



**ANNUAL FINANCIAL REPORT  
WEAKLEY COUNTY, TENNESSEE**



**FOR THE YEAR ENDED JUNE 30, 2009**



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**ANNUAL FINANCIAL REPORT  
WEAKLEY COUNTY, TENNESSEE  
FOR THE YEAR ENDED JUNE 30, 2009**

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

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

**JAMES R. ARNETTE  
Director**

**NORM R. NORMENT, CGFM  
Audit Manager**

**JAN PAGE, CPA, CFE  
Auditor 4**

**B. KEITH RICE, CGFM  
ELISHA CROWELL, CFE  
State Auditors**

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

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***Audit Highlights***  
Annual Financial Report  
Weakley County, Tennessee  
For the Year Ended June 30, 2009

***Scope***

We have audited the basic financial statements of Weakley County as of and for the year ended June 30, 2009.

***Results***

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

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## INTRODUCTORY SECTION

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# Weakley County Officials

## June 30, 2009

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### **Officials**

Houston Patrick, County Mayor  
Kermit Hopper, Highway Supervisor  
Richard Barber, Director of Schools  
Marci Floyd, Trustee  
David Tuck, Assessor of Property  
Pat Scarbrough, County Clerk  
Pam Belew, Circuit and General Sessions Courts Clerk  
Susan Collins, Clerk and Master  
Donna Winstead, Register  
Michael Wilson, Sheriff  
Shawn Francisco, Director of Finance

### **Board of County Commissioners**

Richard Phebus, Chairman  
Bob Bell  
Mac Buckley  
Joe Farmer  
Tommy Jones  
Kevin McAlpin  
Michael Medling  
Dale Overton  
Eric Owen

Julia Rich  
David Rook  
John Salmon  
Sam Sinclair  
Roger Stewart  
Larry Taylor  
Jack Vincent  
James Westbrook, Jr.  
Earl Wright

### **Board of Education**

Gordon Morris, Chairman  
Gath Meeks  
Sarah Ann Pentecost  
Jeff Perkins  
Joan Pritchett  
Lindell Roney  
Doug Sims  
Barbara Trentham  
Steve Vantrease

### **Financial Management Committee**

Roger Stewart, Chairman  
Richard Barber, Director of Schools  
Kermit Hopper, Highway Supervisor  
Houston Patrick, County Mayor  
Richard Phebus  
Jack Vincent  
James Westbrook, Jr.

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## FINANCIAL SECTION

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

INDEPENDENT AUDITOR'S REPORT

January 25, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weakley County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Weakley County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Weakley County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Weakley County Municipal Electric System (a major fund and the entire business-type activities). Also, we did not audit the financial statements of the Weakley County Nursing Home, which represent 12.3 percent and 19.2 percent, respectively, of the assets and revenues of the aggregate discretely presented component units or the Weakley County Emergency Communications District, which represent 2.2 percent and .9 percent, respectively, of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Weakley County Municipal Electric System, the Weakley County Nursing Home, and the Weakley County Emergency Communications District, is based on the reports of the other auditors.

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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated January 25, 2010, on our consideration of Weakley County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

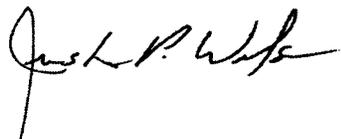
As described in Note V.B., Weakley County has implemented the provisions of Governmental Accounting Standards Board Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations; and Statement No. 52, Land and Other Real Estate Held as Investments by Endowments.

The management's discussion and analysis on pages 21 through 28 and the budgetary comparison, pension, and other postemployment benefits information on pages 101 through 109 are not required parts of the basic financial statements, but they do provide supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Weakley County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Weakley County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Weakley County School Department (a discretely presented component unit), and the miscellaneous

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

Very truly yours,

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

Justin P. Wilson  
Comptroller of the Treasury

JPW/yu

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Weakley County Government (the county), we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended June 30, 2009. All amounts, unless otherwise indicated, are expressed in actual dollars.

### FINANCIAL HIGHLIGHTS

Management believes the county's financial condition is strong. The county is well within its budget and the more stringent financial policies and guidelines set by the County Commission and management. The following are key financial highlights.

