total Reporting Entity (Memorandum Only)
OTHER LOCAL REVENUES (CONTINUED)							
Other Local Revenue	110,050	28,447	-	-	138,497	187,122	325,619
Forfeitures and Seizures	-	1,552	-	-	1,552	-	1,552
Commissary Sales	68,773	-	-	-	68,773	-	68,773
Lease	-	155,929	-	-	155,929	-	155,929
Special Commissioner Fees	-	34,348	-	-	34,348	-	34,348
<b>TOTAL OTHER LOCAL REVENUES</b>	<b>748,629</b>	<b>651,385</b>	<b>360,514</b>	<b>150,574</b>	<b>1,911,102</b>	<b>387,391</b>	<b>2,298,493</b>
FROM STATE OF TENNESSEE							
Beer Tax	18,517	-	-	-	18,517	-	18,517
Income Tax	213,850	-	-	-	213,850	-	213,850
Alcoholic Beverage	119,491	-	-	-	119,491	1,808	121,299
State Preschool Funds	-	-	-	-	-	419,119	419,119
State Salary Supplements	14,912	-	-	-	14,912	-	14,912
Litter Grant	38,016	-	-	-	38,016	-	38,016
Contracted Prisoner Board	1,615,034	-	-	-	1,615,034	-	1,615,034
Basic Education Program	-	-	-	-	-	29,863,000	29,863,000
Gasoline and Motor Fuel	-	1,952,149	-	-	1,952,149	-	1,952,149
Gasoline Inspection Fee	-	78,917	-	-	78,917	-	78,917
Mineral Severance Tax	-	18,336	-	-	18,336	-	18,336
Health Department Programs	881,206	-	-	-	881,206	-	881,206
Driver Education	-	-	-	-	-	35,325	35,325
Law Enforcement Training	46,800	-	-	-	46,800	-	46,800
Reappraisal Program	34,771	-	-	-	34,771	-	34,771
Substance Grant	99,985	-	-	-	99,985	-	99,985
TVA Replacement	307,866	89,021	-	185,462	582,349	326,412	908,761
Juvenile Grant	12,000	-	-	-	12,000	-	12,000
Career Ladder/Extended Contract	-	-	-	-	-	558,318	558,318
Juvenile Services	9,000	-	-	-	9,000	-	9,000

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES - ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

Source	County General	Special Revenue Funds	Total Capital Projects Funds	Debt Service Fund	Total Primary Government (Memorandum Only)	Total Component Unit	Total Reporting Entity (Memorandum Only)
FROM STATE OF TENNESSEE (CONTINUED)							
Board of Jurors	4,231	-	-	-	4,231	-	4,231
Tires/Solid Waste Grant	-	223,586	-	-	223,586	-	223,586
Other State Revenues	303,985	-	-	-	303,985	367,790	671,775
<b>TOTAL FROM STATE OF TENNESSEE</b>	<b>3,719,664</b>	<b>2,362,009</b>	<b>0</b>	<b>185,462</b>	<b>6,267,135</b>	<b>31,571,772</b>	<b>37,838,907</b>
FROM FEDERAL GOVERNMENT							
School Lunch Funds	-	-	-	-	-	1,409,512	1,409,512
School Breakfast Funds	-	-	-	-	-	419,556	419,556
School Snack Funds	-	-	-	-	-	1,082	1,082
USDA Commodities	-	-	-	-	-	235,155	235,155
R.O.T.C.	-	-	-	-	-	128,950	128,950
Title I Funds	-	-	-	-	-	1,604,995	1,604,995
Title II Funds	-	-	-	-	-	493,201	493,201
Title IV Funds	-	-	-	-	-	29,589	29,589
Title V Funds	-	-	-	-	-	8,390	8,390
Preschool and IDEA	-	-	-	-	-	1,940,245	1,940,245
Indirect Costs	-	-	-	-	-	32,850	32,850
Program Improvement	-	-	-	-	-	235,505	235,505
Prisoner Board	42,962	-	-	-	42,962	-	42,962
Asset Forfeiture Funds	90,366	-	-	-	90,366	-	90,366
Homeland Security Grants	572,119	-	-	-	572,119	-	572,119
Law Enforcement Grants	17,332	-	-	-	17,332	-	17,332
Federal Incentive	14,000	-	-	-	14,000	-	14,000
Bulletproof Vest Partnership	16,666	-	-	-	16,666	-	16,666
Other Federal Revenues	5,822	-	-	-	5,822	-	5,822
<b>TOTAL FROM FEDERAL GOVERNMENT</b>	<b>759,267</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>759,267</b>	<b>6,539,030</b>	<b>7,298,297</b>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED REVENUES - ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

Source	County General	Special Revenue Funds	Total Capital Projects Funds	Debt Service Fund	Total Primary Government (Memorandum Only)	Total Component Unit	Total Reporting Entity (Memorandum Only)
REVENUE FROM OTHER GOVERNMENTS AND CITIZEN GROUPS							
District Attorney - Johnson City	63,657	-	-	-	63,657	-	63,657
Donations MADD	100	-	-	-	-	-	-
Reappraisal Program - Johnson City	79,082	-	-	-	79,082	-	79,082
Donations from the Town of Jonesborough	-	10,000	-	-	10,000	-	10,000
Reimbursement - Local Governments	960,304	-	-	-	960,304	-	960,304
TOTAL REVENUE FROM OTHER GOVERNMENTS AND CITIZENS GROUPS	<u>1,103,143</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>1,113,143</u>	<u>0</u>	<u>1,113,043</u>
EXCESS FEES AND COMMISSIONS RECEIVED FROM COUNTY OFFICIALS							
Fees	-	2,872,094	-	-	2,872,094	-	2,872,094
Commissions	-	2,347,682	-	-	2,347,682	-	2,347,682
TOTAL EXCESS FEES AND COMMISSIONS RECEIVED FROM COUNTY OFFICIALS	<u>0</u>	<u>5,219,776</u>	<u>0</u>	<u>0</u>	<u>5,219,776</u>	<u>0</u>	<u>5,219,776</u>
TOTAL REVENUES	<u>\$ 28,706,465</u>	<u>14,223,658</u>	<u>360,514</u>	<u>12,215,709</u>	<u>55,506,346</u>	<u>64,893,780</u>	<u>120,400,126</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES - SPECIAL REVENUE FUNDS  
For the Fiscal Year Ended June 30, 2009

Source	Highway Fund	Solid Waste/ Sanitation Fund	Library Fund	Drug Fines Fund	District Attorney General	Constitutional Officers	Total Special Revenue Funds
<b>TAXES</b>							
Current Property Taxes	\$ 3,990,393	1,050,104	-	-	-	-	5,040,497
Taxes Prior Years							
Trustee	149,021	39,310	-	-	-	-	188,331
Clerk and Master	36,368	9,571	-	-	-	-	45,939
Interest and Penalty	38,970	10,338	-	-	-	-	49,308
Pick-Up Taxes	10,204	2,685	-	-	-	-	12,889
Tax Equivalent							
Federal	599	158	-	-	-	-	757
Local and Other	87,398	14,988	-	-	-	-	102,386
Excise Tax	19,230	5,061	-	-	-	-	24,291
Business Tax	118,050	31,151	-	-	-	-	149,201
<b>TOTAL TAXES</b>	<b>4,450,233</b>	<b>1,163,366</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,613,599</b>
<b>LICENSES AND PERMITS</b>							
Marriage Licenses	638	168	-	-	-	-	806
<b>TOTAL LICENSES AND PERMITS</b>	<b>638</b>	<b>168</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>806</b>
<b>FINES, FORFEITURES AND PENALTIES</b>							
Fees and Dues	-	-	9,836	-	-	-	9,836
Circuit and Criminal Courts	-	-	-	11,100	52,765	-	63,865
General Sessions Court	-	-	-	17,894	-	-	17,894
<b>TOTAL FINES, FORFEITURES AND PENALTIES</b>	<b>0</b>	<b>0</b>	<b>9,836</b>	<b>28,994</b>	<b>52,765</b>	<b>0</b>	<b>91,595</b>
<b>CHARGES FOR CURRENT SERVICES</b>							
Other Charges	131,682	134,229	8,577	-	-	-	274,488
<b>TOTAL CHARGES FOR CURRENT SERVICES</b>	<b>131,682</b>	<b>134,229</b>	<b>8,577</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>274,488</b>
<b>OTHER LOCAL REVENUE</b>							
Investment Income	29,296	9,876	877	2,867	-	-	42,916
Sale of Property	19,407	154,057	-	-	-	-	173,464
Insurance Recovery	623	-	-	-	-	-	623
Fingerprinting Services	-	-	-	7,000	-	-	7,000
Proceeds-Confiscated Property	-	-	-	69,249	-	-	69,249
Forfeitures and Seizures	-	-	-	1,552	-	-	1,552
Other Local Revenue	783	-	26,729	935	-	-	28,447
Employee Benefit Charges	117,787	13,598	6,472	-	-	-	137,857
Lease	155,929	-	-	-	-	-	155,929
Special Commissions	-	-	-	-	-	34,348	34,348
<b>TOTAL OTHER LOCAL REVENUES</b>	<b>323,825</b>	<b>177,531</b>	<b>34,078</b>	<b>81,603</b>	<b>0</b>	<b>34,348</b>	<b>651,385</b>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES - SPECIAL REVENUE FUNDS  
For the Fiscal Year Ended June 30, 2009

Source	Highway Fund	Solid Waste/ Sanitation Fund	Library Fund	Drug Fines Fund	District Attorney General	Constitutional Officers	Total Special Revenue Funds
FROM STATE OF TENNESSEE							
Gasoline and Motor Fuel	1,952,149	-	-	-	-	-	1,952,149
Gasoline Inspection Fee	78,917	-	-	-	-	-	78,917
Mineral Severance Tax	18,336	-	-	-	-	-	18,336
TVA Replacement	70,475	18,546	-	-	-	-	89,021
Tires/Solid Waste Grant	-	223,586	-	-	-	-	223,586
<b>TOTAL FROM STATE OF TENNESSEE</b>	<u>2,119,877</u>	<u>242,132</u>	<u>-</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,362,009</u>
REVENUE FROM OTHER GOVERNMENTS AND CITIZEN GROUPS							
Donations from Town of Jonesborough	-	-	10,000	-	-	-	10,000
<b>TOTAL REVENUE FROM OTHER GOVERNMENTS AND CITIZEN GROUPS</b>	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,000</u>
EXCESS FEES AND COMMISSIONS							
Commissions	-	-	-	-	-	2,347,682	2,347,682
Fees	-	-	-	-	-	2,872,094	2,872,094
<b>TOTAL EXCESS FEES AND COMMISSIONS</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,219,776</u>	<u>5,219,776</u>
<b>TOTAL REVENUES</b>	<u>\$ 7,026,255</u>	<u>1,717,426</u>	<u>62,491</u>	<u>110,597</u>	<u>52,765</u>	<u>5,254,124</u>	<u>14,223,658</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES  
DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

Source	Special Revenue Funds			
	Washington County Board of Education			
	General Purpose School	School Federal Projects	School Food Service	Total Component Unit
<b>TAXES</b>				
Current Property Taxes	\$ 10,235,233	-	-	10,235,233
Property Taxes Prior Years				
Trustee	356,997	-	-	356,997
Clerk and Master	86,922	-	-	86,922
Interest and Penalty	94,235	-	-	94,235
Pick-Up Taxes	25,279	-	-	25,279
Tax Equivalent				
Federal	2,775	-	-	2,775
Local	143,776	-	-	143,776
Other	20,046	-	-	20,046
Excise Tax	49,325	-	-	49,325
Local Option Sales Tax	12,919,494	-	-	12,919,494
Interstate Telecommunications	7,561	-	-	7,561
Business Tax	301,203	-	-	301,203
<b>TOTAL TAXES</b>	<b>24,242,846</b>	<b>0</b>	<b>0</b>	<b>24,242,846</b>
<b>LICENSES AND PERMITS</b>				
Marriage Licenses	1,611	-	-	1,611
<b>TOTAL LICENSES AND PERMITS</b>	<b>1,611</b>	<b>0</b>	<b>0</b>	<b>1,611</b>
<b>FINES, FORFEITURES AND PENALTIES</b>				
Court Fines	67,222	-	-	67,222
<b>TOTAL FINES, FORFEITURES AND PENALTIES</b>	<b>67,222</b>	<b>0</b>	<b>0</b>	<b>67,222</b>
<b>CHARGES FOR CURRENT SERVICES</b>				
Breakfast and Lunch Payments	-	-	1,201,254	1,201,254
A la Carte Sales	-	-	313,174	313,174
Tuition and Fees	569,480	-	-	569,480
<b>TOTAL CHARGES FOR CURRENT SERVICES</b>	<b>569,480</b>	<b>0</b>	<b>1,514,428</b>	<b>2,083,908</b>
<b>OTHER LOCAL REVENUE</b>				
Investment Income	148,774	-	42,765	191,539
Damages	4,835	-	-	4,835
Rentals	3,295	-	-	3,295
Contributions and Gifts	600	-	-	600
Insurance Recovery	133,996	-	-	133,996
Other	53,126	-	-	53,126
<b>TOTAL OTHER LOCAL REVENUES</b>	<b>344,626</b>	<b>0</b>	<b>42,765</b>	<b>387,391</b>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED REVENUES  
DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

Source	Special Revenue Funds Washington County Board of Education			
	General	School	School	Total
	Purpose School	Federal Projects	Food Service	Component Unit
<b>FROM STATE OF TENNESSEE</b>				
Basic Education Program	\$ 29,863,000	-	-	29,863,000
Driver Education	35,325	-	-	35,325
Alcoholic Beverage	1,808	-	-	1,808
State Preschool Funds	419,119	-	-	419,119
TVA Replacement	326,412	-	-	326,412
Career Ladder/Extended Contract	558,318	-	-	558,318
Other State Revenues	367,790	-	-	367,790
<b>TOTAL FROM STATE OF TENNESSEE</b>	<u>31,571,772</u>	<u>0</u>	<u>0</u>	<u>31,571,772</u>
<b>FROM FEDERAL GOVERNMENT</b>				
School Lunch Funds	-	-	1,409,512	1,409,512
School Breakfast Funds	-	-	419,556	419,556
School Snack Funds	-	-	1,082	1,082
USDA Commodities	-	-	235,155	235,155
R.O.T.C.	128,950	-	-	128,950
Title I Funds	-	1,604,995	-	1,604,995
Title II Funds	-	493,201	-	493,201
Title IV Funds	-	29,589	-	29,589
Title V Funds	-	8,390	-	8,390
Preschool and IDEA	-	1,940,245	-	1,940,245
Program Improvement	-	235,505	-	235,505
Indirect Costs	32,850	-	-	32,850
<b>TOTAL FROM FEDERAL GOVERNMENT</b>	<u>161,800</u>	<u>4,311,925</u>	<u>2,065,305</u>	<u>6,539,030</u>
<b>TOTAL REVENUES</b>	<u>\$ 56,959,357</u>	<u>4,311,925</u>	<u>3,622,498</u>	<u>64,893,780</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND		
COUNTY COMMISSION		
Compensation	\$ 112,500	
Per Diem Allowance	1,200	
Social Security	5,650	
State Retirement	11,851	
Employer Medicare	1,323	
Contracts with Other Public Agencies	8,576	
Dues and Memberships	9,414	
Travel	6,120	
TOTAL COUNTY COMMISSION		156,634
BOARDS AND COMMITTEES		
Fees	6,890	
Social Security	271	
Employer Medicare	100	
TOTAL BOARDS AND COMMITTEES		7,261
COUNTY EXECUTIVE		
Administrative Salaries	142,301	
Social Security	8,976	
State Retirement	19,462	
Employer Medicare	2,047	
Communication	6,424	
Dues and Memberships	2,350	
Freight	125	
Postage and Box Rent	168	
Travel	991	
Gasoline	2,816	
Office Supplies	1,259	
Periodicals	446	
TOTAL COUNTY EXECUTIVE		187,365
COUNTY ATTORNEY		
Compensation	32,000	
Social Security	1,947	
State Retirement	4,374	
Employer Medicare	455	
Dues and Memberships	100	
Periodicals	5,764	
Travel	2,601	
TOTAL COUNTY ATTORNEY		47,241

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

ELECTION COMMISSION

Personnel Salaries	291,445	
Election Commission	18,000	
Election Workers	123,740	
In-Service Training	1,970	
Social Security	18,236	
State Retirement	29,009	
Employer Medicare	4,392	
Communication	9,821	
Data Processing Services	11,430	
Dues and Memberships	425	
Freight Expenses	202	
Legal Notices	22,371	
Maintenance and Repair	6,932	
Postal Charges	17,000	
Printing, Stationery and Forms	18,154	
Rentals	23,989	
Travel	7,626	
Other Contracted Services	14,000	
Data Processing Supplies	9,212	
Equipment Parts	180	
Instruction Supplies	2,780	
Office Supplies	5,118	
Periodicals	12	
Other Supplies and Materials	1,389	
Other Charges	845	
TOTAL ELECTION COMMISSION	638,278	

REGISTER OF DEEDS

Personnel Salaries	299,341
Social Security	18,106
State Retirement	38,373
Employer Medicare	4,234
Communication	4,749
Dues and Memberships	562
Freight	345
Maintenance and Repair	21,427
Postal Charges	7,000
Rentals	2,464
Travel	358

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

REGISTER OF DEEDS (CONTINUED)

Periodicals	35	
Office Supplies	15,126	
Surety Bond	280	
Capital Outlay	<u>32,200</u>	
TOTAL REGISTER OF DEEDS		444,600

PLANNING AND ZONING

Board and Committee Members Fees	8,340	
Social Security	517	
Employer Medicare	121	
Contracts with Government Agencies	13,500	
Freight	89	
Maintenance	77	
Postal Charges	500	
Rentals	940	
Office Supplies	<u>743</u>	
TOTAL PLANNING AND ZONING		24,827

CODES COMPLIANCE

Salaries and Wages	169,603	
Social Security	10,185	
State Retirement	23,207	
Employer Medicare	2,382	
Communication	7,104	
Freight	606	
Maintenance and Repair	597	
Postal Charges	2,000	
Rentals	6,367	
Gasoline	2,274	
Office Supplies	7,518	
Periodicals	<u>1,718</u>	
TOTAL CODES COMPLIANCE		233,561

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

COUNTY BUILDING

Maintenance and Repair	18,351	
Electricity	5,115	
Gasoline	163	
Water and Sewer	950	
TOTAL COUNTY BUILDING		24,579

OTHER GENERAL ADMINISTRATION

Personnel	193,377	
Social Security	11,932	
State Retirement	26,411	
Employer Medicare	2,668	
Professional Services	104,000	
Communication	8,934	
Engineering Services	7,000	
Freight Expense	298	
Legal Notices	21,328	
Legal Fees	216,078	
Maintenance and Repair	102,179	
Medical and Dental Services	9,173	
Pest Control	2,170	
Printing	3,600	
Rentals	33,983	
Travel	778	
Contracts with Public Agencies	11,180	
Other Contracted Services	2,143	
Custodial Supplies	24,924	
Duplicating Supplies	17,446	
Utilities	272,893	
Gasoline	492	
Other Supplies and Materials	27,462	
Boiler Insurance	3,873	
Building and Contents Insurance	318,735	
Liability Insurance	141,233	
Trustee's Commission	446,625	
Workman's Compensation Insurance	169,254	
Tax Relief Program	210,702	
Other Charges	36,738	
Capital Outlay	8,730	
TOTAL OTHER GENERAL ADMINISTRATION		2,436,339

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

ACCOUNTING AND BUDGETING

Salaries	210,453
Social Security	12,730
State Retirement	28,756
Employer Medicare	2,977
Communications	4,891
Freight	156
Travel	124
Data Processing Supplies	3,883
Office Supplies	746
Premiums on Corporate Surety Bonds	343

TOTAL ACCOUNTING AND BUDGETING 265,059

PURCHASING

Administrative Salaries	106,742
Social Security	6,481
State Retirement	14,585
Employer Medicare	1,516
Communications	1,942
Legal Notices	2,074
Postal Charges	462
Data Processing Supplies	450
Office Supplies	350
Premiums on Corporate Surety Bonds	100

TOTAL PURCHASING 134,702

PROPERTY ASSESSOR

Salaries	288,990
Social Security	16,889
State Retirement	35,786
Employer Medicare	4,075
Training	295
Communications	5,170
Data Processing Services	29,749
Dues and Memberships	1,657
Freight	139
Legal Notices	243

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

PROPERTY ASSESSOR (CONTINUED)

Maintenance and Repair	5,395	
Postal Charges	1,361	
Rentals	944	
Travel	1,552	
Gasoline	3,466	
Office Supplies	8,928	
Publications and Books	230	
Surety Bonds	154	
Capital Outlay	13,838	
TOTAL PROPERTY ASSESSOR		418,861

REAPPRAISAL PROGRAM

Salaries	158,922	
Social Security	9,380	
State Retirement	17,376	
Employer Medicare	2,208	
Audit Service - Property	81,945	
Communication	2,868	
Data Processing Services	10,837	
Dues and Memberships	50	
Maintenance and Repair	714	
Postal Charges	20,000	
Rentals	3,600	
Travel	510	
Gasoline	2,139	
Office Supplies	2,207	
TOTAL REAPPRAISAL PROGRAM		312,756

OFFICE OF COUNTY TRUSTEE

Salaries	269,664	
Social Security	14,728	
State Retirement	31,925	
Employer Medicare	3,760	
Communication	6,857	
Data Processing Services	6,421	
Dues and Memberships	737	
Freight	27	
Legal Notices	260	
Maintenance and Repair	893	
Postal Charges	22,581	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

OFFICE OF COUNTY TRUSTEE (CONTINUED)

Rentals	4,500	
Travel	421	
Data Processing Supplies	1,278	
Office Supplies	7,343	
Premiums on Corporate Surety	713	
Other Charges	233	
TOTAL OFFICE OF COUNTY TRUSTEE		372,341

OFFICE OF COUNTY CLERK

Salaries	565,922	
Social Security	32,559	
State Retirement	73,255	
Employer Medicare	7,913	
Communications	9,719	
Dues and Memberships	762	
Freight	63	
Maintenance and Repair	19,656	
Postal Charges	30,000	
Printing	2,001	
Rentals	5,260	
Travel	4,064	
Office Supplies	5,244	
Premium on Surety Bonds	855	
Other Charges	279	
TOTAL OFFICE OF COUNTY CLERK		757,552

CIRCUIT COURT

Salaries	978,667	
Overtime	11,306	
Social Security	58,613	
State Retirement	113,854	
Employer Medicare	13,708	
Communication	22,086	
Dues and Memberships	682	
Freight	301	
Maintenance and Repair	7,359	
Postal Charges	17,964	
Printing, Stationery and Forms	5,290	
Rentals	8,479	
Travel	1,662	
Office Supplies	10,096	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

CIRCUIT COURT (CONTINUED)

Surety Bonds	1,685	
Periodicals	246	
Data Processing Supplies	27,280	
TOTAL CIRCUIT COURT		1,279,278

GENERAL SESSIONS JUDGE

Salaries	282,573	
Social Security	12,886	
State Retirement	38,453	
Employer Medicare	4,030	
Communication	1,352	
Dues and Memberships	710	
Travel	6,781	
Office Supplies	11,402	
Other Charges	801	
TOTAL GENERAL SESSIONS JUDGE		358,988

DRUG COURT

Remittance of Revenue	15,159	
TOTAL DRUG COURT		15,159

CHANCERY COURT

Salaries	412,823	
Social Security	24,726	
State Retirement	52,075	
Employer Medicare	5,783	
Communication	7,668	
Dues and Memberships	682	
Freight	358	
Maintenance and Repair	3,546	
Rentals	5,856	
Travel	3,439	
Data Processing Services	1,902	
Office Supplies	8,229	
Periodicals	855	
Postal Charges	800	
TOTAL CHANCERY COURT		528,742

DISTRICT ATTORNEY

Other Contracted Services	63,657	
TOTAL DISTRICT ATTORNEY		63,657

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

JUDICIAL COURT

Other Salaries	15,277	
Jury and Witness Fees	33,200	
Other Per Diem and Fees	6,589	
Social Security	939	
Employer Medicare	220	
Legal Notices	81,147	
Postal Charges	662	
Printing, Stationery and Forms	340	
Office Supplies	5,875	
TOTAL JUDICIAL COURT	144,249	144,249

SHERIFF'S DEPARTMENT

Salaries	3,109,024
State Salary Supplement	46,800
Employee Training	9,735
Social Security	187,571
State Retirement	421,444
Employer Medicare	43,869
Communication	19,251
Dues and Memberships	3,244
Freight	2,120
Legal Notices	435
Licenses	398
Maintenance and Repair	30,527
Postal Charges	4,785
Printing, Stationery and Forms	6,860
Rentals	37,290
Travel	10,659
Veterinary Services	682
Other Contracted Services	43,056
Animal Food and Supplies	992
Data Processing Supplies	27,793
Garage Supplies	18,073
Gasoline	207,583
Instructional Supplies and Materials	2,019
Law Enforcement Supplies	25,827
Lubricants	4,996
Office Supplies	4,999
Periodicals	639
Tires and Tubes	14,800
Uniforms	41,590
Vehicle Parts	28,458
Other Supplies and Materials	6,887

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)		
SHERIFF'S DEPARTMENT (CONTINUED)		
Other Charges	6,828	
Capital Outlay	374,459	
TOTAL SHERIFF'S DEPARTMENT		4,743,693
NETCIAU GRANT		
Freight	49	
Supplies	9,064	
Capital Outlay	10,734	
TOTAL NETCIAU GRANT		19,847
SUBSTANCE ABUSE GRANT		
Other Contracted Services	133,314	
TOTAL SUBSTANCE ABUSE GRANT		133,314
NCIC GRANT		
Freight	1,236	
Law Enforcement Supplies	2,277	
Capital Outlay	16,195	
TOTAL NCIC GRANT		19,708
JAIL		
Salaries and Wages	2,700,193	
In-Service Training	490	
Social Security	160,886	
Employer Medicare	37,626	
State Retirement	322,322	
Communication	64,698	
Contracts with Other Governmental Agencies	436,090	
Dues and Memberships	300	
Freight	4,397	
Maintenance and Repair	152,766	
Audit Services	2,500	
Medical and Dental Services	255,027	
Pest Control	4,800	
Postal Charges	613	
Printing, Stationery and Forms	2,475	
Rentals	7,553	
Transportation - Prisoners	14,210	
Travel	4,817	
Other Contracted Services	2,782	
Custodial Supplies	51,135	
Data Processing Supplies	17,715	
Diesel Fuel	665	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

JAIL (CONTINUED)

Drugs and Medical Supplies	90,262	
Food Preparation Supplies	7,789	
Utilities	317,024	
Food Supplies	472,372	
Uniforms	7,079	
Law Enforcement Supplies	1,066	
Office Supplies	17,169	
Prisoners Clothing	9,253	
Chemicals	1,313	
Other Supplies and Materials	20,244	
Other Charges	1,446	
Capital Outlay	<u>43,791</u>	
TOTAL JAIL		5,232,868

JUVENILE SERVICES

Salaries	182,092	
Social Security	10,977	
Employer Medicare	2,567	
State Retirement	24,880	
Communication	7,387	
Contracts with Government Agencies	4,500	
Contracts with Public Agencies	211,305	
Dues and Memberships	835	
Freight	95	
Rentals	3,935	
Travel	3,568	
Office Supplies	6,029	
Postal Charges	2,185	
Maintenance and Repairs	881	
Periodicals	252	
Other Supplies and Materials	<u>62</u>	
TOTAL JUVENILE SERVICES		461,550

WORK RELEASE PROGRAM

Board and Committee Member Fees	9,840	
Social Security	546	
Employer Medicare	128	
State Retirement	<u>1,345</u>	
TOTAL WORK RELEASE PROGRAM		11,859

FEDERAL ASSET FORFEITURE

Law Enforcement Supplies	<u>24,083</u>	
TOTAL FEDERAL ASSET FORFEITURE		24,083

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

OTHER PUBLIC SAFETY

Salaries	32,222	
Social Security	1,906	
Employer Medicare	446	
State Retirement	4,403	
Other Charges	<u>1,059</u>	
TOTAL OTHER PUBLIC SAFETY		40,036

FIRE PROTECTION AND CONTROL

Contributions	<u>835,000</u>	
TOTAL FIRE PROTECTION AND CONTROL		835,000

CIVIL DEFENSE

Matching Grant	<u>109,058</u>	
TOTAL CIVIL DEFENSE		109,058

HAZARDOUS MATERIALS

In-Service Training	1,399	
Freight	44	
Liability Insurance	3,791	
Other Charges	<u>4,922</u>	
TOTAL HAZARDOUS MATERIALS		10,156

RESCUE SQUAD

Local Squads	<u>74,300</u>	
TOTAL RESCUE SQUAD		74,300

OTHER EMERGENCY MANAGEMENT

Freight Expense	724	
Contributions to Other Governments	376,919	
Other Supplies and Materials	6,588	
Capital Outlay	<u>122,758</u>	
TOTAL OTHER EMERGENCY MANAGEMENT		506,989

COUNTY CORONER

Contracts with Private Agencies	30,000	
Other Contracted Services	6,307	
Other Charges	<u>98,710</u>	
TOTAL COUNTY CORONER		135,017

SCHOOL RESOURCE OFFICER GRANT

Communications	1,510	
Capital Outlay	<u>72,967</u>	
TOTAL SCHOOL RESOURCE OFFICER GRANT		74,477

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

COUNTY HEALTH CENTER

Salaries	410,708
Social Security	24,588
State Retirement	51,500
Employee Medicare	5,751
Communication	20,220
Contract with Governmental Agencies	16,149
Freight	1,398
Liability Insurance	2,835
Maintenance and Repair	16,960
Pest Control	430
Postal Charges	5,500
Printing, Stationery, and Forms	175
Rentals	10,406
Travel	344
Other Contracted Services	25,950
Custodial Supplies	11,347
Drugs and Medical Supplies	85,449
Utilities	69,233
Office Supplies	12,652
Periodicals	130
Other Supplies and Materials	10,763
Other Charges	18,776

TOTAL COUNTY HEALTH CENTER 801,264

LOCAL HEALTH CENTER STATE GRANT

Salaries	635,523
Social Security	37,747
State Retirement	63,045
Medicare	8,828
Freight	30
Travel	8,797
Liability Insurance	6,093
Other Charges	396

TOTAL LOCAL HEALTH CENTER STATE GRANT 760,459

RABIES AND ANIMAL CONTROL

Contributions	132,919
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TOTAL RABIES AND ANIMAL CONTROL 132,919

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

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COUNTY GENERAL FUND (CONTINUED)		
AMBULANCE SERVICE		
Contributions	<u>1,291,272</u>	
TOTAL AMBULANCE SERVICE		1,291,272
REGIONAL MENTAL HEALTH CENTER		
Contributions	<u>65,250</u>	
TOTAL REGIONAL MENTAL HEALTH CENTER		65,250
PUBLIC WELFARE		
Contributions	76,000	
Pauper Burials	<u>27,600</u>	
TOTAL PUBLIC WELFARE		103,600
AID TO DEPENDENT CHILDREN		
Contributions	<u>45,000</u>	
TOTAL AID TO DEPENDENT CHILDREN		45,000
EMERGENCY COMMUNICATIONS DISTRICT		
Contributions	<u>546,246</u>	
TOTAL EMERGENCY COMMUNICATIONS DISTRICT		546,246
SANITATION EDUCATION		
Personnel Salaries	28,064	
Social Security	1,645	
Employee Medicare	385	
State Retirement	3,835	
Maintenance and Repair	341	
Other Contracted Services	12,131	
Vehicle Parts	720	
Other Supplies and Materials	<u>2,089</u>	
TOTAL SANITATION EDUCATION		49,210

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

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COUNTY GENERAL FUND (CONTINUED)		
SENIOR CITIZEN'S ASSISTANCE		
Contributions	119,977	
Transportation	<u>20,000</u>	
TOTAL SENIOR CITIZEN'S ASSISTANCE		139,977
LIBRARIES		
Contributions	100,000	
Library Books	<u>27,500</u>	
TOTAL LIBRARIES		127,500
SOCIAL, CULTURAL AND RECREATIONAL		
Contributions - Museum	<u>15,000</u>	
TOTAL SOCIAL, CULTURAL AND RECREATIONAL		15,000
NATIONAL STORYTELLING		
Contributions - National Storytelling	<u>50,000</u>	
TOTAL NATIONAL STORYTELLING		50,000
AGRICULTURAL EXTENSION SERVICE		
Salaries	150,811	
Social Security	10,756	
Employer Medicare	780	
State Retirement	18,712	
Communication	6,380	
Freight	287	
Rentals	6,236	
Travel	6,881	
Maintenance and Repair	2,947	
Pest Control	650	
Custodial Supplies	563	
Other Supplies and Materials	5,284	
Liability Insurance	567	
Utilities	5,150	
Office Supplies	974	
Other Charges	<u>30</u>	
TOTAL AGRICULTURAL EXTENSION SERVICE		217,008
FOREST SERVICE		
Forest Resource Services	<u>1,500</u>	
TOTAL FOREST SERVICE		1,500

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

SOIL CONSERVATION

Secretary	28,966
Other Salary and Wages	20,600
Social Security	2,999
Employer Medicare	701
State Retirement	6,773
Contributions	<u>12,065</u>

TOTAL SOIL CONSERVATION 72,104

STORM WATER MANAGEMENT

Consultants	33,030
Licenses	2,500
Maintenance and Repairs	3,000
Rentals	2,151
Other Contracted Services	5,645
Salaries	5,000
Social Security	292
Employer Medicare	68
State Retirement	655
Freight Expenses	154
Office Supplies	17,936
Data Processing Supplies	7,378
Other Supplies and Materials	<u>4,098</u>

TOTAL STORM WATER MANAGEMENT 81,907

AGRICULTURE AND NATURAL RESOURCES

Salaries	8,050
Social Security	499
Employer Medicare	120
Communication	116
Freight	8
Utilities	2,481
Custodial Supplies	46
Other Supplies and Materials	<u>678</u>

TOTAL AGRICULTURE AND NATURAL RESOURCES 11,998

TOURISM

Contributions - Tourism	<u>6,971</u>
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TOTAL TOURISM 6,971

INDUSTRIAL DEVELOPMENT

Contributions - Industrial Development	<u>139,244</u>
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TOTAL INDUSTRIAL DEVELOPMENT 139,244

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)		
ECONOMIC AND COMMUNITY DEVELOPMENT		
Contributions - JCMA Continuing Education	21,250	
Other Charges	<u>17,332</u>	
TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT		38,582
TRANSPORTATION		
Contributions - Foreign Trade Zone	<u>13,000</u>	
TOTAL TRANSPORTATION		13,000
CONTRIBUTIONS TO OTHER AGENCIES		
Contributions	<u>61,495</u>	
TOTAL CONTRIBUTIONS TO OTHER AGENCIES		61,495
EMPLOYEE BENEFITS		
Handling Charges and Administration Costs	548,157	
Health Insurance Claims	4,310,947	
Medicine and Drug Claims	489,474	
Dental and Vision Insurance	191,721	
Life Insurance	15,234	
Unemployment	12,742	
Contracts with Private Agencies	<u>9,299</u>	
TOTAL EMPLOYEE BENEFITS		5,577,574
JUDGMENTS		
Judgments	<u>14,717</u>	
TOTAL JUDGMENTS		14,717
COURTROOM SECURITY		
Salaries	382,565	
Social Security	23,091	
Employer Medicare	5,400	
State Retirement	<u>35,519</u>	
TOTAL COURTROOM SECURITY		446,575
NETWORK LAW ENFORCEMENT GRANT		
Travel	<u>3,768</u>	
TOTAL NETWORK LAW ENFORCEMENT GRANT		3,768
JAG GRANT		
Freight	27	
Law Enforcement Supplies	<u>14,981</u>	
TOTAL JAG GRANT		15,008

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COUNTY GENERAL FUND (CONTINUED)

ALCOHOL AND DRUG PROGRAM

Salaries	5,000	
Social Security	310	
Employer Medicare	72	
State Retirement	684	
	6,066	
TOTAL ALCOHOL AND DRUG PROGRAM		6,066
TOTAL COUNTY GENERAL FUND		\$ 32,119,198

SPECIAL REVENUE FUNDS

HIGHWAY FUND

ADMINISTRATION

Salaries	\$ 255,495	
Employee Benefits	53,875	
Communication	15,122	
Dues and Memberships	3,950	
Freight	161	
Operating Lease Payments	9,000	
Licenses	71	
Maintenance and Repair	4,562	
Other Contracted Services	26,085	
Postal Charges	500	
Travel	1,706	
Office Supplies	8,111	
Other Supplies	2,784	
Liability Insurance	60,327	
Utilities	9,467	
Premiums on Corp. Surety Bonds	1,444	
Workman's Compensation	128,976	
Other Charges	6,153	
	587,789	
TOTAL ADMINISTRATION		587,789

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

SPECIAL REVENUE FUND (CONTINUED)

HIGHWAY AND BRIDGE MAINTENANCE

Salaries	1,347,986	
Employee Benefits	281,780	
Overtime	318	
Freight	324	
Maintenance and Repair	478	
Rentals	2,575	
Permits	250	
Other Contracted Services	30,425	
Chemicals	7,801	
Concrete and Crushed Stone	119,369	
Diesel Fuel	78,549	
Gasoline	48,268	
Equipment Parts	1,191	
Fertilizer, Lime and Seed	2,719	
General Construction Material	3,557	
Ice	261	
Metal Pipe	34,767	
Road Signs	17,471	
Salt	10,415	
Small Tools	561	
Other Supplies and Materials	319,207	
Other Charges	34,093	
TOTAL HIGHWAY AND BRIDGE MAINTENANCE	2,342,365	2,342,365