- ◆ Total assets at year-end were \$104,338,473 and exceeded liabilities by \$59,942,682 (i.e. net assets).
- ◆ Total revenues of the governmental funds were \$15,788,447, a decrease of \$802,465 from fiscal year 2008.
- ◆ Total expenditures of the governmental funds were \$17,660,735, an increase of \$643,522 over fiscal year 2008. The increase is mainly attributable to capital purchases.

### OVERVIEW OF THE ANNUAL FINANCIAL REPORT

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the financial statements and supplementary information. The MD&A represents management's examination and analysis of the county's financial condition and performance. Summary financial statement data, key financial and operational indicators used in the county's strategic plan, budget, and other management tools were used for this analysis. The Annual Financial Report consists of three sections: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

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

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

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

The government-wide financial statements include the Weakley County Government (known as the primary government), and a legally separate school district – the Weakley County Board of Education, for which the Weakley County Government is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government.

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highway/public works; and debt service. The government-wide business-type activity is the Weakley County Municipal Electric System.

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

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as 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.

Weakley County, Tennessee, maintains ten 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, Highway/Public Works, and General Debt Service funds, which are all considered major funds. Data from the other seven 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.

The county adopts an annual budget for general, special revenue, and debt service funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with this budget.

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

**Proprietary fund.** Weakley County maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The county uses an enterprise fund to account for its municipal electric system. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

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

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Weakley County's general and major special revenue funds' budgetary statements (General and Highway/Public Works funds). Required supplementary information can be found after the basic financial statements section of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

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

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Weakley County's assets exceeded liabilities by \$27,745,713 at the close of the most recent fiscal year for the governmental activities. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, whenever the Weakley County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the Weakley County Government. As of June 30, 2009, Weakley County had outstanding debt totaling \$23,759,719 for capital purposes for the Weakley County Board of Education, but the capital assets are reported in the financial statements of the Weakley County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net assets.

Weakley County Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Assets:</b>						
Current and Other						
Assets	\$ 13,548,885	\$ 13,696,338	\$ 8,732,980	\$ 11,339,421	\$ 22,281,865	\$ 25,035,759
Capital Assets	49,303,882	51,694,784	32,752,726	26,198,404	82,056,608	77,893,188
<b>Total Assets</b>	<b>\$ 62,852,767</b>	<b>\$ 65,391,122</b>	<b>\$ 41,485,706</b>	<b>\$ 37,537,825</b>	<b>\$ 104,338,473</b>	<b>\$ 102,928,947</b>
<b>Liabilities:</b>						
Other Liabilities	\$ 5,991,787	\$ 5,675,535	\$ 4,529,163	\$ 3,590,302	\$ 10,520,950	\$ 9,265,837
Long-term Liabilities						
Outstanding	29,115,267	32,504,546	4,759,574	3,024,380	33,874,841	35,528,926
<b>Total Liabilities</b>	<b>\$ 35,107,054</b>	<b>\$ 38,180,081</b>	<b>\$ 9,288,737</b>	<b>\$ 6,614,682</b>	<b>\$ 44,395,791</b>	<b>\$ 44,794,763</b>
<b>Net Assets</b>						
Invested in Capital Assets,						
Net of Related Debt	\$ 43,838,955	\$ 45,900,784	\$ 30,263,670	\$ 26,198,404	\$ 74,102,625	\$ 72,099,188
Restricted	6,720,358	7,206,790		0	6,720,358	7,206,790
Unrestricted	(22,813,600)	(25,896,533)	1,933,299	4,724,739	(20,880,301)	(21,171,794)
<b>Total Net Assets</b>	<b>\$ 27,745,713</b>	<b>\$ 27,211,041</b>	<b>\$ 32,196,969</b>	<b>\$ 30,923,143</b>	<b>\$ 59,942,682</b>	<b>\$ 58,134,184</b>

By far the largest portion of the county's 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. Weakley County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Weakley County's investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the county's net assets (\$6,720,358) represents resources that are subject to external restrictions on how they may be used.