OPERATION AND MAINTENANCE OF EQUIPMENT

Salaries	288,981
Employee Benefits	60,828
Overtime	110
Communication	3,911
Freight	6,089
Maintenance and Repair	21,092
Rentals	3,875
Tow-In Service	650
Other Contracted Services	363
Electricity	19,718
Equipment Parts	175,725
Garage Supplies	16,970

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

SPECIAL REVENUE FUND (CONTINUED)

HIGHWAY FUND (CONTINUED)

OPERATION AND MAINTENANCE OF EQUIPMENT (CONTINUED)

Gasoline	254
Lubricants	15,369
Office Supplies	611
Propane Gas	20,499
Small Tools	2,189
Tires and Tubes	35,017
Vehicle Parts	2,503
Other Supplies and Materials	17,020
Other Charges	1,044

TOTAL OPERATION AND MAINTENANCE  
OF EQUIPMENT

692,818

ASPHALT PLANT OPERATIONS

Salaries	742,799
Employee Benefits	160,191
Overtime	676
Communication	959
Freight	6,340
Maintenance and Repair - Equipment	198
Rentals	67
Other Contracted Services	304
Asphalt	730,104
Crushed Stone	165,250
Diesel Fuel	70,845
Electricity	41,096
Equipment and Machinery Parts	13,489
Fuel Oil	70,490
Lubricants	2,336
Natural Gas	858
Sand	10,992
Water and Sewer	344
Other Supplies and Materials	10,389

TOTAL ASPHALT PLANT OPERATIONS

2,027,727

OTHER CHARGES

Trustee's Commission	111,832
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TOTAL OTHER CHARGES

111,832

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

SPECIAL REVENUE FUND (CONTINUED)

HIGHWAY FUND (CONTINUED)

EMPLOYEE BENEFITS

Employee Insurance	1,084,046	
Dental and Vision Insurance	51,038	
TOTAL EMPLOYEE BENEFITS		1,135,084

CAPITAL OUTLAY

Other Equipment	240,676	
TOTAL CAPITAL OUTLAY		240,676

TOTAL HIGHWAY FUND 7,138,291

SOLID WASTE / SANITATION FUND

SANITATION OPERATIONS

Disposal Fees	470,721	
Trustee Commission	24,384	
Salaries	388,922	
Employee Benefits	249,772	
Retirement	42,004	
Communication	5,316	
Freight	659	
Maintenance and Repair	32,796	
Rentals	4,258	
Travel	1,271	
Gasoline	14,671	
Lubricants	608	
Tires	13,399	
Diesel Fuel	45,055	
Utilities	10,103	
Supplies and Materials	16,336	
Workman's Compensation Insurance	21,706	
Other Charges	1,573	
Dues and Memberships	100	
Liability Insurance	10,582	
TOTAL SANITATIONS OPERATIONS		1,354,236

TIRE CENTER OPERATIONS

Salaries	66,688
Employee Benefits	5,194

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

SPECIAL REVENUE FUND (CONTINUED)

SOLID WASTE / SANITATION FUND (CONTINUED)

TIRE CENTER OPERATIONS (CONTINUED)

Retirement	7,185	
Communication	2,225	
Freight	4	
Repairs and Maintenance	203	
Permits	147	
Travel	575	
Water and Sewer	225	
Other Contracted Services	910	
Electricity	1,414	
Supplies and Materials	2,199	
Worker's Compensation Insurance	1,144	
Contracts with Private Agency	<u>236,946</u>	
TOTAL TIRE CENTER OPERATIONS		325,059

CAPITAL OUTLAY

Other Capital Outlay	<u>120,374</u>	
TOTAL CAPITAL OUTLAY		<u>120,374</u>

TOTAL SOLID WASTE / SANITATION FUND

1,799,669

LIBRARY FUND

ADMINISTRATION

Salaries	285,662
Employee Benefits	26,446
Retirement	29,598
Communication	10,359
Contracts with Private Agencies	14,272
Freight	425
Repairs and Maintenance	6,617
Postage	1,200
Pest Control	600
Rentals	483
Travel	143
Custodial Supplies	1,399
Utilities	21,592
Office Expense	26,443
Materials	34,443
Insurance	4,216
Worker's Compensation Insurance	1,045
Other Supplies and Materials	5,496

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

SPECIAL REVENUE FUND (CONTINUED)		
LIBRARY FUND (CONTINUED)		
ADMINISTRATION (CONTINUED)		
Other Charges	3,578	
Trustee's Commission	93	
TOTAL ADMINISTRATION	474,110	
TOTAL LIBRARY FUND		474,110
DRUG FINES FUND		
ADMINISTRATION		
Contributions	1,000	
Drug Control Payments	5,000	
Dues and Memberships	25	
Freight	849	
Uniforms	1,400	
Supplies	11,941	
Trustee's Commission	971	
Travel	1,986	
Training	200	
Vehicle Parts	3,601	
Other Charges	11,677	
TOTAL ADMINISTRATION	38,650	
CAPITAL OUTLAY		
Law Enforcement Equipment	46,511	
Motor Vehicles	40,817	
TOTAL CAPITAL OUTLAY	87,328	
TOTAL DRUG FINES FUND		125,978
CONSTITUTIONAL OFFICER - FEES FUNDS		
Special Commissioner Fees	34,348	
Bank Charges	8,893	
Postage	64	
TOTAL CONSTITUTIONAL OFFICERS - FEES	43,305	
TOTAL CONSTITUTIONAL OFFICERS -FEES FUNDS		43,305
DISTRICT ATTORNEY GENERAL		
Salaries	16,936	
Employee Benefits	1,296	
Communication	106	
Freight	25	
Dues and Memberships	2,945	
Office Supplies	1,126	
Trustee's Commission	525	
Travel	3,555	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

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SPECIAL REVENUE FUND (CONTINUED)		
DISTRICT ATTORNEY GENERAL (CONTINUED)		
Training	135	
Contracts with Government Agencies	26,590	
Other Charges	<u>71</u>	
TOTAL DISTRICT ATTORNEY GENERAL		<u>53,310</u>
TOTAL DISTRICT ATTORNEY GENERAL FUND		<u>53,310</u>
TOTAL SPECIAL REVENUE FUNDS		<u><u>\$ 9,634,663</u></u>

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

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CAPITAL PROJECTS FUND

Trustee's Commission	\$ 8,891
Capital Outlay - Schools	10,817,177
Capital Outlay - Detention Center	<u>11,385,436</u>

TOTAL CAPITAL PROJECTS FUND

\$ 22,211,504

DEBT SERVICE FUND

Bond Principal	\$ 2,475,000
Note Principal	1,462,767
Interest on Bonds	7,183,362
Interest on Notes	378,919
Trustee's Commission	234,051
Fees	<u>4,746</u>

TOTAL DEBT SERVICE FUND

\$ 11,738,845

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION

GENERAL PURPOSE SCHOOL FUND  
REGULAR INSTRUCTION PROGRAM

CLASSROOM

Teachers	\$ 19,292,605	
Career Ladder Program	237,500	
Career Ladder Extended Contract	314,206	
Educational Assistants	1,121,873	
Substitute Teachers	333,821	
Social Security and Medicare	1,277,964	
State Retirement	1,429,800	
Life Insurance	14,500	
Medical Insurance	4,267,340	
Unemployment Compensation	29,811	
Employer Medicare	299,743	
Other Fringe Benefits	99,367	
Maintenance and Repair	197,430	
Other Contracted Services	2,869,857	
Instructional Supplies and Materials	172,185	
Textbooks	632,196	
Other Supplies and Materials	297,938	
Fee Waivers	10,192	
Other Charges	498,088	
TOTAL CLASSROOM	33,396,416	33,396,416

ADMINISTRATION

Supervisors	208,897	
Career Ladder Program	9,000	
Career Ladder Extended Contract	16,000	
Librarians	708,778	
Instructional Computer Personnel	107,380	
Secretary and Clerical	132,954	
Other Salaries and Wages	42,797	
Social Security and Medicare	69,724	
State Retirement	86,366	
Life Insurance	778	
Medical Insurance	145,207	
Employer Medicare	17,256	
Other Fringe Benefits	373	
Maintenance and Repair	45,369	
Travel	38,397	
Library Books	325,359	
In-Service Workshops	67,118	
Other Supplies and Materials	15,642	
TOTAL ADMINISTRATION	2,037,395	2,037,395

TOTAL REGULAR INSTRUCTION PROGRAM

35,433,811

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)

GENERAL PURPOSE SCHOOL FUND (CONTINUED)

SPECIAL EDUCATION PROGRAM

CLASSROOM

Teachers	2,102,916	
Career Ladder Program	24,000	
Career Ladder Extended Contract	2,000	
Homebound Teachers	40,233	
Educational Assistants	119,654	
Speech Pathologist	233,184	
Other Salaries and Wages	80,527	
Substitute Teachers	42,000	
Social Security	154,827	
State Retirement	177,613	
Life Insurance	1,734	
Medical Insurance	361,490	
Employer Medicare	36,209	
Other Fringe Benefits	1,076	
Other Contracted Services	2,500	
Instructional Supplies and Materials	10,721	
Fee Waivers	2,200	
Other Charges	997	
	<hr/>	
TOTAL CLASSROOM		3,393,881

ADMINISTRATION

Supervisor/Director	77,607	
Career Ladder Program	3,000	
Psychological Personnel	42,986	
Career Ladder Extended Contract	2,000	
Assessment Personnel	181,601	
Secretary	22,968	
Speech Pathologist	169,602	
Other Salaries and Wages	25,211	
Social Security	32,133	
State Retirement	37,308	
Life Insurance	249	
Medical Insurance	40,250	
Employer Medicare	7,515	
Other Fringe Benefits	130	
Repairs and Maintenance	663	
Travel	15,675	
In-Service / Staff Development	4,500	
Other Supplies and Materials	821	
	<hr/>	
TOTAL ADMINISTRATION		<hr/> 664,219

TOTAL SPECIAL EDUCATION PROGRAM

4,058,100

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)  
 GENERAL PURPOSE SCHOOL FUND (CONTINUED)  
 VOCATIONAL EDUCATION PROGRAM

CLASSROOM

Teachers	1,354,972	
Career Ladder Program	7,000	
Career Ladder Extended Contracts	2,000	
Substitute Teachers	20,000	
Educational Assistants	22,674	
Social Security	83,313	
State Retirement	90,715	
Life Insurance	870	
Medical Insurance	228,510	
Employer Medicare	19,484	
Other Fringe Benefits	503	
Fee Waiver	3,000	
Instructional Supplies and Materials	91,593	
<b>TOTAL CLASSROOM</b>	<b>1,924,634</b>	<b>1,924,634</b>

ADMINISTRATION

Supervisor and Director	38,604	
Career Ladder Program	3,000	
Career Ladder Extended Contract	4,000	
Secretary	24,528	
Social Security	4,169	
State Retirement	6,280	
Life Insurance	44	
Medical Insurance	10,625	
Employer Medicare	970	
Other Fringe Benefits	17	
Maintenance and Repair	6,319	
Travel	28,846	
Other Supplies and Materials	1,492	
<b>TOTAL ADMINISTRATION</b>	<b>128,894</b>	<b>128,894</b>

**TOTAL VOCATIONAL EDUCATION PROGRAM** **2,053,528**

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)		
GENERAL PURPOSE SCHOOL FUND (CONTINUED)		
ADULT EDUCATION PROGRAM		
Teacher	5,200	
Social Security	270	
State Retirement	289	
Employer Medicare	63	
Instructional Supplies and Materials	2,313	
TOTAL ADULT EDUCATION PROGRAM		8,135
ATTENDANCE		
Supervisor and Director	60,427	
Career Ladder Program	1,000	
Secretary and Clerical	20,778	
Social Security	4,969	
State Retirement	6,783	
Life Insurance	44	
Medical Insurance	4,840	
Employer Medicare	1,163	
Other Fringe Benefits	17	
Travel	4,175	
Other Supplies and Materials	971	
TOTAL ATTENDANCE		105,167
HEALTH SERVICES		
Medical Personnel	186,703	
Other Salaries and Wages	282,555	
Social Security	28,542	
State Retirement	64,147	
Life Insurance	362	
Medical Insurance	122,830	
Employer Medicare	6,675	
Other Fringe Benefits	81	
Travel	10,760	
Other Contracted Services	95,850	
Drugs and Medical Supplies	933	
Other Supplies and Materials	15,233	
Other Charges	8,045	
TOTAL HEALTH SERVICES		822,716
OTHER STUDENT SUPPORT		
Career Ladder Program	4,000	
Guidance Personnel	720,710	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

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COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)		
GENERAL PURPOSE SCHOOL FUND (CONTINUED)		
OTHER STUDENT SUPPORT (CONTINUED)		
Social Security	43,124	
State Retirement	46,526	
Life Insurance	486	
Medical Insurance	94,775	
Employer Medicare	10,086	
Other Fringe Benefits	292	
Contracts with Other Public Agencies	40,000	
Evaluation and Testing	47,092	
Other Supplies and Materials	3,521	
TOTAL OTHER STUDENT SUPPORT	1,010,612	1,010,612
BOARD OF EDUCATION		
Board and Committee Fees	25,520	
Social Security	1,582	
Employer Medicare	2,472	
Audit Services	370	
Dues and Memberships	36,000	
Legal Services	11,709	
Travel	6,329	
Other Contracted Services	22,286	
Liability Insurance	2,000	
Premiums on Corporate Surety Bonds	83,000	
Trustee Commission	4,265	
Workman's Compensation	452,713	
Criminal Investigation Application	290,424	
Other Charges	12,531	
TOTAL BOARD OF EDUCATION	951,201	951,201
OFFICE OF THE DIRECTOR		
Director of Schools	98,000	
Career Ladder Program	1,000	
Secretary and Clerical	210,240	
Other Salaries and Wages	30,747	
Social Security	20,422	
State Retirement	43,368	
Life Insurance	157	
Medical Insurance	39,188	
Employer Medicare	4,776	
Other Fringe Benefits	17	
Communications	76,460	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)  
GENERAL PURPOSE SCHOOL FUND (CONTINUED)

OFFICE OF THE DIRECTOR (CONTINUED)

Postal Charges	13,447	
Travel	8,618	
Other Contracted Services	72,079	
Office Supplies	4,256	
<b>TOTAL OFFICE OF THE DIRECTOR</b>	<b>622,775</b>	<b>622,775</b>

OFFICE OF THE PRINCIPAL

Principals	855,355	
Career Ladder	24,000	
Career Ladder Extended Contract	11,590	
Assistant Principals	799,245	
Secretary and Clerical	587,575	
Social Security	136,879	
State Retirement	187,334	
Life Insurance	1,302	
Medical Insurance	276,175	
Employer Medicare	31,921	
Other Fringe Benefits	438	
Communications	20,000	
Travel	622	
Other Supplies and Materials	4,055	
Other Charges	168,864	
<b>TOTAL OFFICE OF THE PRINCIPAL</b>	<b>3,105,355</b>	<b>3,105,355</b>

FISCAL SERVICES

Supervisor/Director	64,297	
Clerical Personnel	65,343	
Social Security	7,751	
State Retirement	17,721	
Life Insurance	60	
Medical Insurance	17,000	
Employer Medicare	1,810	
Travel	869	
Other Contracted Services	11,256	
Other Supplies and Materials	463	
<b>TOTAL FISCAL SERVICES</b>	<b>186,570</b>	<b>186,570</b>

OPERATION OF PLANT

Custodial Personnel	567,149	
Social Security	32,008	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

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COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)

GENERAL PURPOSE SCHOOL FUND (CONTINUED)

OPERATION OF PLANT (CONTINUED)

State Retirement	59,259	
Life Insurance	519	
Medical Insurance	112,088	
Employer Medicare	7,485	
Other Contracted Services	98,539	
Custodial Supplies	168,056	
Janitorial Services	649,498	
Electricity	2,020,000	
Natural Gas	138,146	
Garbage Services	116,000	
Water and Sewer	157,632	
Boiler Insurance	14,000	
Other Charges	3,987	
TOTAL OPERATION OF PLANT		4,144,366

MAINTENANCE OF PLANT

Supervisor and Director	57,243	
Maintenance Personnel	850,586	
Social Security	55,082	
State Retirement	123,227	
Life Insurance	464	
Medical Insurance	191,000	
Employer Medicare	13,006	
Communication	2,587	
Maintenance and Repair	52,777	
Other Supplies and Materials	318,440	
Other Charges	8,923	
TOTAL MAINTENANCE OF PLANT		1,673,335

TRANSPORTATION

Supervisor and Director	43,581	
Mechanics	181,904	
Bus Drivers	862,212	
Social Security	65,281	
State Retirement	144,957	
Life Insurance	1,485	
Medical Insurance	361,732	
Employer Medicare	15,211	
Communication	477	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

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COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)		
GENERAL PURPOSE SCHOOL FUND (CONTINUED)		
TRANSPORTATION (CONTINUED)		
Other Contracted Services	4,843	
Gasoline	100,329	
Diesel	348,918	
Garage Supplies	29,917	
Tires and Tubes	49,975	
Vehicle Parts	123,912	
Other Supplies and Materials	3,952	
Vehicle and Equipment Insurance	78,000	
Other Charges	28,586	
TOTAL TRANSPORTATION	2,445,272	2,445,272
CENTRAL AND OTHER		
Supervisor/Director	47,477	
Clerical Personnel	19,323	
Other Salaries and Wages	28,716	
Social Security	5,661	
State Retirement	9,616	
Life Insurance	76	
Medical Insurance	25,500	
Employer Medicare	1,315	
Office Supplies	1,940	
Other Charges	4,177	
TOTAL CENTRAL AND OTHER	143,801	143,801
FOOD SERVICE		
Supervisor/Director	43,581	
Social Security	2,520	
State Retirement	5,958	
Life Insurance	1,647	
Medical Insurance	212,500	
Employer Medicare	588	
Other Fringe Benefits	18	
TOTAL FOOD SERVICE	266,812	266,812
COMMUNITY SERVICE		
Supervisor	30,414	
Secretaries	24,944	
Other Salaries and Wages	432,811	
Social Security	29,865	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF DETAILED EXPENDITURES  
ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT  
For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)

GENERAL PURPOSE SCHOOL FUND (CONTINUED)

COMMUNITY SERVICE (CONTINUED)

State Retirement	10,190	
Medical Insurance	9,700	
Employer Medicare	6,984	
Travel	1,100	
Food Supplies	28,842	
Other Supplies and Materials	21,293	
Other Charges	7,974	
TOTAL COMMUNITY SERVICE		604,117

CAPITAL OUTLAY

Regular Instruction	39,227	
Maintenance of Plant	48,832	
Transportation	411,125	
Other Capital Outlay	152,036	
TOTAL CAPITAL OUTLAY		651,220