Weakley County Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 2,278,252	\$ 2,245,255	\$ 45,016,873	\$ 39,602,082	\$ 47,295,125	\$ 41,847,337
Operating Grants and						
Contributions	3,553,439	3,793,058	0	0	3,553,439	3,793,058
Capital Grants and						
Contributions	543,888	1,070,076	0	0	543,888	1,070,076

Weakley County Changes in Net Assets (Cont.)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues (Cont.):						
Program Revenues:						
General Revenues:						
Property Taxes	\$ 6,031,223	\$ 5,851,442	\$ 0	\$ 0	\$ 6,031,223	\$ 5,851,442
Other Taxes	1,763,199	1,747,895	0	0	1,763,199	1,747,895
Grants and Contributions not Restricted to						
Specific Programs	1,367,733	1,305,682	0	0	1,367,733	1,305,682
Unrestricted Investment						
Earnings	277,067	415,981	124,264	257,992	401,331	673,973
Other	17,114	24,296	8,737	0	25,851	24,296
<b>Total Revenues</b>	<b>\$ 15,831,915</b>	<b>\$ 16,453,685</b>	<b>\$ 45,149,874</b>	<b>\$ 39,860,074</b>	<b>\$ 60,981,789</b>	<b>\$ 56,313,759</b>
Expenses:						
General Government	\$ 1,299,980	\$ 829,687	\$ 0	\$ 0	\$ 1,299,980	\$ 829,687
Finance	1,145,495	1,072,727	0	0	1,145,495	1,072,727
Administration of Justice	1,237,796	1,158,498	0	0	1,237,796	1,158,498
Public Safety	3,362,745	3,333,896	0	0	3,362,745	3,333,896
Public Health and Welfare	525,777	1,069,591	0	0	525,777	1,069,591
Social, Cultural, and						
Recreational Services	364,995	343,652	0	0	364,995	343,652
Agriculture and Natural						
Resources	141,805	145,565	0	0	141,805	145,565
Other Operations	550,526	523,046	0	0	550,526	523,046
Highway/Public Works	6,028,063	6,497,308	0	0	6,028,063	6,497,308
Interest on Long-term						
Debt	767,670	1,346,686	0	0	767,670	1,346,686
Other Debt Service	238,845	91,095	0	0	238,845	91,095
Public Utility	0	0	43,509,594	38,590,250	43,509,594	38,590,250
<b>Total Expenses</b>	<b>\$ 15,663,697</b>	<b>\$ 16,411,751</b>	<b>\$ 43,509,594</b>	<b>\$ 38,590,250</b>	<b>\$ 59,173,291</b>	<b>\$ 55,002,001</b>
Transfers	\$ 366,454	\$ 365,291	\$ (366,454)	\$ (365,291)	\$ 0	\$ 0
Change in Net Assets	\$ 534,672	\$ 407,225	\$ 1,273,826	\$ 904,533	\$ 1,808,498	\$ 1,311,758
Net Assets, July 1	27,211,041	26,803,816	30,923,143	30,018,610	58,134,184	56,822,426
Net Assets, June 30	\$ 27,745,713	\$ 27,211,041	\$ 32,196,969	\$ 30,923,143	\$ 59,942,682	\$ 58,134,184

### Financial Analysis of Government's Funds

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

**Governmental funds.** The focus of Weakley County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such

information is useful in assessing the county's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the county's governmental funds reported combined ending fund balances of \$7,000,524, a decrease of \$598,957 in comparison with the prior year.

Of this total amount, \$6,076,940 constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not readily available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$751,487), and 2) for a variety of other restricted purposes (\$172,097).

The General Fund is the chief operating fund of the county. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$790,922, while total fund balance was \$970,176. 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 of the General Fund represents 11 percent of total General Fund expenditures, while total fund balance represents 13 percent of that same amount.

The General Debt Service Fund has a total fund balance of \$4,559,358. The decrease in fund balance of \$950,260 from the prior year is due to an increase in debt payments.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were relatively minor and can be briefly summarized as follows:

General Government	\$ 3,173
Finance	(2,889)
Administration of Justice	(44,055)
Public Safety	13,510
Public Health and Welfare	3,500
Social, Cultural, and Recreational Services	(388)
Agriculture and Natural Resources	552
Other Operations	<u>(62,726)</u>
 Total Increase in Budgeted Expenditures	 <u><u>\$ (89,323)</u></u>

During the year, revenues were less than budgetary estimates; however expenditures were also significantly less than budgetary estimates, thus reducing the need to draw upon existing fund balance.