TOTAL GENERAL PURPOSE SCHOOL FUND

\$ 58,286,893

SCHOOL FEDERAL PROJECTS

REGULAR INSTRUCTION PROGRAM

CLASSROOM

Teachers	1,066,201	
Educational Assistants	156,166	
Substitute Teachers	7,445	
Social Security and Medicare	88,217	
State Retirement	86,357	
Medical Insurance	227,016	
Maintenance and Repair	3,179	
Instructional Supplies and Materials	61,787	
Other Supplies and Materials	11,825	
TOTAL CLASSROOM		1,708,193

ADMINISTRATION

Secretary and Clerical	4,651	
Other Salaries and Wages	111,845	
Social Security and Medicare	4,629	
Medical Insurance	9,000	
State Retirement	3,702	

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)		
SCHOOL FEDERAL PROJECTS (CONTINUED)		
REGULAR INSTRUCTION PROGRAM (CONTINUED)		
ADMINISTRATION (CONTINUED)		
Travel	7,369	
Other Supplies and Materials	1,793	
In-service Workshops	147,161	
Other Charges	78,028	
Indirect Cost	<u>16,408</u>	
TOTAL ADMINISTRATION		<u>384,586</u>
TOTAL REGULAR INSTRUCTION PROGRAM		2,092,779
SPECIAL EDUCATION PROGRAM		
CLASSROOM		
Teachers	74,942	
Educational Assistants	724,405	
Speech Pathologist	33,516	
Other Salaries and Wages	136,919	
Social Security and Medicare	68,582	
State Retirement	135,295	
Medical Insurance	<u>263,381</u>	
TOTAL CLASSROOM		1,437,040
ADMINISTRATION		
Travel	1,000	
Other Contracted Services	20,561	
In-Service Workshops	51,840	
Other Supplies and Materials	61,550	
Other Charges	1,338	
Indirect Cost	<u>15,729</u>	
TOTAL ADMINISTRATION		<u>152,018</u>
TOTAL SPECIAL EDUCATION PROGRAM		1,589,058
VOCATIONAL EDUCATION PROGRAM		
CLASSROOM		
Teachers	37,200	
Social Security and Medicare	2,845	
State Retirement	2,321	
Medical Insurance	4,750	
Instructional Supplies and Materials	6,297	
Other Supplies and Materials	32,117	
Indirect Cost	<u>713</u>	
TOTAL CLASSROOM		86,243
ADMINISTRATION		
Other Supplies and Materials	<u>100,074</u>	
TOTAL ADMINISTRATION		<u>100,074</u>
TOTAL VOCATIONAL EDUCATION PROGRAM		186,317

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF DETAILED EXPENDITURES  
 ALL GOVERNMENTAL FUND TYPES  
 AND DISCRETELY PRESENTED COMPONENT UNIT  
 For the Fiscal Year Ended June 30, 2009

COMONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION (CONTINUED)		
SCHOOL FEDERAL PROJECTS (CONTINUED)		
OTHER STUDENT SUPPORT		
Guidance	29,589	
Secretary	1,550	
Social Security and Medicare	119	
State Retirement	212	
Evaluation and Testing	1,429	
Travel	26,618	
In-Service Workshops	11,893	
Other Supplies and Materials	11,926	
TOTAL OTHER STUDENT SUPPORT	83,336	83,336
TRANSPORTATION		
Bus Drivers	217,755	
Social Security and Medicare	19,630	
State Retirement	30,664	
Medical Insurance	58,924	
TOTAL TRANSPORTATION	326,973	326,973
CAPITAL OUTLAY		
Capital Outlay	23,500	
TOTAL CAPITAL OUTLAY	23,500	23,500
TOTAL SCHOOL FEDERAL PROJECTS	\$ 4,301,963	
SCHOOL FOOD SERVICE FUND		
Salaries and Payroll Expenses	\$ 1,734,995	
Food	1,771,622	
Non-Food and Other Supplies	404,151	
Utilities	6,974	
Contracted Services	52,651	
Capital Outlay	45,945	
TOTAL SCHOOL FOOD SERVICE FUND	\$ 4,016,338	
TOTAL COMPONENT UNIT - WASHINGTON COUNTY BOARD OF EDUCATION	\$ 66,605,194	

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINED SCHEDULE OF ASSETS AND LIABILITIES  
 June 30, 2009

	Trustee	County Clerk	Circuit Court Clerk	General Sessions Court Clerk	Law Court Clerk	Clerk and Master	Register	Sheriff	Total (Memorandum Only)
<b>ASSETS</b>									
Equity in Pooled Cash	\$24,076,699	-	-	-	-	-	-	-	24,076,699
Cash on Hand	400	1,100	1,050	1,350	-	150	100	5,232	9,382
Cash in Bank	-	702,612	225,274	28,936	305,324	1,132,283	337,855	46,295	2,778,579
Investments	18,752,450	-	493,992	73,112	707,791	2,269,648	-	-	22,296,993
Receivables	5,071	-	-	-	-	-	1,848	21,970	28,889
Due from State	7,173,523	-	-	-	-	-	-	-	7,173,523
<b>TOTAL ASSETS</b>	<b>\$50,008,143</b>	<b>703,712</b>	<b>720,316</b>	<b>103,398</b>	<b>1,013,115</b>	<b>3,402,081</b>	<b>339,803</b>	<b>73,497</b>	<b>56,364,065</b>
<b>LIABILITIES</b>									
Due State of Tennessee									
Business and Gross Receipts Tax	\$ -	125,128	-	-	-	-	-	-	125,128
Marriage Licenses	-	4,639	-	-	-	-	-	-	4,639
Motor Vehicle Registration	-	222,990	-	-	-	-	-	-	222,990
Sales and Use Tax	-	222,253	-	-	-	-	-	-	222,253
Manufactured Home Installation Permits	-	148	-	-	-	-	-	-	148
Realty Transfer and Mortgage Transfer Tax	-	-	-	-	-	-	256,259	-	256,259
County Officials Retirement Tax	-	-	-	-	-	-	6,460	-	6,460
Due to Litigants, Heirs and Others									
Donor Awareness	-	343	-	-	-	-	-	-	343
County Clerk	-	1,100	-	-	-	-	-	-	1,100
Notary Seals and Commissions	-	20	-	-	-	-	-	-	20
Helping Schools	-	124	-	-	-	-	-	-	124
Court Funds and Costs	-	-	85,832	4,039	305,398	996,341	-	-	1,391,610
Deposits	-	-	493,992	73,112	707,791	2,269,648	-	-	3,544,543

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINED SCHEDULE OF ASSETS AND LIABILITIES  
 June 30, 2009

LIABILITIES (CONTINUED)	Trustee	County Clerk	Circuit Court Clerk	General Sessions Court Clerk	Law Court Clerk	Clerk and Master	Register	Sheriff	Total (Memorandum Only)
Due to Litigants, Heirs and Others (Continued)									
Delinquent Property Taxes	-	-	-	-	-	135,302	-	-	135,302
Publications	-	-	-	-	-	790	-	-	790
State of TN Treasury Department	-	-	-	-	-	-	-	-	-
Cash Bonds	-	-	18,500	29,400	-	-	-	-	47,900
Escrow and Refunds	-	-	-	-	-	-	2,693	-	2,693
Due to Inmates	-	-	-	-	-	-	-	34,933	34,933
Drug Program	-	-	-	-	-	-	-	5,132	5,132
Swanson and Others	-	-	-	-	-	-	-	33,432	33,432
Due to Johnson City Schools	1,668,726	-	-	-	-	-	-	-	1,668,726
Due to Sales Tax Fund	3,361,676	-	-	-	-	-	-	-	3,361,676
Due to Johnson City									
Business Tax and Marriage Licenses	-	26,470	-	-	-	-	-	-	26,470
Due to General Purpose School Fund	2,071,386	-	-	-	-	-	-	-	2,071,386
FUNDS									
General	13,210,287	-	-	-	-	-	-	-	13,210,287
Solid Waste Sanitation	751,730	-	-	-	-	-	-	-	751,730
Library Operation	114,589	-	-	-	-	-	-	-	114,589
Highway Upkeep	2,985,490	-	-	-	-	-	-	-	2,985,490
General Purpose School	10,515,108	-	-	-	-	-	-	-	10,515,108
School Federal Projects	118,595	-	-	-	-	-	-	-	118,595
Debt Service	9,918,577	-	-	-	-	-	-	-	9,918,577
Capital Projects	4,511,387	-	-	-	-	-	-	-	4,511,387
Self Insurance	31,919	-	-	-	-	-	-	-	31,919
Drug Fines	367,609	-	-	-	-	-	-	-	367,609
District Attorney	20,038	-	-	-	-	-	-	-	20,038
Judicial District Drug	217,346	-	-	-	-	-	-	-	217,346
Commission Account	143,680	100,497	121,992	(3,153)	(74)	-	74,391	-	437,333
TOTAL LIABILITIES	<u>\$ 50,008,143</u>	<u>703,712</u>	<u>720,316</u>	<u>103,398</u>	<u>1,013,115</u>	<u>3,402,081</u>	<u>339,803</u>	<u>73,497</u>	<u>56,364,065</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINED SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 For the Fiscal Year Ended June 30, 2009

RECEIPTS	Trustee	County Clerk	Circuit Court Clerk	General Sessions Court Clerk	Law Court Clerk	Clerk and Master	Register	Sheriff	Total (Memorandum Only)
Fund Accounts	\$ 215,792,026	-	-	-	-	-	-	-	215,792,026
State of Tennessee	-	7,550,332	134,814	739,605	15,105	17,856	2,538,115	-	10,995,827
Litigants, Heirs and Others	-	7,160	357,576	2,774,098	862,044	4,102,752	9,153	860,337	8,973,120
County Revenue Clearing Account	-	2,038,484	106,195	1,391,742	46,049	841,260	-	28,554	4,452,284
Fee and Commission Account	1,760,759	999,713	242,622	1,024,100	149,552	383,024	694,354	-	5,254,124
<b>TOTAL RECEIPTS</b>	<b>217,552,785</b>	<b>10,595,689</b>	<b>841,207</b>	<b>5,929,545</b>	<b>1,072,750</b>	<b>5,344,892</b>	<b>3,241,622</b>	<b>888,891</b>	<b>245,467,381</b>
<b>DISBURSEMENTS</b>	<b>217,488,924</b>	<b>10,535,197</b>	<b>1,994,024</b>	<b>4,904,103</b>	<b>676,535</b>	<b>6,204,948</b>	<b>3,233,437</b>	<b>895,850</b>	<b>245,933,018</b>
Excess of Receipts Over (Under) Disbursements	63,861	60,492	(1,152,817)	1,025,442	396,215	(860,056)	8,185	(6,959)	(465,637)
Transfers from Session and Law to Circuit Court	-	-	1,173,667	(1,024,115)	(149,552)	-	-	-	-
Cash Balance, July 1, 2008	42,765,688	643,220	699,466	102,071	766,452	4,262,137	329,770	58,486	49,627,290
Cash Balance, June 30, 2009	<u>\$ 42,829,549</u>	<u>703,712</u>	<u>720,316</u>	<u>103,398</u>	<u>1,013,115</u>	<u>3,402,081</u>	<u>337,955</u>	<u>51,527</u>	<u>49,161,653</u>

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See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 GENERAL SESSIONS COURT CLERK  
 For the Fiscal Year Ended June 30, 2009

RECEIPTS	General Sessions - Jonesborough	General Sessions- Civil Court - Johnson City	General Sessions- State Court - Johnson City	General Sessions- Juvenile Court	Total General Sessions - Court Clerk
State of Tennessee	\$ 117,927	112,614	508,858	206	739,605
Washington County	250,500	528,061	608,376	4,805	1,391,742
Litigants, Heirs and Others	245,575	2,073,667	410,646	44,210	2,774,098
Fee and Commission Account	141,770	408,247	450,343	23,740	1,024,100
<b>TOTAL RECEIPTS</b>	<b>755,772</b>	<b>3,122,589</b>	<b>1,978,223</b>	<b>72,961</b>	<b>5,929,545</b>
<b>DISBURSEMENTS</b>	<b>616,510</b>	<b>2,714,687</b>	<b>1,525,330</b>	<b>47,576</b>	<b>4,904,103</b>
Excess of Receipts Over (Under) Disbursements	139,262	407,902	452,893	25,385	1,025,442
Transfers from Sessions to Circuit Court	(141,770)	(408,247)	(450,358)	(23,740)	(1,024,115)
Cash Balance, July 1, 2008	9,372	2,712	18,731	71,256	102,071
Cash Balance, June 30, 2009	<u>\$ 6,864</u>	<u>2,367</u>	<u>21,266</u>	<u>72,901</u>	<u>103,398</u>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 CLERK AND MASTER  
 For the Fiscal Year Ended June 30, 2009

RECEIPTS	Clerk & Master - Jonesborough	Clerk & Master - Johnson City	Total Clerk & Master
State of Tennessee	\$ 10,541	7,315	17,856
Washington County	434,958	406,302	841,260
Litigants, Heirs and Others	2,559,046	1,543,706	4,102,752
Fee and Commission Account	179,414	203,610	383,024
<b>TOTAL RECEIPTS</b>	<b>3,183,959</b>	<b>2,160,933</b>	<b>5,344,892</b>
<b>DISBURSEMENTS</b>	<b>3,716,351</b>	<b>2,488,597</b>	<b>6,204,948</b>
Excess of Receipts Over (Under) Disbursements	(532,392)	(327,664)	(860,056)
Transfers from Jonesborough to Johnson City	(164,339)	164,339	-
Balance, July 1, 2008	2,304,248	1,957,889	4,262,137
Balance, June 30, 2009	\$ 1,607,517	1,794,564	3,402,081