## Capital Assets and Debt Administration

**Capital assets.** The county's investment in capital assets for its governmental activities as of June 30, 2009, totaled \$49,303,882 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, other capital assets (includes equipment), and infrastructure (roads, highway, and bridges). The total decrease in Weakley County Government's investment in capital assets for the current fiscal year was \$2,390,902, (net of accumulated depreciation). This decrease was mainly attributable to depreciation expense for the year.

Major capital asset events during the current fiscal year included the following:

- ◆ The Weakley County Sheriff's Department purchased three new patrol vehicles. The Weakley County Highway/Public Works Department purchased an asphalt paver, asphalt roller, heavy duty trailer, and a 14-wheeler truck.
- ◆ The Board of Education purchased four new school buses, a school maintenance van and truck, reroofed buildings, and purchased cafeteria equipment.

**Long-term debt.** At the end of the current fiscal year, Weakley County had total bonded debt outstanding of \$11,030,000, notes payable of \$1,319,941, and other loans payable of \$16,874,705. All debt is backed by full faith and credit of the county.

	<u>Governmental Activities</u>
Notes Payable	\$ 1,319,941
Other Loans Payable	16,874,705
Bonded Debt	<u>11,030,000</u>
Total	<u>\$ 29,224,646</u>

Weakley County maintains an "Aaa" rating from Moody's for general obligation debt.

## Economic Factors and Next Year's Budget and Rates

- ◆ The unemployment rate of Weakley County is currently 10.5 percent, which is a decrease from a rate of 10.8 percent in June.
- ◆ The county experienced limited commercial and industrial growth during the year.
- ◆ Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the county's budget for the 2010 fiscal year.

## **Requests for Information**

This financial report is designed to provide a general overview of Weakley County Government's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, Weakley County Government, 8319 Highway 22, Suite B, Dresden, Tennessee 38225 or via email at [franciscos@k12tn.net](mailto:franciscos@k12tn.net).

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## **BASIC FINANCIAL STATEMENTS**

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Exhibit A

Weakley County, Tennessee  
Statement of Net Assets  
June 30, 2009

	Primary Government			Component Units		
	Governmental	Business-type	Total	Weakley	Weakley	Weakley
	Activities	Activities		School	County	County
				Department	Nursing	Emergency
					Home	Communications
						District
<b>ASSETS</b>						
Cash	\$ 5,140	\$ 2,687,781	\$ 2,692,921	\$ 0	\$ 2,041,458	\$ 543,781
Equity in Pooled Cash and Investments	6,248,499	0	6,248,499	3,202,606	0	0
Inventories	0	492,860	492,860	0	67,853	0
Investments	0	0	0	0	0	77,097
Accounts Receivable	26,092	2,527,381	2,553,473	22,055	1,571,296	100,632
Due from Other Governments	927,670	0	927,670	1,018,170	0	0
Due from Component Units	622	0	622	0	0	0
Property Taxes Receivable	6,386,966	0	6,386,966	3,652,200	0	0
Allowance for Uncollectible Property Taxes	(237,176)	0	(237,176)	(135,624)	0	0
Prepaid Items	0	536,637	536,637	0	10,291	0
Notes Receivable	0	2,488,321	2,488,321	0	0	0
Other Restricted Assets	0	0	0	0	33,361	0
Deferred Charges - Debt Issuance Costs	191,072	0	191,072	0	0	0
Capital Assets:						
Assets Not Depreciated:						
Land	1,575,535	518,413	2,093,948	1,935,850	2,371	0
Construction in Progress	0	7,589,373	7,589,373	0	0	0
Assets Net of Accumulated Depreciation:						
Buildings and Improvements	5,795,179	0	5,795,179	25,301,879	1,323,379	0
Infrastructure	40,849,009	0	40,849,009	0	0	0
Other Capital Assets	1,084,159	24,644,940	25,729,099	1,740,573	245,113	231,095
<b>Total Assets</b>	<b>\$ 62,852,767</b>	<b>\$ 41,485,706</b>	<b>\$ 104,338,473</b>	<b>\$ 36,737,709</b>	<b>\$ 5,295,122</b>	<b>\$ 952,605</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ 5,883	\$ 2,990,540	\$ 2,996,423	\$ 18	\$ 179,089	\$ 11,171
Accrued Payroll	0	0	0	0	147,577	0
Payroll Deductions Payable	0	0	0	0	25,647	0
Contracts Payable	12,260	0	12,260	131,733	0	0
Retainage Payable	0	0	0	6,933	0	0
Accrued Leave	0	508,755	508,755	0	63,142	3,029
Accrued Interest Payable	75,348	0	75,348	0	0	0
Other Current Liabilities	0	139,262	139,262	0	58,578	0
Deferred Revenue - Current						
Property Taxes	5,898,296	0	5,898,296	3,372,767	0	0
Current Liabilities Payable from Restricted Assets:						
Customer Deposits Payable	0	890,606	890,606	0	0	0
Noncurrent Liabilities:						
Due Within One Year	3,912,608	283,828	4,196,436	1,887	0	0
Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	25,202,659	4,475,746	29,678,405	481,130	0	0
<b>Total Liabilities</b>	<b>\$ 35,107,054</b>	<b>\$ 9,288,737</b>	<b>\$ 44,395,791</b>	<b>\$ 3,994,468</b>	<b>\$ 474,033</b>	<b>\$ 14,200</b>

(Continued)

Exhibit A

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

	Primary Government			Component Units		
	Governmental	Business-type	Total	Weakley	Weakley	Weakley
	Activities	Activities		County	County	County
				School	Nursing	Emergency
				Department	Home	Communications
						District
<b>NET ASSETS</b>						
Invested in Capital Assets, Net of						
Related Debt	\$ 43,838,955	\$ 30,263,670	\$ 74,102,625	\$ 0	\$ 0	\$ 0
Invested in Capital Assets	0	0	0	28,978,302	1,570,863	231,095
Restricted for:						
Solid/Waste Sanitation	36,878	0	36,878	0	0	0
Drug Control	146,664	0	146,664	0	0	0
District Attorney General	99,385	0	99,385	0	0	0
Highway/Public Works	947,162	0	947,162	0	0	0
School Federal Projects	0	0	0	63,755	0	0
Central Cafeteria	0	0	0	684,119	0	0
Debt Service	4,939,180	0	4,939,180	0	0	0
Capital Projects	378,992	0	378,992	193,820	0	0
Other Purposes	172,097	0	172,097	165,913	0	0
Unrestricted	(22,813,600)	1,933,299	(20,880,301)	2,657,332	3,250,226	707,310
Total Net Assets	\$ 27,745,713	\$ 32,196,969	\$ 59,942,682	\$ 32,743,241	\$ 4,821,089	\$ 938,405

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

Exhibit B

Weakley County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2009

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Program Revenues					Component Units				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Business-type Activities	Total	Weakley County School Department	Weakley County Nursing Home	Weakley County Emergency Communications District
<b>Primary Government:</b>										
Governmental Activities:										
General Government	\$ 1,299,980	\$ 152,774	\$ 18,962	\$ 0	\$ (1,128,244)	\$ 0	\$ (1,128,244)	\$ 0	\$ 0	\$ 0
Finance	1,145,495	715,854	13,335	0	(416,306)	0	(416,306)	0	0	0
Administration of Justice	1,237,796	741,250	376,820	0	(119,726)	0	(119,726)	0	0	0
Public Safety	3,362,745	657,689	52,937	66,968	(2,585,151)	0	(2,585,151)	0	0	0
Public Health and Welfare	525,777	0	81,142	0	(444,635)	0	(444,635)	0	0	0
Social, Cultural, and Recreational Services	364,995	6,752	115,521	0	(242,722)	0	(242,722)	0	0	0
Agriculture and Natural Resources	141,805	0	0	0	(141,805)	0	(141,805)	0	0	0
Other Operations	550,526	0	0	108,915	(441,611)	0	(441,611)	0	0	0
Highways/Public Works	6,028,063	2,000	1,924,857	368,005	(3,733,201)	0	(3,733,201)	0	0	0
Interest on Long-term Debt	767,670	0	969,865	0	202,195	0	202,195	0	0	0
Other Debt Service	238,845	1,933	0	0	(236,912)	0	(236,912)	0	0	0
Total Governmental Activities	\$ 15,663,697	\$ 2,278,252	\$ 3,553,439	\$ 543,888	\$ (9,288,118)	\$ 0	\$ (9,288,118)	\$ 0	\$ 0	\$ 0
<b>Business-type Activities:</b>										
Public Utility	\$ 43,509,594	\$ 45,016,873	\$ 0	\$ 0	\$ 0	\$ 1,507,279	\$ 1,507,279	\$ 0	\$ 0	\$ 0
Total Primary Government	\$ 59,173,291	\$ 47,295,125	\$ 3,553,439	\$ 543,888	\$ (9,288,118)	\$ 1,507,279	\$ (7,780,839)	\$ 0	\$ 0	\$ 0
<b>Component Units:</b>										
Weakley County School Department	\$ 36,968,814	\$ 1,179,400	\$ 4,837,852	\$ 40,276	\$ 0	\$ 0	\$ (30,911,286)	\$ 0	\$ 0	\$ 0
Weakley County Nursing Home	7,510,635	8,432,600	0	0	0	0	0	921,965	0	0
Weakley County Emergency Communications District	364,619	355,772	0	0	0	0	0	0	0	(8,847)
Total Component Units	\$ 44,844,068	\$ 9,967,772	\$ 4,837,852	\$ 40,276	\$ 0	\$ 0	\$ (30,911,286)	\$ 921,965	\$ 0	\$ (8,847)