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 COUNTY CLERK  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
STATE OF TENNESSEE						
Business and Gross Receipts Tax	\$ 89,573	1,508,547	-	75,427	1,397,565	125,128
Marriage Licenses	5,039	46,185	-	638	45,947	4,639
Motor Vehicle Registration	204,608	3,305,918	-	-	3,287,536	222,990
Manufactured Home Installation Permits	259	2,035	-	-	2,146	148
Sales and Use Tax	241,027	2,499,623	-	124,981	2,393,416	222,253
Motor Vehicle Titles	-	188,024	-	-	188,024	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>540,506</b>	<b>7,550,332</b>	<b>0</b>	<b>201,046</b>	<b>7,314,634</b>	<b>575,158</b>
WASHINGTON COUNTY / JOHNSON CITY						
Business Tax and Marriage Licenses	14,880	1,608,387	-	80,419	1,516,378	26,470
Beer Tax	-	351,678	-	17,584	334,094	-
Building Permits	-	68,805	-	3,440	65,365	-
Data Processing Fee	-	9,614	0	9,614	-	-
<b>TOTAL WASHINGTON COUNTY/ JOHNSON CITY</b>	<b>14,880</b>	<b>2,038,484</b>	<b>-</b>	<b>111,057</b>	<b>1,915,837</b>	<b>26,470</b>
LITIGANTS, HEIRS AND OTHERS						
Notary Seals	35	2,060	-	-	2,075	20
Public Notices	-	-	-	-	-	-
Donor Awareness	227	3,581	-	-	3,465	343
Helping Schools	31	1,519	-	-	1,426	124
Due to County Clerk	1,100	-	-	-	-	1,100
Deposits	-	-	-	-	-	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>1,393</b>	<b>7,160</b>	<b>0</b>	<b>0</b>	<b>6,966</b>	<b>1,587</b>
FEES AND COMMISSION ACCOUNT						
Fees and Commissions	86,441	687,610	312,103	-	985,657	100,497
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>86,441</b>	<b>687,610</b>	<b>312,103</b>	<b>0</b>	<b>985,657</b>	<b>100,497</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 643,220</b>	<b>10,283,586</b>	<b>312,103</b>	<b>312,103</b>	<b>10,223,094</b>	<b>703,712</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 CIRCUIT COURT CLERK  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
<b>STATE OF TENNESSEE</b>						
State Litigation Tax	\$ -	95,730	-	4,485	91,245	-
Department of Safety	-	2,795	-	140	2,655	-
Tennessee Bureau of Investigations	-	2,238	-	112	2,126	-
Public Defender	-	25,610	-	1,281	24,329	-
Attorney General	-	8,441	-	422	8,019	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>0</b>	<b>134,814</b>	<b>0</b>	<b>6,440</b>	<b>128,374</b>	<b>0</b>
<b>WASHINGTON COUNTY</b>						
County Litigation Tax	-	11,676	-	788	10,888	-
Special Litigation Tax	-	932	-	63	869	-
Litigation Tax / Jail	-	8,981	-	606	8,375	-
Litigation Tax / Court House Security	-	6,821	-	460	6,361	-
County Fines	-	10,049	-	503	9,546	-
Drug Fines	-	11,102	-	555	10,547	-
Drug Court Fund	-	3,595	-	180	3,415	-
County Officer's Cost	-	14,664	-	733	13,931	-
Jail Fees	-	19,727	-	986	18,741	-
Other Collections	-	14,888	-	-	14,888	-
Data Processing Fee	-	1,544	-	-	1,544	-
Court Security Fee	-	2,216	-	111	2,105	-
<b>TOTAL WASHINGTON COUNTY</b>	<b>0</b>	<b>106,195</b>	<b>0</b>	<b>4,985</b>	<b>101,210</b>	<b>0</b>
<b>LITIGANTS, HEIRS AND OTHERS</b>						
Court Funds and Costs	89,580	242,878	-	-	246,626	85,832
Deposits	455,827	40,610	-	-	2,445	493,992
Alimony/Child Support	-	7,529	-	-	7,529	-
Cash Bonds	25,357	24,800	-	-	31,657	18,500
Constable's Cost	-	180	-	9	171	-
Witness Fess	-	2,186	-	110	2,076	-
Fines and Arrest Fees – Jonesborough	-	2,524	-	126	2,398	-
Fines and Arrest Fees - Johnson City	-	20,106	-	1,005	19,101	-
Drug Fines - Johnson City	-	16,763	-	838	15,925	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>570,764</b>	<b>357,576</b>	<b>0</b>	<b>2,088</b>	<b>327,928</b>	<b>598,324</b>
<b>FEEES AND COMMISSION ACCOUNT</b>						
Fees and Commissions	128,702	1,402,776	13,513	0	1,422,999	121,992
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>128,702</b>	<b>1,402,776</b>	<b>13,513</b>	<b>0</b>	<b>1,422,999</b>	<b>121,992</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 699,466</b>	<b>2,001,361</b>	<b>13,513</b>	<b>13,513</b>	<b>1,980,511</b>	<b>720,316</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 GENERAL SESSIONS COURT CLERK - JONESBOROUGH  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
STATE OF TENNESSEE						
State Litigation Tax	\$ -	85,832	-	4,847	80,985	-
Department of Safety	-	13,267	-	663	12,604	-
Tennessee Bureau of Investigations	-	6,090	-	304	5,786	-
Public Defender	-	11,030	-	550	10,480	-
Attorney General	-	1,708	-	86	1,622	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>0</b>	<b>117,927</b>	<b>0</b>	<b>6,450</b>	<b>111,477</b>	<b>0</b>
WASHINGTON COUNTY						
County Litigation Tax	-	37,523	-	2,533	34,990	-
Special Litigation Tax	-	24,516	-	1,282	23,234	-
Litigation Tax / Jail	-	34,151	-	2,305	31,846	-
Litigation Tax / Security	-	28,938	-	1,953	26,985	-
Booking Fees	-	6,080	-	304	5,776	-
County Fines	-	22,182	-	1,109	21,073	-
Drug Fines	-	12,718	-	636	12,082	-
Drug Court Fund	-	3,611	-	181	3,430	-
County Officer's Cost	-	45,325	-	2,266	43,059	-
Jail Fees	-	28,679	-	1,434	27,245	-
Other Collections	-	1,925	-	96	1,829	-
Data Processing Fee	-	3,432	-	-	3,432	-
Court Security Fee	-	1,420	-	71	1,349	-
<b>TOTAL WASHINGTON COUNTY</b>	<b>0</b>	<b>250,500</b>	<b>0</b>	<b>14,170</b>	<b>236,330</b>	<b>0</b>
LITIGANTS, HEIRS AND OTHERS						
Court Funds and Costs	150	161,555	-	-	161,113	592
Cash Bonds	9,700	59,396	-	-	62,346	6,750
Alimony/Child Support	-	400	-	-	400	-
Constable's Cost	-	3,447	-	174	3,273	-
Fines and Arrest Fees – Jonesborough	-	20,749	-	1,037	19,712	-
Fines and Arrest Fees – Johnson City	-	28	-	2	26	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>9,850</b>	<b>245,575</b>	<b>0</b>	<b>1,213</b>	<b>246,870</b>	<b>7,342</b>
FEES AND COMMISSION ACCOUNT						
Fees and Commissions	(478)	119,937	21,833	-	141,770	(478)
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>(478)</b>	<b>119,937</b>	<b>21,833</b>	<b>0</b>	<b>141,770</b>	<b>(478)</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 9,372</b>	<b>733,939</b>	<b>21,833</b>	<b>21,833</b>	<b>736,447</b>	<b>6,864</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 GENERAL SESSIONS COURT CLERK - CIVIL COURT - JOHNSON CITY  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
<b>STATE OF TENNESSEE</b>						
State Litigation Tax	\$ -	112,614	-	7,602	105,012	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>0</b>	<b>112,614</b>	<b>0</b>	<b>7,602</b>	<b>105,012</b>	<b>0</b>
<b>WASHINGTON COUNTY</b>						
County Litigation Tax	-	80,818	-	5,455	75,363	-
Special Litigation Tax	-	88,734	-	4,659	84,075	-
Litigation Tax / Jail	-	157,923	-	10,660	147,263	-
Litigation Tax / Security	-	157,440	-	10,626	146,814	-
County Officer's Cost	-	41,772	-	2,088	39,684	-
Court Security Fee	-	1,374	-	69	1,305	-
<b>TOTAL WASHINGTON COUNTY</b>	<b>0</b>	<b>528,061</b>	<b>0</b>	<b>33,557</b>	<b>494,504</b>	<b>0</b>
<b>LITIGANTS, HEIRS AND OTHERS</b>						
Court Funds and Costs	2,220	2,017,707	-	-	2,018,052	1,875
Deposits	412	-	-	-	-	412
Alimony/Child Support	-	565	-	-	565	-
Constable's Cost	-	55,395	-	2,770	52,625	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>2,632</b>	<b>2,073,667</b>	<b>0</b>	<b>2,770</b>	<b>2,071,242</b>	<b>2,287</b>
<b>FEEES AND COMMISSION ACCOUNT</b>						
Fees and Commissions	80	364,318	43,929	-	408,247	80
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>80</b>	<b>364,318</b>	<b>43,929</b>	<b>0</b>	<b>408,247</b>	<b>80</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 2,712</b>	<b>3,078,660</b>	<b>43,929</b>	<b>43,929</b>	<b>3,079,005</b>	<b>2,367</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 GENERAL SESSIONS COURT CLERK - STATE COURT - JOHNSON CITY  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
<b>STATE OF TENNESSEE</b>						
State Litigation Tax	\$ -	270,506	-	15,641	254,865	-
Wildlife Resources	-	7,035	-	430	6,605	-
Department of Safety	-	129,428	-	6,471	122,957	-
Tennessee Bureau of Investigation	-	23,491	-	1,174	22,317	-
Public Defender	-	50,757	-	2,538	48,219	-
Public Service Commission	-	75	-	4	71	-
Attorney General	-	27,566	-	1,378	26,188	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>0</b>	<b>508,858</b>	<b>0</b>	<b>27,636</b>	<b>481,222</b>	<b>0</b>
<b>WASHINGTON COUNTY</b>						
County Litigation Tax	-	139,224	-	9,397	129,827	-
Special Litigation Tax	-	77,634	-	4,055	73,579	-
Litigation Tax / Jail	-	100,380	-	6,776	93,604	-
Litigation Tax / Courthouse Security	-	80,657	-	5,444	75,213	-
County Fines	-	58,877	-	2,944	55,933	-
Drug Fines	-	6,284	-	314	5,970	-
Drug Court Fund	-	8,981	-	449	8,532	-
County Officer's Cost	-	31,565	-	1,578	29,987	-
Jail Fees	-	81,170	-	4,058	77,112	-
Other Collections	-	7,839	-	392	7,447	-
Data Processing Fee	-	11,018	-	-	11,018	-
Criminal Littering Fine	-	147	-	7	140	-
Court Security Fee	-	4,600	-	230	4,370	-
<b>TOTAL WASHINGTON COUNTY</b>	<b>0</b>	<b>608,376</b>	<b>0</b>	<b>35,644</b>	<b>572,732</b>	<b>0</b>
<b>LITIGANTS, HEIRS AND OTHERS</b>						
Court Funds and Costs	472	125,393	-	-	124,493	1,372
Cash Bonds	21,000	111,142	-	-	109,492	22,650
Constable's Cost	-	3,220	-	161	3,059	-
Fines and Arrest Fees - Johnson City	-	141,938	-	7,097	134,841	-
Drug Fines - Johnson City	-	28,953	-	1,463	27,490	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>21,472</b>	<b>410,646</b>	<b>0</b>	<b>8,721</b>	<b>399,375</b>	<b>24,022</b>
<b>FEE AND COMMISSION ACCOUNT</b>						
Fees and Commissions	(2,741)	378,342	72,001	-	450,358	(2,756)
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>(2,741)</b>	<b>378,342</b>	<b>72,001</b>	<b>0</b>	<b>450,358</b>	<b>(2,756)</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 18,731</b>	<b>1,906,222</b>	<b>72,001</b>	<b>72,001</b>	<b>1,903,687</b>	<b>21,266</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 GENERAL SESSIONS COURT CLERK - JUVENILE  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
STATE OF TENNESSEE						
State Litigation Tax	\$ -	121	-	6	115	-
Department of Safety	-	85	-	4	81	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>0</b>	<b>206</b>	<b>0</b>	<b>10</b>	<b>196</b>	<b>0</b>
WASHINGTON COUNTY						
County Fines	-	1,095	-	55	1,040	-
Courtroom Security Fee	-	38	-	2	36	-
County Officer's Cost	-	2,864	-	143	2,721	-
Data Processing Fee	-	808	-	-	808	-
<b>TOTAL WASHINGTON COUNTY</b>	<b>0</b>	<b>4,805</b>	<b>0</b>	<b>200</b>	<b>4,605</b>	<b>0</b>
LITIGANTS, HEIRS AND OTHERS						
Court Funds and Costs	-	16,401	-	-	16,201	200
Deposits	71,255	12,707	-	-	11,262	72,700
Alimony/Child Support	-	8,534	-	-	8,534	-
Fines and Arrest Fees - Jonesborough	-	6,568	-	329	6,239	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>71,255</b>	<b>44,210</b>	<b>0</b>	<b>329</b>	<b>42,236</b>	<b>72,900</b>
FEES AND COMMISSION ACCOUNT						
Fees and Commissions	1	23,201	539	0	23,740	1
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>1</b>	<b>23,201</b>	<b>539</b>	<b>0</b>	<b>23,740</b>	<b>1</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 71,256</b>	<b>72,422</b>	<b>539</b>	<b>539</b>	<b>70,777</b>	<b>72,901</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 LAW COURT CLERK - JOHNSON CITY  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
<b>STATE OF TENNESSEE</b>						
State Litigation Tax	\$ -	15,105	-	1,020	14,085	-
<b>TOTAL STATE OF TENNESSEE</b>	<b>0</b>	<b>15,105</b>	<b>0</b>	<b>1,020</b>	<b>14,085</b>	<b>0</b>
<b>WASHINGTON COUNTY</b>						
County Litigation Tax	-	7,473	-	504	6,969	-
Special Litigation Tax	-	1,272	-	86	1,186	-
Litigation Tax / Jail	-	15,677	-	1,058	14,619	-
Litigation Court House	-	15,475	-	1,045	14,430	-
Court Security	-	362	-	18	344	-
County Officer's Cost	-	2,745	-	137	2,608	-
Other Collections	-	-	-	-	-	-
Contempt Fine	-	1,475	-	74	1,401	-
Data Processing Fee	-	1,570	-	-	1,570	-
<b>TOTAL WASHINGTON COUNTY</b>	<b>0</b>	<b>46,049</b>	<b>0</b>	<b>2,922</b>	<b>43,127</b>	<b>0</b>
<b>LITIGANTS, HEIRS AND OTHERS</b>						
Court Funds and Costs	225,092	476,154	-	-	395,848	305,398
Cash Bonds	500	-	-	-	500	-
Deposits	540,934	335,221	-	-	168,364	707,791
Alimony/Child Support	-	48,501	-	-	48,501	-
Constable's Cost	-	2,168	-	108	2,060	-
<b>TOTAL LITIGANTS, HEIRS AND OTHERS</b>	<b>766,526</b>	<b>862,044</b>	<b>0</b>	<b>108</b>	<b>615,273</b>	<b>1,013,189</b>
<b>FEES AND COMMISSION ACCOUNT</b>						
Fees and Commissions	(74)	145,502	4,050	-	149,552	(74)
<b>TOTAL FEE AND COMMISSION ACCOUNT</b>	<b>(74)</b>	<b>145,502</b>	<b>4,050</b>	<b>0</b>	<b>149,552</b>	<b>(74)</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>\$ 766,452</b>	<b>1,068,700</b>	<b>4,050</b>	<b>4,050</b>	<b>822,037</b>	<b>1,013,115</b>

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 CLERK AND MASTER - JONESBOROUGH  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
STATE OF TENNESSEE						
Litigation Tax	\$ -	10,541	-	712	9,829	-
TOTAL STATE OF TENNESSEE	0	10,541	0	712	9,829	0
WASHINGTON COUNTY						
County Litigation Tax	-	5,216	-	352	4,864	-
Special Litigation Tax	-	884	-	60	824	-
Litigation Tax - Jail	-	10,830	-	731	10,099	-
Litigation Tax - Court Security	-	9,825	-	607	9,218	-
County Officer's Cost	-	1,253	-	63	1,190	-
Delinquent Taxes	-	283,835	-	14,192	269,643	-
Delinquent Taxes - Penalty and Interest	-	113,883	-	5,694	108,189	-
Delinquent Taxes - Court Costs	-	7,201	-	-	7,201	-
Data Processing Fee	-	1,030	-	-	1,030	-
Court Security Fee	-	1,001	-	-	1,001	-
TOTAL WASHINGTON COUNTY	0	434,958	0	21,699	413,259	0
LITIGANTS, HEIRS AND OTHERS						
Court Funds and Costs	282,523	2,031,176	-	-	1,531,705	781,994
Deposits	1,988,191	148,149	-	-	1,311,607	824,733
Publications	455	14,319	-	-	13,984	790
State of TN Treasury Department	33,079	-	-	-	33,079	-
Alimony/ Child Support	-	57,104	-	-	57,104	-
Constables, Legal Process	-	10,622	-	-	10,622	-
Attorney's Fees and Commissions	-	-	-	-	-	-
- Delinquent Tax	-	82,842	-	-	82,842	-
City Delinquent Taxes	-	112,685	-	5,634	107,051	-
City Delinquent Taxes - Penalty and Interest	-	79,327	-	3,966	75,361	-
City Delinquent Tax - Court Costs	-	1,417	-	-	1,417	-
Jonesborough Delinquent Taxes	-	16,351	-	818	15,533	-
Jonesborough Delinquent Taxes - Penalty and Interest	-	4,581	-	229	4,352	-
Jonesborough Delinquent Taxes - Court Costs	-	473	-	-	473	-
TOTAL LITIGANTS, HEIRS AND OTHERS	2,304,248	2,559,046	0	10,647	3,245,130	1,607,517
FEES AND COMMISSION ACCOUNT						
Fees and Commissions	-	131,281	33,058	-	164,339	-
Special Commissioner Fees	-	15,075	-	-	15,075	-
TOTAL FEE AND COMMISSION ACCOUNT	0	146,356	33,058	0	179,414	0
TOTAL ALL ACCOUNTS	\$2,304,248	3,150,901	33,058	33,058	3,847,632	1,607,517

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 CLERK AND MASTER - JOHNSON CITY  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfers		Disbursements	Balance 6/30/2009
			To	From		
STATE OF TENNESSEE						
State Litigation Tax	\$ -	7,315	-	494	6,821	-
TOTAL STATE OF TENNESSEE	0	7,315	0	494	6,821	0
WASHINGTON COUNTY						
County Litigation Tax	-	3,630	-	245	3,385	-
Special Litigation Tax	-	618	-	42	576	-
Litigation Tax / Jail	-	7,655	-	517	7,138	-
Litigation Tax / Jail	-	6,950	-	469	6,481	-
County Officers' Cost	-	3,979	-	199	3,780	-
Delinquent Taxes	183,057	305,407	-	9,242	358,651	120,571
Delinquent Taxes - Penalty and Interest	-	73,849	-	3,691	70,158	-
Delinquent Tax - Court Costs	-	3,172	-	-	3,172	-
Data Processing Fee	-	818	-	-	818	-
Court Security Fee	-	224	-	-	224	-
TOTAL WASHINGTON COUNTY	183,057	406,302	0	14,405	454,383	120,571
LITIGANTS, HEIRS AND OTHERS						
Court Funds and Costs	94,693	1,064,309	-	-	944,655	214,347
Deposits	1,663,695	98,401	-	-	317,181	1,444,915
Alimony/ Child Support	-	112,365	-	-	112,365	-
Constables, Legal Process	-	3,048	-	-	3,048	-
Attorneys Fees and Commissions - Delinquent Tax	-	57,866	-	-	57,866	-
City Delinquent Taxes	16,444	126,084	-	6,304	121,493	14,731
City Delinquent Taxes - Penalty and Interest	-	74,717	-	3,736	70,981	-
City Delinquent Taxes - Court Costs	-	2,749	-	-	2,749	-
Jonesborough Delinquent Taxes	-	2,755	-	138	2,617	-
Jonesborough Delinquent Taxes - Penalty and Interest	-	1,352	-	68	1,284	-
Jonesborough Delinquent Taxes - Court Costs	-	60	-	-	60	-
Publications	-	-	-	-	-	-
TOTAL LITIGANTS, HEIRS AND OTHERS	1,774,832	1,543,706	0	10,246	1,634,299	1,673,993
FEES AND COMMISSION ACCOUNT						
Fees and Commissions	-	159,192	25,145	-	184,337	-
Special Commissioner Fees	-	19,273	-	-	19,273	-
TOTAL FEE AND COMMISSION ACCOUNT	0	178,465	25,145	0	203,610	0
TOTAL ALL ACCOUNTS	\$ 1,957,889	2,135,788	25,145	25,145	2,299,113	1,794,564

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 REGISTER  
 For the Fiscal Year Ended June 30, 2009

Account	Balance 7/1/2008	Receipts	Transfer		Disbursements	Balance 6/30/2009
			To	From		
STATE OF TENNESSEE						
Realty Transfer and Mortgage Tax	\$ 249,795	2,538,115	-	60,752	2,470,899	256,259
County Officials' Retirement Tax	6,297	163	-	-	-	6,460
TOTAL STATE OF TENNESSEE	256,092	2,538,278	-	60,752	2,470,899	262,719
DUE TO HEIRS AND OTHERS	1,412	4,373	-	-	3,092	2,693
FEES AND COMMISSION ACCOUNT	73,406	633,602	60,752	-	693,369	74,391
TOTAL ALL ACCOUNTS	\$ 330,910	3,176,253	60,752	60,752	3,167,360	339,803

See Independent Auditors' Report

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND BALANCES  
 SHERIFF  
 For the Fiscal Year Ended June 30, 2009

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Cash Balance, 7/1/2008 \$ 58,486

RECEIPTS

Officers Costs	28,554
Cash Bonds - Various Courts	138,107
Inmates Deposits	692,256
Fingerprinting	1,728
Handgun Permits	5,160
Sexual Offender Registry Fees	4,086
Reimbursement	5,000
Incentives	<u>14,000</u>

TOTAL RECEIPTS 888,891

DISBURSEMENTS

BY CHECK

Officers Costs Reported to County	28,644
Cash Bonds - Various Courts	138,017
Payments to Inmates	703,315
Handgun Permits	5,160
Incentives	14,000
Fingerprinting	1,728
Sexual Offender Registry	4,086

BY CASH

Drug Buy	<u>900</u>
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TOTAL DISBURSEMENTS 895,850

Receipts Over (Under) Disbursements (6,959)

Cash Balance, 6/30/2009 \$ 51,527

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINED SCHEDULE OF CHANGES IN FEE AND COMMISSION ACCOUNTS  
 For the Fiscal Year Ended June 30, 2009

	Trustee	County Clerk	Circuit Court Clerk	General Sessions Court Clerk	Law Court Clerk	Clerk and Master	Register	Sheriff	Total (Memorandum Only)
REVENUE AND OTHER SOURCES									
REVENUE									
Fees	\$ -	682,180	225,357	885,798	145,502	287,831	633,494	-	2,860,162
Special Commissioner Fees	-	-	-	-	-	34,348	-	-	34,348
Interest Earned	-	5,430	3,752	-	-	2,642	108	-	11,932
Commissions	1,760,759	312,103	13,513	138,302	4,050	58,203	60,752	-	2,347,682
<b>TOTAL REVENUE</b>	<b>1,760,759</b>	<b>999,713</b>	<b>242,622</b>	<b>1,024,100</b>	<b>149,552</b>	<b>383,024</b>	<b>694,354</b>	<b>0</b>	<b>5,254,124</b>
OTHER SOURCES									
OPERATING TRANSFERS									
General Sessions - Jonesborough	-	-	141,770	-	-	-	-	-	141,770
General Sessions - Civil Court - Johnson City	-	-	408,247	-	-	-	-	-	408,247
General Sessions - State Court - Johnson City	-	-	450,358	-	-	-	-	-	450,358
General Sessions - Juvenile Court	-	-	23,740	-	-	-	-	-	23,740
Law Court	-	-	149,552	-	-	-	-	-	149,552
<b>TOTAL REVENUE AND OTHER SOURCES</b>	<b>1,760,759</b>	<b>999,713</b>	<b>1,416,289</b>	<b>1,024,100</b>	<b>149,552</b>	<b>383,024</b>	<b>694,354</b>	<b>0</b>	<b>6,427,791</b>
EXPENDITURES AND OTHER USES									
EXPENDITURES									
Special Commissioner Fees	-	-	-	-	-	34,348	-	-	34,348
Bank Charges	-	-	8,893	-	-	-	-	-	8,893
Postage	-	-	-	-	-	-	64	-	64
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>8,893</b>	<b>0</b>	<b>0</b>	<b>34,348</b>	<b>64</b>	<b>0</b>	<b>43,305</b>