Exhibit B

Weakley County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Program Revenues					Component Units				
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Activities	Total	Weakley County School Department	Weakley County Nursing Home	Weakley County Emergency Communications District	
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes				\$ 3,497,023	\$ 0	\$ 3,497,023	\$ 3,450,969	\$ 0	\$ 0	\$ 0
Property Taxes Levied for Debt Service				2,534,200	0	2,534,200	0	0	0	0
Local Option Sales Taxes				244,268	0	244,268	2,992,580	0	0	0
Hotel/Motel Tax				97,681	0	97,681	0	0	0	0
Wheel Tax				899,158	0	899,158	128,451	0	0	0
Litigation Tax - General				186,720	0	186,720	0	0	0	0
Business Tax				193,338	0	193,338	0	0	0	0
Mineral Severance Tax				82,748	0	82,748	0	0	0	0
Other Local Taxes				59,286	0	59,286	4,070	0	0	0
Grants and Contributions Not Restricted to Specific Programs				1,367,733	0	1,367,733	22,452,758	0	0	10,000
Unrestricted Investment Income				277,067	124,264	401,331	0	15,308	0	11,953
Miscellaneous				17,114	8,737	25,851	131,078	0	0	41,030
Total General Revenues				\$ 9,456,336	\$ 133,001	\$ 9,589,337	\$ 29,159,906	\$ 15,308	\$ 0	\$ 62,983
Transfers				\$ 366,454	\$ (366,454)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Change in Net Assets				\$ 534,672	\$ 1,273,826	\$ 1,808,498	\$ (1,751,380)	\$ 937,273	\$ 54,136	\$ 884,269
Net Assets, July 1, 2008				27,211,041	30,923,143	58,134,184	34,494,621	3,883,816		
Net Assets, June 30, 2009				\$ 27,745,713	\$ 32,196,969	\$ 59,942,682	\$ 32,743,241	\$ 4,821,089	\$ 938,405	\$ 938,405

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

Exhibit C-1

Weakley County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2009

	Major Funds			Nonmajor	Total
	General	Highway /	General	Funds	
		Public	Debt	Other	
	Works	Service	Govern-	ment-	
			mental	mental	
			Funds	Funds	
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 5,140	\$ 5,140
Equity in Pooled Cash and Investments	789,645	254,383	4,544,980	659,291	6,248,299
Accounts Receivable	16,049	9,501	9	533	26,092
Due from Other Governments	186,506	714,208	11,827	15,129	927,670
Due from Other Funds	5,284	200	0	0	5,484
Due from Component Units	622	0	0	0	622
Property Taxes Receivable	2,824,367	779,136	2,686,071	97,392	6,386,966
Allowance for Uncollectible Property Taxes	(104,882)	(28,932)	(99,746)	(3,616)	(237,176)
<b>Total Assets</b>	<b>\$ 3,717,591</b>	<b>\$ 1,728,496</b>	<b>\$ 7,143,141</b>	<b>\$ 773,869</b>	<b>\$ 13,363,097</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 1,418	\$ 0	\$ 0	\$ 4,465	\$ 5,883
Contracts Payable	0	0	0	12,260	12,260
Due to Other Funds	0	0	0	5,284	5,284
Deferred Revenue - Current Property Taxes	2,608,273	719,524	2,480,558	89,941	5,898,296
Deferred Revenue - Delinquent Property Taxes	103,079	28,436	98,032	3,555	233,102
Other Deferred Revenues	34,645	167,910	5,193	0	207,748
<b>Total Liabilities</b>	<b>\$ 2,747,415</b>	<b>\$ 915,870</b>	<b>\$ 2,583,783</b>	<b>\$ 115,505</b>	<b>\$ 6,362,573</b>
<b>Fund Balances</b>					
Reserved for Encumbrances	\$ 7,157	\$ 533,989	\$ 0	\$ 210,341	\$ 751,487
Reserved for Alcohol and Drug Treatment	92,420	0	0	0	92,420
Reserved for Sexual Offender Registration	7,730	0	0	0	7,730
Reserved for Courtroom Security	2,565	0	0	0	2,565
Reserved for Computer System - Register	15,731	0	0	0	15,731
Reserved for Automation Purposes - General Sessions Court	29,834	0	0	0	29,834
Reserved for Automation Purposes - Juvenile Court	10,411	0	0	0	10,411
Reserved for Automation Purposes - Chancery Court	12,481	0	0	0	12,481
Reserved for Automation Purposes - Sheriff	925	0	0	0	925
Unreserved, Reported In:					
General Fund	790,922	0	0	0	790,922
Special Revenue Funds	0	278,637	0	282,927	561,564
Debt Service Funds	0	0	4,559,358	0	4,559,358
Capital Projects Funds	0	0	0	165,096	165,096
<b>Total Fund Balances</b>	<b>\$ 970,176</b>	<b>\$ 812,626</b>	<b>\$ 4,559,358</b>	<b>\$ 658,364</b>	<b>\$ 7,000,524</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,717,591</b>	<b>\$ 1,728,496</b>	<b>\$ 7,143,141</b>	<b>\$ 773,869</b>	<b>\$ 13,363,097</b>

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

Exhibit C-2

Weakley County, Tennessee

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets

June 30, 2009

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	7,000,524
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,575,535	
Add: buildings and improvements net of accumulated depreciation		5,795,179	
Add: infrastructure net of accumulated depreciation		40,849,009	
Add: other capital assets net of accumulated depreciation		<u>1,084,159</u>	49,303,882
(2) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			440,850
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Add: deferred charges - debt issuance costs	\$	191,072	
Less: accrued interest on notes and bonds		(75,348)	
Less: notes payable		(1,319,941)	
Less: other loans payable		(16,874,705)	
Less: bonds payable		(11,030,000)	
Add: deferred amount on refunding		351,945	
Less: other deferred revenue - premium on debt		(13,145)	
Less: compensated absences payable		(211,203)	
Less: other postemployment benefits liability		<u>(18,218)</u>	<u>(28,999,543)</u>
Net assets of governmental activities (Exhibit A)			<u>\$ 27,745,713</u>