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(Continued)

WASHINGTON COUNTY, TENNESSEE  
 CONSTITUTIONAL OFFICERS  
 COMBINED SCHEDULE OF CHANGES IN FEE AND COMMISSION ACCOUNTS  
 For the Fiscal Year Ended June 30, 2009

	Trustee	County Clerk	Circuit Court Clerk	General Sessions Court Clerk	Law Court Clerk	Clerk and Master	Register	Sheriff	Total (Memorandum Only)
EXPENDITURES AND OTHER USES (CONTINUED)									
TOTAL EXPENDITURES (BROUGHT FORWARD)	-	-	8,893	-	-	34,348	64	-	43,305
OTHER USES									
Fees & Commissions to County General Fund	1,760,759	999,713	1,407,396	(15)	-	348,676	694,290	-	5,210,819
OPERATING TRANSFERS									
Fees & Commissions to Circuit Court	-	-	-	1,024,115	149,552	-	-	-	1,173,667
Total Expenditures and Other Uses	<u>1,760,759</u>	<u>999,713</u>	<u>1,416,289</u>	<u>1,024,100</u>	<u>149,552</u>	<u>383,024</u>	<u>694,354</u>	<u>0</u>	<u>6,427,791</u>
Excess Fees, June 30, 2009									
Add: Due to County General Fund -									
Excess Fees	143,680	100,497	118,765	-	-	-	74,391	-	437,333
Due to General Sessions -									
State Court - Johnson City	-	-	2,756	-	-	-	-	-	2,756
Due to General Sessions -									
Jonesborough	-	-	478	-	-	-	-	-	478
Due to Law Court	-	-	74	-	-	-	-	-	74
Less: Due from General Sessions -									
Civil Court - Johnson City	-	-	(80)	-	-	-	-	-	(80)
Due from General Sessions -									
Juvenile	-	-	(1)	-	-	-	-	-	(1)
Less: Due from Circuit Court Clerk	-	-	-	(3,153)	(74)	-	-	-	(3,227)
Cash Balance, June 30, 2007	<u>\$ 143,680</u>	<u>100,497</u>	<u>121,992</u>	<u>(3,153)</u>	<u>(74)</u>	<u>0</u>	<u>74,391</u>	<u>0</u>	<u>437,333</u>

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See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Fiscal Year Ended June 30, 2009

CFDA Number	Program Name	Grantor Agency	Balance July 1, 2008	Cash Receipts	Expenditures	** Adjustments	Balance June 30, 2009
<b>PRIMARY GOVERNMENT</b>							
<u>GENERAL FUND</u>							
16.600	Federal Boarding of Prisoners ***	U.S. Marshalls	\$ 210,852	1,024,190	960,304	(20,243)	126,723
PASS-THROUGH STATE OF TENNESSEE							
16.005	Residence Substance Abuse #Z-000002568	U.S. Department of Justice	\$ 33,329	133,314	133,315	-	33,330
TOTAL LAW ENFORCEMENT ASSISTANT GRANTS			33,329	133,314	133,315	-	33,330
16.710	Bullet Proof Vests	U.S. Department of Justice	-	16,666	16,195	471	-
97.067	Office of Domestic Preparedness State Homeland Security Grant Program #Z-07-20661-00	U.S. Department of Homeland Security	130,354	188,856	90,326	(14,134)	17,690
97.067	Office of Domestic Preparedness State Homeland Security Grant Program CG-08-23886-00	U.S. Department of Homeland Security	-	192,687	361,912	-	169,225
97.067	Office of Domestic Preparedness State Homeland Security Grant Program GC-05-11618-00	U.S. Department of Homeland Security	-	36,963	42,432	(2,469)	3,000
97.067	Office of Domestic Preparedness State Homeland Security Grant Program #Z-04-025219-00	U.S. Department of Homeland Security	3,868	-	-	(3,868)	-
TOTAL DEPARTMENT OF HOMELAND SECURITY			134,222	418,506	494,670	(20,471)	189,915
PASS-THROUGH OTHER AGENCIES							
16.579	Byrne Formula Grant Program	U.S. Department of Justice from City of Johnson City	(13,812)	5,823	14,674	-	(4,961)
16.000	Appalachian High Intensity Drug Trafficking Area	U.S. Department of Justice from Appalachian High Intensity Drug Trafficking Area	-	13,413	13,688	3,368	3,643
14.218	Community Development Block Grant	U.S. Department of Justice from Town of Jonesborough	283,560	567,120	283,560	-	-
TOTAL GENERAL FUND GRANTS			648,151	2,179,032	1,916,406	(36,875)	348,650

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(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Fiscal Year Ended June 30, 2009

CFDA Number	Program Name	Grantor Agency	Balance July 1, 2008	Cash Receipts	Expenditures	Adjustments	Balance June 30, 2009
<b>COMPONENT UNITS</b>							
<u>GENERAL PURPOSE SCHOOL FUND</u>							
PASS-THROUGH STATE OF TENNESSEE							
84.027	IDEA - Part B	U.S. Department of Education	-	12,119	12,119	-	-
TOTAL GENERAL PURPOSE SCHOOL GRANTS			<u>0</u>	<u>12,119</u>	<u>12,119</u>	<u>0</u>	<u>0</u>
<u>SCHOOL FEDERAL PROJECTS</u>							
PASS-THROUGH STATE OF TENNESSEE							
84.173	Preschool Incentive Funds	U.S. Department of Education	2,960	49,990	50,019	-	2,989
84.010	Title I Funds	U.S. Department of Education	(30,683)	1,408,769	1,604,994	-	165,542
84.027	Idea - Part B *	U.S. Department of Education	(36,477)	1,803,110	1,867,225	-	27,638
84.186	Drug-Free Grant	U.S. Department of Education	-	29,589	29,589	-	-
84.048	Carl Perkins - Program Improvement	U.S. Department of Education	16,588	198,390	235,505	-	53,703
84.367A	Title II-A *	U.S. Department of Education	66,926	461,762	477,339	-	82,503
84.298	Title V	U.S. Department of Education	12,616	21,006	8,390	-	-
84.318	Title II-D	U.S. Department of Education	5,216	20,552	15,863	-	527
N/A	Assistance Tech grant	U.S. Department of Education	5,769	5,769	23,000	-	23,000
TOTAL SCHOOL FEDERAL PROJECTS GRANTS			<u>42,915</u>	<u>3,998,937</u>	<u>4,311,924</u>	<u>0</u>	<u>355,902</u>
<u>SCHOOL FOOD SERVICE</u>							
10.550	Commodity Supplemental Feeding	U.S. Department of Agriculture	-	235,155	235,155	-	-
10.553	National School Breakfast Program *	U.S. Department of Agriculture	46,333	416,315	419,556	-	49,574
10.555	National School Lunch Program*	U.S. Department of Agriculture	130,152	1,408,532	1,409,512	-	131,132
TOTAL SCHOOL FOOD SERVICE GRANTS			<u>176,485</u>	<u>2,060,002</u>	<u>2,064,223</u>	<u>0</u>	<u>180,706</u>
<b>AGENCY FUNDS</b>							
<u>JUDICIAL DISTRICT DRUG TASK FORCE</u>							
PASS-THROUGH STATE OF TENNESSEE							
16.579	Byrne Formula Grant Program #Z-06-027479-00	U.S. Department of Justice	47,692	38,839	29,770	-	38,623
TOTAL JUDICIAL DISTRICT DRUG TASK FORCE			<u>47,692</u>	<u>38,839</u>	<u>29,770</u>	<u>0</u>	<u>38,623</u>
TOTAL FEDERAL GRANTS			<u>\$ 915,243</u>	<u>8,288,929</u>	<u>8,334,442</u>	<u>0</u>	<u>923,881</u>

\*Major Program

\*\* These amounts represent amendments or adjustments to prior year estimates.

\*\*\* Other Federal Assistance - must comply with Circular OMB A-87 Only

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 For the Fiscal Year Ended June 30, 2009

CFDA Number	Program Name	Grantor Agency	Balance July 1, 2008	Cash Receipts	Expenditures	** Adjustments	Balance June 30, 2009
<b>PRIMARY GOVERNMENT</b>							
<u>GENERAL FUND</u>							
N/A	State Boarding of Prisoners	Tennessee Department of Correction	\$ 123,445	1,456,875	1,639,534	-	306,104
N/A	Litter Grant #Z-08-021055-00	Tennessee Department of Transportation	9,904	35,860	38,016	-	12,060
N/A	Juvenile Grant #Z-08-023275-00	Tennessee Commission of Children & Youth	-	12,000	12,000	-	-
N/A	Juvenile Grant #Z-08-022819-00	Tennessee Commission of Children & Youth	2,250	2,250	9,000	-	9,000
N/A	Health Department #Z-08-020407-00	Tennessee Department of Health	230,637	230,637	-	-	-
N/A	Health Department #GG-08-20526-00	Tennessee Department of Health	3,981	3,981	-	-	-
N/A	Health Department #GG-09-213781-00	Tennessee Department of Health	-	689,093	881,206	-	192,113
N/A	Nakatetsu Incorporated #GC-07-21922-00	Department of Economic & Community Development	61,282	-	-	-	61,282
N/A	Koyo Corporation #GC-07-21923-00	Department of Economic & Community Development	84,762	-	-	-	84,762
N/A	Election Commission #Z-09-217213-00	Department of State, Division of Elections	-	22,000	22,000	-	-
N/A	Network Law Enforcement Grant #Z-08-23659-00	Tennessee Department of Transportation	-	7,630	7,630	-	-
N/A	Network Law Enforcement Grant #Z-09-21442-01	Tennessee Department of Transportation	-	6,258	7,324	-	1,066
N/A	NETCIAU #Z-08-023690-00	Tennessee Department of Transportation	4,834	48,116	44,330	-	1,048
N/A	Training Awareness #Z-200113-00	Tennessee Department of Transportation	24,716	29,358	39,900	(24,716)	10,542
N/A	Reappraisal Program	State Board of Equalization	-	34,771	34,771	-	-
TOTAL GENERAL FUND			<u>545,811</u>	<u>2,578,829</u>	<u>2,735,711</u>	<u>(24,716)</u>	<u>677,977</u>
<u>HIGHWAY FUND</u>							
N/A	Rural Road Program	Tennessee Department of Transportation	<u>187,162</u>	<u>187,162</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL HIGHWAY FUND			<u>187,162</u>	<u>187,162</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>SANITATION FUND</u>							
N/A	Recycling Rebate #Z-04-018175-00	Tennessee Department of Environment and Conservation	24,024	24,050	-	26	-
N/A	Waste Tire Contract #Z-03-011329-02	Tennessee Department of Environment and Conservation	70,750	70,750	-	-	-
N/A	Waste Tire Contract #Z-08-020276-00	Tennessee Department of Environment and Conservation	-	164,009	197,406	-	33,397
N/A	Used Oli Grant #Z-09-217778-00	Tennessee Department of Environment and Conservation	-	2,130	2,130	-	-
TOTAL SANITATION FUND			<u>94,774</u>	<u>260,939</u>	<u>199,536</u>	<u>26</u>	<u>33,397</u>
TOTAL PRIMARY GOVERNMENT			<u>827,747</u>	<u>3,026,930</u>	<u>2,935,247</u>	<u>(24,690)</u>	<u>711,374</u>

\*\* These amounts represent amendments or adjustments to prior year estimates.

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 For the Fiscal Year Ended June 30, 2009

CFDA Number	Program Name	Grantor Agency	Balance July 1, 2008	Cash Receipts	Expenditures	Adjustments	Balance June 30, 2009
<b>COMPONENT UNITS</b>							
<u>GENERAL PURPOSE SCHOOL FUND</u>							
N/A	Transition School to Work GG-04-10268-00	Tennessee Department of Education	21,101	21,101	-	-	-
N/A	Transition School to Work GG-08-22128-00	Tennessee Department of Education	-	62,750	76,030	-	13,280
N/A	Family Resource Center #GG-08-12062	Tennessee Department of Education	6,813	40,113	33,300	-	-
N/A	Driver's Education	Tennessee Department of Education					-
N/A	Coordinated School Health Program GZ7/AAX	Department of Human Services	60,205	165,205	105,000	-	-
TOTAL GENERAL PURPOSE SCHOOL FUND			<u>88,119</u>	<u>289,169</u>	<u>214,330</u>	<u>0</u>	<u>13,280</u>
<u>SCHOOL FOOD SERVICE</u>							
N/A	Preschool Agreement # 034759919008	Tennessee Department of Education	-	1,459	1,459	-	-
N/A	State Administrative Expenses for Child Nutrition	Tennessee Department of Education	-	38,618	38,618	-	-
TOTAL SCHOOL FOOD SERVICE			<u>0</u>	<u>40,077</u>	<u>40,077</u>	<u>0</u>	<u>0</u>
TOTAL COMPONENT UNITS			<u>88,119</u>	<u>329,246</u>	<u>254,407</u>	<u>0</u>	<u>13,280</u>
TOTAL STATE GRANTS			<u>\$ 915,866</u>	<u>3,356,176</u>	<u>3,189,654</u>	<u>(24,690)</u>	<u>724,654</u>

See Independent Auditors' Report.

**SECTION V**

**STATISTICAL SECTION  
(UNAUDITED)**

WASHINGTON COUNTY, TENNESSEE  
NET ASSETS BY COMPONENT (UNAUDITED)  
Last Seven Fiscal Years  
(Accrual Basis of Accounting)

	Fiscal Year						Schedule 1
	2003	2004	2005	2006	2007	2008	2009
	Governmental Activities						
Invested in Capital Assets, Net of Related Debt	\$ 37,964,783	\$ 33,819,706	37,303,495	40,363,458	39,414,017	37,992,480	49,380,479
Restricted	152,417	(137,908)	131,927	167,986	175,741	210,752	238,327
Unrestricted	(22,541,477)	(14,105,989)	(13,980,108)	(16,908,701)	(23,106,763)	(78,526,872)	(106,349,776)
Total Governmental Activities Net Assets	<u>\$ 15,575,723</u>	<u>\$ 19,575,809</u>	<u>\$23,455,314</u>	<u>\$23,622,743</u>	<u>16,482,995</u>	<u>(40,323,640)</u>	<u>(56,730,970)</u>

**NOTE:** Comprable information was not available for prior years. The County implemented Governmental Accounting Standards Board State No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governemnts*, during the 2003 fiscal year.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CHANGES IN NET ASSETS (UNAUDITED)  
 Last Seven Fiscal Years  
 (Accrual Basis of Accounting)

Schedule 2

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>EXPENSES</b>							
Governmental Activities							
General Government	\$ 14,276,978	15,095,581	15,048,925	16,091,952	33,567,576	57,083,936	33,209,756
Sheriff's Department	8,192,022	8,263,500	8,701,776	8,911,291	9,289,512	9,842,642	10,147,418
Highways and Streets	6,391,155	6,800,823	7,197,616	7,261,231	8,092,168	8,687,288	8,228,881
Library	338,159	342,683	384,489	455,090	616,323	546,008	617,653
Sanitation	1,295,172	1,372,151	1,480,623	1,553,258	1,729,629	1,763,928	1,714,284
Interest on Long-Term Debt	2,126,859	2,084,402	1,866,731	1,866,239	4,173,695	7,597,620	7,382,896
Total Governmental Activities Expenses	<u>32,620,345</u>	<u>33,959,140</u>	<u>34,680,160</u>	<u>36,139,061</u>	<u>57,468,903</u>	<u>85,521,422</u>	<u>61,300,888</u>
<b>PROGRAM REVENUES</b>							
Governmental Activities							
Charges for Services							
General Government	4,027,078	4,327,469	4,448,536	4,718,310	5,120,716	5,411,978	4,937,531
Sheriff's Department	2,734,131	2,406,171	2,686,445	2,423,658	2,560,743	2,558,250	2,855,716
Highways and Streets	324,943	295,082	329,490	353,773	660,051	309,895	405,397
Library	10,872	13,308	18,090	22,333	33,576	30,872	24,885
Sanitation	201,578	197,398	238,762	309,965	327,289	365,413	301,626
Operating Grants and Contributions							
General Government	825,809	1,075,375	722,344	1,335,830	2,883,486	1,172,956	939,356
Sheriff's Department	388,194	428,152	372,955	366,013	328,365	453,549	869,319
Highways and Streets	405,369	714,156	197,960	2,475,920	2,780,712	2,752,378	2,031,066
Library	7,000	7,000	7,000	7,000	21,037	15,985	36,729
Sanitation	228,302	230,347	259,938	310,367	303,938	267,659	223,586
Capital Grants and Contributions							
General Government	370,045	250,000	439,233	1,323,847	445,285	1,008,787	589,451
Highways and Streets	-	-	1,384,221	1,532,077	1,639,002	450,474	1,189,000
Library	1,343,511	26,397	21,130	14,114	78,977	41,381	42,788
Total Governmental Activities Program Revenues	<u>10,866,832</u>	<u>9,970,855</u>	<u>11,126,104</u>	<u>15,193,207</u>	<u>17,183,177</u>	<u>14,839,577</u>	<u>14,446,450</u>

(Continued)

WASHINGTON COUNTY, TENNESSEE  
 CHANGES IN NET ASSETS (UNAUDITED)  
 Last Seven Fiscal Years  
 (Accrual Basis of Accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
NET (EXPENSE)/REVENUE							
Total Governmental Activities Net Expense	\$(21,753,513)	(23,988,285)	(23,554,056)	(20,945,854)	(40,285,726)	(70,681,845)	(46,854,438)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS							
Governmental Activities							
Taxes							
Property Taxes	19,481,145	19,807,356	20,748,184	21,457,878	25,000,732	33,675,981	35,197,628
In Lieu of Taxes	361,000	369,987	354,468	382,971	407,086	505,020	506,007
Sales Taxes	732,912	-	-	-	-	-	-
Business Taxes	2,233,136	757,562	730,434	762,766	865,347	989,286	978,029
Motor Fuel and Inspection Fee	991,242	2,654,191	2,678,552	-	-	-	-
Miscellaneous	911,949	1,096,593	1,080,175	1,202,392	1,428,353	1,635,328	2,104,205
Other Local Governments	-	879,388	960,470	1,070,591	1,160,653	1,077,839	1,789,321
State Aid	442,347	452,819	650,023	417,082	515,918	724,903	766,454
Federal Aid	75,757	171,278	26,486	14,343	7,078	-	-
Unrestricted Investment Earnings	247,007	204,154	398,069	719,272	3,535,084	4,578,378	696,149
Special Items							
Sale of Property	-	10,800	62,668	80,820	12,570	18,859	25,840
Damages from Individuals	-	-	-	5,168	-	6	783
Contribution to Component Unit/ Note Proceeds	(4,742,000)	-	-	(5,000,000)	-	-	-
Bond Proceeds Remitted to Johnson City Schools	-	-	-	-	(5,511,025)	(29,330,390)	(11,617,308)
Grants and Contributions Not Restricted to Specific Programs	-	1,348,638	-	-	-	-	-
Transfers	585,605	235,605	(255,968)	-	-	-	-
Total Governmental Activities	<u>21,320,100</u>	<u>27,988,371</u>	<u>27,433,561</u>	<u>21,113,283</u>	<u>27,421,796</u>	<u>13,875,210</u>	<u>30,447,108</u>
CHANGE IN NET ASSETS							
Total Governmental Activities	<u>\$ (433,413)</u>	<u>\$ 4,000,086</u>	<u>\$ 3,879,505</u>	<u>\$ 167,429</u>	<u>(12,863,930)</u>	<u>(56,806,635)</u>	<u>(16,407,330)</u>

NOTE: Comprable information was not available for prior years. The County implemented Governmental Accounting Standards Board State No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governemnts*, during the 2003 fiscal year.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED)  
 Last Seven Fiscal Years  
 (Modified Accrual Basis of Accounting)

Schedule 3

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
General Fund							
Reserved	\$ 447,428	287,027	304,901	1,120,759	382,222	414,557	548,548
Unreserved	10,870,121	11,125,506	12,046,813	12,653,265	10,964,710	12,940,961	12,662,133
Total General Fund	<u>11,317,549</u>	<u>11,412,533</u>	<u>12,351,714</u>	<u>13,774,024</u>	<u>11,346,932</u>	<u>13,355,518</u>	<u>13,210,681</u>
All Other Governmental Funds							
Reserved	\$ -	343,182	401,990	16,929	57,968	84,431	27,929
Unreserved							
Highway Fund	3,519,867	3,582,508	3,053,324	2,565,827	2,592,663	2,732,866	2,734,471
Debt Service Fund	7,591,603	6,633,152	5,542,286	4,716,881	6,421,107	7,794,619	9,952,086
Capital Projects	-	-	-	-	113,503,812	38,610,173	4,901,649
Special Revenue Funds	927,346	1,111,621	1,188,493	2,037,948	1,126,211	1,019,023	1,106,642
Total All Other Governmental Funds	<u>\$ 12,038,816</u>	<u>\$ 11,670,463</u>	<u>10,186,093</u>	<u>9,337,585</u>	<u>123,701,761</u>	<u>50,241,112</u>	<u>18,722,777</u>

**NOTE:** Comprable information was not available for prior years. The County implemented Governmental Accounting Standards Board State No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governemnts*, during the 2003 fiscal year.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED)  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)

Schedule 4

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>REVENUES</b>										
Taxes	\$19,496,670	20,035,820	20,650,431	21,477,136	21,511,038	22,591,158	23,584,629	27,027,262	36,064,155	37,850,913
Licenses and Permits	279,766	307,056	324,813	338,989	364,663	402,569	438,950	457,549	479,878	461,441
Fines, Forfeitures and Penalties	433,835	365,920	396,867	413,610	432,207	421,533	479,370	554,028	704,110	870,337
Charges for Services	439,941	543,149	259,183	842,859	766,078	780,271	867,791	1,123,136	793,938	1,053,232
Other Local Revenues	1,052,549	1,189,837	1,066,897	739,957	800,987	1,113,606	1,577,698	4,602,293	5,506,319	1,911,102
Revenue from the State of Tennessee	5,617,091	5,707,306	6,162,089	6,646,273	6,633,176	6,705,892	6,436,731	8,762,004	6,968,297	6,267,135
Revenue from Federal Government	386,037	300,664	1,501,434	493,456	1,217,147	766,455	1,607,853	682,143	1,146,897	759,267
Revenue from Other Governments and Citizens Groups	562,998	392,347	732,129	628,715	491,196	748,073	568,552	5,811,485	6,097,914	6,332,919
Excess Fees and Commissions	3,435,410	3,578,950	3,982,952	4,098,502	4,382,774	4,542,054	4,801,904	-	-	-
<b>Total Revenues</b>	<b>31,704,297</b>	<b>32,421,049</b>	<b>35,076,795</b>	<b>35,679,497</b>	<b>36,599,266</b>	<b>38,071,611</b>	<b>40,363,478</b>	<b>49,019,900</b>	<b>57,761,508</b>	<b>55,506,346</b>
<b>EXPENDITURES</b>										
General Government	18,155,649	19,749,766	21,986,497	21,963,747	14,941,631	14,750,758	15,870,857	20,212,698	20,066,377	21,832,796
Sheriff's Department	-	-	-	-	7,809,677	8,290,528	8,490,630	8,885,500	9,555,519	9,734,886
Highways and Streets	4,124,251	4,467,724	4,812,836	5,315,352	5,743,069	6,061,147	6,104,752	6,624,458	7,252,647	6,897,615
Library	279,331	296,592	324,733	348,218	352,562	355,385	448,402	473,774	533,725	474,110
Sanitation	781,865	768,417	1,162,177	1,266,883	1,335,866	1,442,172	1,520,333	1,715,788	1,755,369	1,679,295
Debt Service Principal	3,166,737	3,336,156	16,564,807	3,924,284	4,408,041	4,255,523	4,174,187	5,945,771	4,364,767	4,355,949
Debt Service Interest	2,118,806	2,293,423	2,341,869	2,144,066	2,144,043	1,989,135	1,950,438	4,369,520	7,960,259	7,382,896
Capital Outlay	1,600,255	913,856	1,425,785	1,357,840	474,351	1,672,180	1,990,077	17,027,023	48,394,518	23,346,663
<b>Total Expenditures</b>	<b>30,226,894</b>	<b>31,825,934</b>	<b>48,618,704</b>	<b>36,320,390</b>	<b>37,209,240</b>	<b>38,816,828</b>	<b>40,549,676</b>	<b>65,254,532</b>	<b>99,883,181</b>	<b>75,704,210</b>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	1,477,403	595,115	(13,541,909)	(640,893)	(609,974)	(745,217)	(186,198)	(16,234,632)	(42,121,673)	(20,197,864)
<b>OTHER FINANCING SOURCES (USES)</b>										
Bonds Issued	-	-	-	-	-	-	-	126,085,000	-	-
Note Proceeds	493,000	1,091,000	338,720	436,000	101,000	203,000	760,000	3,735,000	-	152,000
Refunding Bond Issued	8,100,000	-	8,880,000	-	-	19,700,000	-	4,275,000	-	-
Bond Premium	-	6,100,000	3,680,000	-	-	2,106,596	-	4,262,687	-	-
Payment to Refund Bond Escrow Agent	(8,000,000)	(6,000,000)	269,992	-	-	(21,553,600)	-	(4,674,945)	-	-
Contribution to the City of Johnson City	-	-	-	-	-	-	-	(5,511,025)	(29,330,390)	(11,617,308)
Transfers to Other Funds	(4,312,288)	(4,255,547)	(4,997,181)	(4,391,474)	(4,698,300)	(4,888,042)	(5,198,472)	(8,277,532)	(8,453,533)	(8,986,345)
Transfers from Other Funds	5,615,233	6,859,289	5,874,298	4,391,474	4,698,300	4,888,042	5,198,472	8,277,532	8,453,533	8,986,345
Transfers (to)/ from Component Unit	(2,035,799)	(514,395)	(214,395)	585,605	235,605	(255,968)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(139,854)</b>	<b>3,280,347</b>	<b>13,831,434</b>	<b>1,021,605</b>	<b>336,605</b>	<b>200,028</b>	<b>760,000</b>	<b>128,171,717</b>	<b>(29,330,390)</b>	<b>(11,465,308)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,337,549</b>	<b>3,875,462</b>	<b>289,525</b>	<b>380,712</b>	<b>(273,369)</b>	<b>(545,189)</b>	<b>573,802</b>	<b>111,937,085</b>	<b>(71,452,063)</b>	<b>(31,663,172)</b>
Debt Service as a Percentage of Noncapital Expenditures	18.46%	18.21%	40.06%	17.36%	17.84%	16.81%	15.88%	21.39%	23.94%	22.42%

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (UNAUDITED)  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property			Personal Property	Public Utility Property	Total Taxable Assessed Value	Schedule 5
	Residential Property	Commercial and Industrial Property	Other Real Property				Direct Tax Rate
2000	\$ 807,616,629	438,563,560	79,473,675	142,088,198	59,472,704	1,527,214,766	1.93
2001	833,377,421	450,963,840	78,428,675	141,530,374	63,635,306	1,567,935,616	1.93
2002	866,520,699	463,401,920	77,125,300	128,614,732	63,056,050	1,598,718,701	1.93
2003	890,283,203	477,648,600	77,555,700	129,833,470	64,551,279	1,639,872,252	1.93
2004	925,591,450	481,506,400	77,164,675	128,009,734	66,149,544	1,678,421,803	1.93
2005	1,100,965,999	587,361,680	87,325,875	136,132,268	76,710,665	1,988,496,487	1.87
2006	1,143,649,572	594,756,640	87,252,625	136,327,392	78,166,876	2,040,153,105	1.87
2007	1,203,249,941	606,708,080	87,669,000	126,013,374	67,130,895	2,090,771,290	2.35
2008	1,265,284,519	630,471,760	86,995,725	137,802,856	69,561,225	2,190,116,085	2.45
2009	1,306,890,092	643,877,000	89,731,175	126,365,420	62,775,708	2,229,639,395	1.91

Source: Tennessee Comptroller of the Treasury Division of Property Assessments

Note: The amount of 'pick up' items and double or erroneous taxes will be included in Residential Property.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 Last Ten Fiscal Years  
 (Rate per \$100 of Assessed Value)

	Schedule 6									
	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>County Direct Rates</b>										
General	\$0.66	0.66	0.66	0.68	0.63	0.63	0.63	0.82	0.83	0.65
Upkeep (Highway)	0.16	0.16	0.16	0.16	0.14	0.14	0.14	0.19	0.19	0.15
General Purpose School	0.76	0.76	0.76	0.76	0.82	0.82	0.82	0.82	0.88	0.68
Debt Service	0.31	0.30	0.30	0.27	0.23	0.23	0.36	0.47	0.50	0.39
Solid Waste/Sanitation	0.04	0.05	0.05	0.06	0.05	0.05	0.05	0.05	0.05	0.04
<b>Total Direct Rate</b>	<u>1.93</u>	<u>1.93</u>	<u>1.93</u>	<u>1.93</u>	<u>1.87</u>	<u>1.87</u>	<u>2.00</u>	<u>2.35</u>	<u>2.45</u>	<u>1.91</u>
<b>City Rates</b>										
City of Johnson City	1.87	1.87	2.15	2.15	2.15	1.93	1.93	1.99	1.93	1.54
<b>Town Rates</b>										
Town of Jonesborough	1.70	1.53	1.53	1.53	1.75	1.54	1.54	1.89	1.54	1.18

WASHINGTON COUNTY, TENNESSEE  
 PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED)  
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2009			2000			Schedule 7
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	
Johnson City Venture	\$ 22,690,314	1	1.02%	17,428,863	2	1.14%	
Sprint United Management	22,403,297	2	1.00%	34,510,433	1	2.26%	
Wal-Mart / Sam's Club	21,087,259	3	0.95%	6,691,299	7	0.44%	
American Water Heater	12,821,213	4	0.58%	8,963,328	4	0.59%	
Bosch Braking Systems	9,431,097	5	0.42%	11,776,789	3	0.77%	
Atmos Energy Corporation	8,719,210	6	0.39%	-	-	-	
Johnson City Crossing	8,682,560	7	0.39%	6,621,680	8	0.43%	
The Haven at Knob Creek, LLC	8,187,520	8	0.37%	-	-	-	
Bank of Tennessee	7,047,188	9	0.32%	-	-	-	
SOFHA Real Estate Partners, LLC	6,459,000	10	0.29%	-	-	-	
United Cities Gas Company	-	-	-	7,051,695	5	0.46%	
Kennametal, Inc.	-	-	-	6,771,917	6	0.44%	
Harris Tarkett	-	-	-	5,951,145	9	0.39%	
Burlington Industries	-	-	-	5,170,416	10	0.34%	
	<u>\$127,528,658</u>		<u>5.7%</u>	<u>110,937,565</u>		<u>7.3%</u>	

See Independent Auditors' Report.

WASHINGTON COUNTY  
PROPERTY TAX LEVIES AND COLLECTIONS (UNAUDITED)  
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Subsequent Tax Levy Adjustments	Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Schedule 8 Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2000	*	*	29,475,245	27,637,000	93.8%	1,239,383	28,876,383	98.0%
2001	30,339,772	(43,857)	30,295,915	28,334,769	93.5%	1,328,164	29,662,933	97.9%
2002	30,820,966	48,169	30,869,135	28,868,767	93.5%	1,378,297	30,247,064	98.0%
2003	31,762,768	(68,201)	31,694,567	29,861,069	94.2%	1,427,320	31,288,389	98.7%
2004	32,440,204	(10,144)	32,430,060	30,661,947	94.5%	1,240,851	31,902,798	98.4%
2005	37,184,044	70,112	37,254,156	35,123,059	94.3%	1,568,857	36,691,916	98.5%
2006	38,217,645	43,627	38,261,272	36,268,808	94.8%	1,460,031	37,728,839	98.6%
2007	41,835,939	143,193	41,979,132	39,878,098	95.0%	1,691,874	41,569,972	99.0%
2008	51,439,552	48,046	51,487,598	48,909,436	95.0%	1,898,097	50,807,533	98.7%
2009	54,637,088	11,241	54,648,329	51,526,466	94.3%	-	51,526,466	94.3%

\*Comparable information was not available for prior years.

WASHINGTON COUNTY, TENNESSEE  
RATIOS OF OUTSTANDING DEBT BY TYPE  
Last Ten Fiscal Years

Schedule 9						
Fiscal Year	General Obligation Bonds	Capital Outlay Notes	Capital Leases	Total	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
2000	\$ 33,055,000	14,399,804	-	47,454,804	*	442.68
2001	38,315,000	13,072,904	109,610	51,497,514	2.01%	480.40
2002	37,230,000	10,791,724	126,658	48,148,382	1.85%	449.15
2003	36,050,000	13,409,080	134,632	49,593,712	1.81%	450.53
2004	34,690,000	10,638,336	83,313	45,411,649	1.52%	412.54
2005	32,505,000	8,398,892	78,211	40,982,103	1.31%	364.26
2006	30,790,000	11,878,448	63,425	42,731,873	1.29%	379.82
2007	154,710,000	12,601,600	41,498	167,353,098	4.71%	1,463.95
2008	152,410,000	10,611,833	23,591	163,045,424	4.59%	1,397.65
2009	149,935,000	9,301,066	12,648	159,248,714	4.48%	1,342.30

\* Comparable information was not available for prior years.

Note: 2009, 2008, and 2007 percentages calculated using 2007 personal income data, which is the most recent available.

<sup>1</sup> Population and personal income data can be found in Schedule 12.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

WASHINGTON COUNTY, TENNESSEE  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING (UNAUDITED)  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Personal Income <sup>2</sup>	Schedule 10	
					Percentage of Actual Value <sup>1</sup> of Taxable Property	Per Capita <sup>2</sup>
2000	\$ 33,055,000	6,274,301	26,780,699	*	1.75%	249.82
2001	38,315,000	7,168,983	31,146,017	1.21%	1.99%	290.55
2002	37,230,000	7,349,897	29,880,103	1.15%	1.87%	278.74
2003	36,050,000	7,591,603	28,458,397	1.04%	1.74%	258.53
2004	34,690,000	6,633,152	28,056,848	0.94%	1.67%	254.88
2005	32,505,000	5,542,286	26,962,714	0.86%	1.36%	239.65
2006	30,790,000	4,716,881	26,073,119	0.79%	1.28%	231.75
2007	154,710,000	6,421,107	148,288,893	4.17%	7.09%	1,297.18
2008	152,410,000	7,794,619	144,615,381	4.07%	6.60%	1,239.66
2009	149,935,000	9,952,086	139,982,914	3.94%	6.28%	1,179.91

\* Comparable information was not available for prior years.

Note: 2009, 2008, and 2007 percentages calculated using 2007 personal income data, which is the most recent available.

<sup>1</sup> See Schedule 5 for property value data.

<sup>2</sup> Population and personal income data can be found in Schedule 12.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

See Independent Auditors' Report.

WASHINGTON COUNTY  
LEGAL DEBT MARGIN INFORMATION (UNAUDITED)  
June 30, 2009

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Schedule 11

The State of Tennessee has not placed any restrictions on the amount of debt that may be issued by Washington County, Tennessee.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)  
 Last Ten Fiscal Years

Fiscal Year	Population <sup>1</sup>	Personal Income <sup>2</sup>	Per Capita Personal Income	Schedule 12
				Unemployment Rate
2000	107,198	*	*	*
2001	107,198	2,568,356,882	23,959	*
2002	107,198	2,607,376,954	24,323	*
2003	110,078	2,739,401,108	24,886	4.9%
2004	110,078	2,981,837,000	27,088	4.9%
2005	112,507	3,121,189,000	27,742	4.9%
2006	112,507	3,308,091,000	29,403	4.9%
2007	114,316	3,554,221,000	31,091	4.4%
2008	116,657	3,554,221,000	30,467	6.3%
2009	118,639	3,554,221,000	29,958	9.2%

\*Comparable information was not available for prior years.

<sup>1</sup> Fiscal years 1998 - 1999 are 1990 U.S. Census figure and 2000 - 2002 are 2000 U.S. Census figures; all others are estimates from First Tennessee Development District.

<sup>2</sup> Personal income figures for 2008 and 2009 were not available. The fiscal year 2007 figure was used for calculation of Per Capita Personal Income for these years.

**Sources:** 1999 - 2007: First Tennessee Development District  
 2008 and 2009: Tennessee Department of Labor & Workforce Development

WASHINGTON COUNTY, TENNESSEE  
 PRINCIPAL EMPLOYERS (UNAUDITED)  
 For the Fiscal Years Noted

<u>EMPLOYER</u>	2009			2003* , Schedule 13		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Mountain States Health Alliance	3,541	1	6.36%	3,541	1	6.3%
East Tennessee State University	2,330	2	4.18%	2,012	2	3.6%
Citi Cards	1,950	3	3.50%	1,817	3	3.3%
James H. Quillen VA Medical Center	1,592	4	2.86%	1,259	4	2.3%
Advance Call Center Technologies	1,400	5	2.51%	-	-	-
Washington County School Systems	1,200	6	2.15%	1,150	6	2.1%
American Water Heater Company	1,170	7	2.10%	1,200	5	2.2%
City of Johnson City	853	8	1.53%	824	8	1.5%
Johnson City School System	832	9	1.49%	920	7	1.6%
AT & T Wireless	650	10	1.17%	805	10	1.4%
Siemens Industrial Automation, Inc	-	-	-	730	9	1.3%
	<u>15,518</u>		<u>27.86%</u>	<u>14,258</u>		<u>25.60%</u>

Source: Economic Development Board and First Tennessee Development District.

\* Principal Employer information is not available prior to fiscal year 2003.

Note: The total county employment used for 2009 is based on the June 2009 labor force estimates from the Tennessee Department of Labor and Workforce Development.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION (UNAUDITED)  
 Last Ten Fiscal Years

FUNCTION	Schedule 14									
	Full-time Equivalent Employees as of June 30									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government	165	158	167	162	177	165	170	160	166	143
Sheriff's Department	155	177	186	186	182	193	195	183	176	202
Highway and Streets	96	98	99	99	96	93	96	96	94	89
Library	8	8	8	8	9	9	9	9	9	9
Sanitation	18	22	18	20	20	21	22	14	16	14
Total	<u>442</u>	<u>463</u>	<u>478</u>	<u>475</u>	<u>484</u>	<u>481</u>	<u>492</u>	<u>462</u>	<u>461</u>	<u>457</u>

Source: Washington County Payroll Records

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 OPERATING INDICATORS BY FUNCTION (UNAUDITED)  
 Last Ten Fiscal Years

Schedule 15

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<u>Sheriff's Department</u>										
Jail Bookings	*	*	5,823	6,200	6,609	8,094	8,736	8,495	8,191	8,357
Average Daily Population	*	*	409	413	432	449	465	488	521	528
Physical Arrests	*	*	3,030	2,628	3,444	3,603	3,558	3,552	3,270	3,335
Warrants Processed	*	*	7,685	8,745	9,420	9,845	9,913	18,550	18,013	18,432
Warrants Served	*	*	4,973	4,828	5,120	5,640	5,987	13,386	12,852	13,513
Civil Papers Processed	*	*	7,076	8,176	9,681	9,915	10,163	*	*	*
Civil Papers Served	*	*	5,572	6,133	6,288	7,266	7,580	*	*	*
<u>Highway and Streets</u>										
Streets Maintained (miles)	*	747.75	749.61	751.64	754.03	757.07	762.50	766.02	767.69	769.13
Streets Resurfaced (miles)	34.57	49.186	43.922	38.356	38.70	50.80	*	21.63	12.50	10.03
<u>Library</u>										
Volumes in Circulation	82,689	116,575	112,167	107,033	113,149	105,650	113,042	98,200	88,541	99,561
<u>Sanitation</u>										
Refuse Collected (tons/day)	*	*	45.88	49.47	52.64	52.53	54.01	52.81	55.91	53.84
Recyclables Collected (tons/day)	*	*	10.22	11.31	12.95	11.37	11.46	12.01	12.85	13.23

\* Comparable information was not available.

Source: Various County Departments.

See Independent Auditors' Report.

WASHINGTON COUNTY, TENNESSEE  
 CAPITAL ASSET STATISTICS BY FUNCTION (UNAUDITED)  
 Last Ten Fiscal Years

Schedule 16

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b><u>Function/Program</u></b>										
<b><u>Sheriff's Department</u></b>										
Correction Facility Capacity	*	352	352	352	362	362	352	352	352	578
Stations	*	1	1	1	1	1	1	1	1	1
Zones	*	5	5	5	5	5	5	5	5	5
Patrol Units	*	35	35	35	35	35	31	32	34	35
Substations	*	1	1	1	2	3	3	3	3	3
<b><u>Highways and Streets</u></b>										
Bridges under 20 feet	369	369	369	369	369	369	369	369	370	372
Bridges 20 feet and over	115	115	115	115	115	115	115	115	115	115
<b><u>Library</u></b>										
Volumes in Collection	69,790	61,945	67,535	70,236	75,693	76,946	80,876	75,167	88,541	99,561
<b><u>Sanitation</u></b>										
Collection Trucks	*	*	3	3	3	3	4	4	4	4

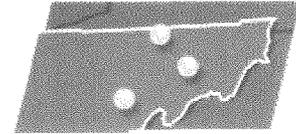
\* Comparable information was not available for prior years.

Source: Various County Departments.

See Independent Auditors' Report.

**SECTION VI**

**INTERNAL CONTROL AND COMPLIANCE SECTION**



American Institute of Certified Public Accountants

INDEPENDENT AUDITORS' 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*

To the Honorable County Mayor  
and Board of Commissioners  
Washington County, Tennessee

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise the Washington County, Tennessee's basic financial statements and have issued our report thereon dated December 22, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects Washington County, Tennessee'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 Washington County, Tennessee financial statements that is more than inconsequential will not be prevented or detected by Washington County, Tennessee's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting (09-1 to 09-4, 07-5, 06-4, 08-2, 07-7, 06-1, 06-2).

To the Honorable County Mayor  
and Board of Commissioners  
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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 Washington County, Tennessee's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

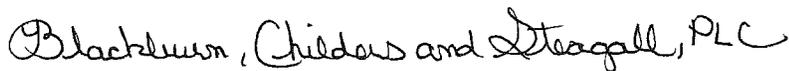
#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Washington County, Tennessee'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*.

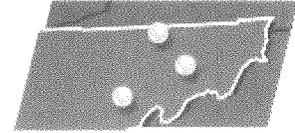
We noted certain matters that were reported to management of Washington County, Tennessee, in a separate letter dated December 16, 2009.

Washington County, Tennessee's response to the findings identified in our audit is described in the accompanying schedules of findings and questioned costs. We did not audit Washington County, Tennessee's response and, accordingly, we express no opinion on it.

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

  
BLACKBURN, CHILDERS AND STEAGALL, PLC

December 22, 2009



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

To the Honorable County Mayor  
and Board of Commissioners  
Washington County, Tennessee

Compliance

We have audited the compliance of Washington County, Tennessee, 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, 2009. Washington County, Tennessee's major federal programs are identified in the summary of auditors' 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 Washington County, Tennessee's management. Our responsibility is to express an opinion on Washington County, Tennessee'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 Washington County, Tennessee's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Washington County, Tennessee's compliance with those requirements.

In our opinion, Washington County, Tennessee, 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, 2009.

To the Honorable County Mayor  
and Board of Commissioners  
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Internal Control over Compliance

The management of Washington County, Tennessee 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 Washington County, Tennessee'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 Washington County, Tennessee's internal control over compliance.

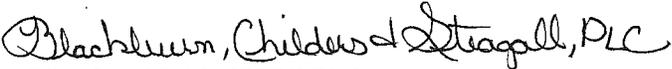
A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal 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.

Washington County, Tennessee's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Washington County, Tennessee's response and, accordingly, we express no opinion on it.

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

  
BLACKBURN, CHILDERS & STEAGALL, PLC

December 22, 2009

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section I - Summary of Auditors' Results

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, and each major fund and the aggregate remaining fund information of Washington County, Tennessee.
2. Eleven significant deficiencies disclosed during the audit of the financial statements are reported in the Schedule of Findings and Questioned Costs; none of which is considered to be a material weakness.
3. No instances of noncompliance material to the financial statements of Washington County, Tennessee were disclosed during the audit.
4. There were no significant deficiencies relating to the audit of the major federal award programs reported in the Schedule of Findings and Questioned Costs.
5. The auditors' report on compliance for the major federal award programs for Washington County, Tennessee expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs were as follows:

<u>Program</u>	<u>CFDA Number</u>
Title II – Part A	84.367A
IDEA – Part B	84.027
National School Breakfast Program	10.553
National School Lunch Program	10.555

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Washington County, Tennessee was determined to be a low-risk auditee.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings

Current Year Audit Findings – Significant Deficiencies

Chancery Court

09-1 Year end Clerk and Master’s Report was filed with a significant error:

*Condition:* A significant adjustment was required to be posted to the month end June 2009 Jonesborough Clerk and Master Report due to an error concerning voided checks. At the time the audit was conducted, a restated report had not been remitted to Chancery Court of Washington County, TN.

*Criteria:* Clerk and Master employees should thoroughly review and reconcile reports before they are submitted to the Chancery Court of Washington County, TN.

*Effect:* The month end June 2009 Jonesborough Clerk and Master Report filed with the Chancery Court was significantly misstated.

*Recommendation:* Daily accounting and review procedures should be properly executed in order to prevent errors from occurring and correcting errors, should they occur, on a timely basis. The Clerk and Master should authorize reports only after they are thoroughly reviewed and verified. If misstatements are noted subsequent to filing of any of the month end Clerk and Master Reports, a restated report should be filed promptly to the Chancery Court.

*Management’s Comments:* The error was originally caused when the year-end checks were written and the entire batch was destroyed by a malfunctioning printer. We voided these checks and reissued the same checks. This caused double booking of the expenditures and an understatement of the cash in the bank for June 2009. This is a very usual occurrence. We have assessed the process we previously used to review and reconcile reports for filing. We have identified some steps we can add to strengthen our internal controls in regards to reporting and preventing errors. These will be implemented immediately. We also have a better understanding of how we may correct the general ledger should this type of error occur again and we have filed a corrected June 2009 report with the Court.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings (Continued)

Current Year Audit Findings – Significant Deficiencies (Continued)

Circuit Court

09-2 Untimely Deposits:

*Condition:* Revenue is received and not properly deposited in a timely manner.

*Criteria:* Internal controls should be in place to ensure the proper remittance of funds received within three business days, per Tennessee Code Annotated (TCA) 5-8-207.

*Effect:* Deposit procedures in violation of TCA 5-8-207.

*Recommendation:* All revenue received should be submitted for timely deposit within three business days of receipt.

*Management's Comments:* The problem has been corrected; we now take the deposits to the bank every day and check deposit slips upon returning from the bank. The bookkeeper also goes online to check and make sure deposits were deposited at the bank.

Board of Education

09-3 OPEB Calculation:

*Condition:* The Board of Education had not yet performed the required calculation to calculate the liability for other postemployment benefits other than pensions (OPEB).

*Criteria:* The Board of Education offers other postemployment benefits other than pensions (OPEB). The Governmental Accounting Standards Board (GASB) requires for entities with 100 or more members to have an actuary determine the costs of the plan by performing an actuarial valuation. OPEB expense should be recognized in the financial statements in relation to the calculated annual required contribution. Additional note disclosures are also required to be presented in the audit report.

*Effect:* The effect of this deficiency results in a failure to properly implement a new GASB standard.

*Recommendation:* We recommend that it be determined whether the Washington County Board of Education should have been included in the State of Tennessee's actuarial study or contract with an actuary to perform the required study.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings (Continued)

Current Year Audit Findings – Significant Deficiencies (Continued)

Board of Education (Continued)

09-3 OPEB Calculation (continued):

*Management's Comments:* The Tennessee Comptroller's office has been contacted as to the possible omission of Washington County Board of Education from the State of Tennessee's Actuarial study. We are expecting guidance soon. If it is determined that a separate study is necessary, we will engage a qualified actuary to perform the calculations for inclusion in our financial statements.

County Mayor

09-4 Segregation of Duties (06-30-09 Report finding #4)

*Condition:* In the course of the audit, it was discovered that the accounting clerks write the checks, mail the checks and provide the bank with the electronic file authorizing payment of such checks under the Positive Pay System. The same accounting clerks are also the bank's key contact when checks are flagged as suspect and presented for a pay decision.

The Positive Pay System appears to have improved internal controls from persons outside County government. However, internal controls to safeguard assets and help detect losses from employee dishonesty were weakened.

The checks are printed with an electronic signature. There is no evidence that the checks are reviewed after preparation. To further weaken internal controls, the accounting clerks have access to alter purchase orders after they have been issued by the purchasing department.

*Criteria:* Although these practices may be more efficient, internal controls are designed to safeguard assets and help detect losses from employee dishonesty or error. County government, by its nature, is set up in such a way to allow for proper segregation of duties. The county's officials should be mindful of areas that can be improved.

*Effect:* The County is at risk for misappropriation of funds either intentionally or unintentionally.

*Recommendation:* Prohibit access to the bank exception reports and the purchase orders system from those responsible for preparing the checks. Management should review supporting documents for normal recurring disbursements (not usually reviewed) at least on a spot-check basis. Nonroutine testing would aid in ensuring compliance with the County's policy for all disbursements. Also, a check register should be reviewed in the absence of an actual signature.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings (Continued)

Current Year Audit Findings – Significant Deficiencies

County Mayor

09-4 Segregation of Duties (06-30-09 Report finding #4 continued)

*Management's Comments:* Several recommendations have already been put in place. Every effort will be made to correct this finding.

Trustee

09-5 Checking System

*Condition:* The County uses a web-based tool that can help combat check fraud and forgery by matching the checks presented for payment against check issue detail provided by the County. During the course of the audit, it was discovered that the Directors of Accounts and Budget offices of the County and the Board of Education were uploading the check issue detail files to the bank. The act of submission of this file is the only communication provided by the County to the bank, and as such, authorizes funds from the county master account to be transferred to a clearing account upon presentation of a submitted check. Under the current system, the Trustee's office is notified after a transfer is made.

*Criteria:* Although this practice may be more efficient, the Trustee or his deputies should be knowledgeable of fund transfers before they occur, not afterwards. Under TCA 5-8-210(h), the Trustee may choose a method to certify the checks. The Trustee chose the Check Signing/Validation Method. The statute states that the Trustee signs or validates each check if sufficient funds are or will be available and makes any necessary transfer of funds from the master account to the check clearing account.

*Effect:* The delegation of this duty to the offices of the Directors of Accounts and Budgets resulted in weakening internal controls to safeguard and help detect losses from employee dishonesty or error.

*Recommendation:* The Trustee should begin uploading the files for check issue detail, as prepared by the employees of the Directors of Accounts and Budgets for Washington County and the Washington County Board of Education, as soon as possible.

*Management's Comments:* In order for us to upload the check issue file, we must have computer program changes. Also, our computer system has to be networked with the school department's system and programmed for our upload. I have contacted our software writer and informed them of the needed changes. Our bank must also make changes in their system. They have informed me that their changes will not take long to accomplish.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings (Continued)

Prior Year Audit Findings Not Implemented – Significant Deficiencies

County Mayor

07-5 Preparation of Government-Wide Adjustments (06-30-07 Report, Finding 07-5)

*Condition:* Historically, the County has not prepared a schedule of government-wide adjusting entries which are necessary for financial statement preparation.

*Criteria:* Controls should be in place to ensure all government-wide entries have been considered. A schedule of these entries should be prepared.

*Effect:* Without a schedule of government-wide adjustments, the County has not fully complied with having financial statements that are in accordance with GAAP.

*Recommendation:* We recommend the County begin working to complete the schedule of government-wide adjustments.

*Management's Comments:* A government-wide adjusting entry schedule will be prepared.

06-4 Fixed Assets (06-30-06 Report, Finding 06-4; repeated from 6-30-95 Report, Finding 95-2)

*Condition:* Fixed assets are not tagged to facilitate periodic comparison of assets to detail records.

*Criteria:* Internal controls should be in place to ensure all fixed assets are properly identified and tagged.

*Effect:* Management is unable to compare physical inventory of fixed assets to detail records.

*Recommendation:* All fixed assets should be properly identified and tagged when placed into service.

*Management's Comments:* Fixed asset tags and logs will be addressed to each department.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings (Continued)

Prior Year Audit Findings Not Implemented – Significant Deficiencies (Continued)

Food Service

08-2 USDA Receivables (6-30-08 Report, Finding 08-2)

*Condition:* United States Department of Agriculture receivables for lunch and breakfast reimbursements were not relieved properly when the related funds were received.

*Criteria:* Amounts set-up as receivables should be relieved when the related funds are received in order to comply with Generally Accepted Accounting Principles.

*Effect:* By not properly relieving the receivables, both assets and revenues were being overstated resulting in an audit adjustment.

*Recommendation:* Receivables should be relieved when related funds are received and a monthly reconciliation of receivables should be performed.

*Management Comment:* Receivables were recorded to the extent possible. The current software program is limited to definitive amounts that do not match all the categories as defined by USDA. Management will attempt to make adjustments prior to filing each month's report in an effort to offset any overstatement.

07-7 Bank Accounts (06-30-07 Report, Finding 07-1)

*Condition:* The bank account reconciliations appear to be generally incomplete due to unreconciled differences between the bank balance and the general ledger.

*Criteria:* Bank account reconciliations are the primary internal control procedure relating to cash accounts. Small differences not reconciled on a monthly basis can build up to a significant difference that makes the bank accounts difficult to reconcile. Bank accounts should be reconciled and adjusted monthly.

*Effect:* The bank accounts were not completely reconciled.

*Recommendation:* All bank accounts should be reconciled each month. The composition of any unreconciled differences should be determined, and any necessary adjusting journal entries should be recorded in said period.

*Management's Comments:* The department is currently exploring software adjustments/changes that will aid in correcting this problem.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section II - Financial Statement Findings (continued)

Prior Year Audit Findings Not Implemented – Significant Deficiencies (continued)

Food Service (continued)

06-1 Budgets (6-30-06 Report, Finding 06-1; repeated from 6-30-01, Finding 01-2):

*Condition:* Actual expenditures exceeded the amounts appropriated in the budget.

*Criteria:* State statutes require all expenditures of the general fund, special revenue funds and component units to be authorized by the governing body.

*Effect:* When expenditures exceed the budget, unapproved expenditures are being made.

*Recommendation:* Management should compare budgets to actual expenditures to ensure that all expenditures are properly authorized.

*Management's Comments:* It is understood that expenditures exceeded budgeted amounts; however, the expenditures were authorized by the department head.

06-2 Bank Accounts (6-30-06 Report, Finding 06-2; repeated from 6-30-88, Finding 88-3):

*Condition:* Bank accounts have been maintained for the school cafeteria funds separate from the County Trustee.

*Criteria:* Internal controls should be established to require that all funds are deposited with the County Trustee to comply with Tennessee Code.

*Effect:* Maintaining separate bank accounts from the County Trustee is a violation of Tennessee Code.

*Recommendation:* All funds should be deposited with the County Trustee.

*Management's Comments:* This action has not been recommended by the Washington County Board of Education.

WASHINGTON COUNTY, TENNESSEE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2009

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Section III - Findings and Questioned Costs - Major Federal Award Programs Audit

There were no findings and questioned costs in regard to the major federal award programs audit.

Prior Year Recommendations Implemented

<u>Significant Deficiencies</u>	<u>Page Number</u>	<u>Subject</u>
<u>Chancery Court</u>		
08-1	182	Expenditures
<u>Food Service</u>		
08-3	183	Inventory
<u>Library</u>		
07-2	184	Bank Account
<u>Sheriff</u>		
07-11	184	Timely Deposits