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

Exhibit C-3

Weakley County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2009

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<b>Revenues</b>					
Local Taxes	\$ 3,891,359	\$ 1,716,958	\$ 2,612,110	\$ 92,212	\$ 8,312,639
Licenses and Permits	25,859	2,000	0	0	27,859
Fines, Forfeitures, and Penalties	237,081	0	0	89,986	327,067
Charges for Current Services	105,680	0	0	0	105,680
Other Local Revenues	15,483	5,980	277,067	5,886	304,416
Fees Received from County Officials	1,314,000	0	0	0	1,314,000
State of Tennessee	1,354,894	2,287,446	333,258	17,637	3,993,235
Federal Government	89,801	0	0	91,978	181,779
Other Governments and Citizens Groups	234,970	0	969,865	16,937	1,221,772
<b>Total Revenues</b>	<b>\$ 7,269,127</b>	<b>\$ 4,012,384</b>	<b>\$ 4,192,300</b>	<b>\$ 314,636</b>	<b>\$ 15,788,447</b>
<b>Expenditures</b>					
Current:					
General Government	\$ 806,859	\$ 0	\$ 0	\$ 0	\$ 806,859
Finance	1,094,881	0	0	0	1,094,881
Administration of Justice	1,118,942	0	0	38,765	1,157,707
Public Safety	2,963,184	0	0	28,886	2,992,070
Public Health and Welfare	420,140	0	0	29,803	449,943
Social, Cultural, and Recreational Services	345,618	0	0	0	345,618
Agriculture and Natural Resources	134,190	0	0	0	134,190
Other Operations	649,328	0	0	710	650,038
Highways	0	3,553,747	0	0	3,553,747
Debt Service:					
Principal on Debt	0	0	4,327,694	0	4,327,694
Interest on Debt	0	0	846,481	0	846,481
Other Debt Service	0	0	167,501	0	167,501
Capital Projects	0	0	0	1,079,004	1,079,004
<b>Total Expenditures</b>	<b>\$ 7,533,142</b>	<b>\$ 3,553,747</b>	<b>\$ 5,341,676</b>	<b>\$ 1,177,168</b>	<b>\$ 17,605,733</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (264,015)</b>	<b>\$ 458,637</b>	<b>\$ (1,149,376)</b>	<b>\$ (862,532)</b>	<b>\$ (1,817,286)</b>
<b>Other Financing Sources (Uses)</b>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 800,000	\$ 800,000
Refunding Debt Issued	0	0	5,870,000	0	5,870,000
Insurance Recovery	6,875	0	0	0	6,875
Transfers In	162,047	44,704	154,116	5,587	366,454
Payments to Refunded Debt Escrow Agent	0	0	(5,825,000)	0	(5,825,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 168,922</b>	<b>\$ 44,704</b>	<b>\$ 199,116</b>	<b>\$ 805,587</b>	<b>\$ 1,218,329</b>
<b>Net Change in Fund Balances</b>	<b>\$ (95,093)</b>	<b>\$ 503,341</b>	<b>\$ (950,260)</b>	<b>\$ (56,945)</b>	<b>\$ (598,957)</b>
Fund Balance, July 1, 2008	1,065,269	309,285	5,509,618	715,309	7,599,481
<b>Fund Balance, June 30, 2009</b>	<b>\$ 970,176</b>	<b>\$ 812,626</b>	<b>\$ 4,559,358</b>	<b>\$ 658,364</b>	<b>\$ 7,000,524</b>

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

Exhibit C-4

Weakley County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2009

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ (598,957)
<p>(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:</p>		
Add: capital assets purchased in the current period	\$ 1,225,301	
Less: current year depreciation expense	<u>(3,613,386)</u>	(2,388,085)
<p>(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.</p>		
Less: net book value of assets disposed		(2,817)
<p>(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Less: deferred delinquent property taxes and other deferred June 30, 2008	\$ (396,498)	
Add: deferred delinquent property taxes and other deferred June 30, 2009	<u>440,850</u>	44,352
<p>(4) The issuance of long-term debt (e.g. notes, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Add: change in premium on debt issuances	\$ 1,933	
Add: change in deferred debt issuance costs	12,088	
Less: note proceeds	(800,000)	
Add: principal payments on notes	840,693	
Less: loan proceeds	(5,870,000)	
Add: principal payments on other loans	1,972,000	
Add: principal payments on bonds	1,515,000	
Add: payments to refunding agent	5,825,000	
Less: change in deferred amount on refunding debt	<u>(83,432)</u>	3,413,282
<p>(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.</p>		
Change in accrued interest payable	\$ 78,812	
Change in compensated absences payable	(2,639)	
Change in other postemployment benefits liability	<u>(9,276)</u>	66,897
Change in net assets of governmental activities (Exhibit B)		<u>\$ 534,672</u>

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

Exhibit D-1

Weakley County, Tennessee  
Statement of Net Assets  
Proprietary Fund  
June 30, 2009

	<u>Business-type Activities Major Fund Weakley County Municipal</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 2,687,781
Inventories	492,860
Accounts Receivable	2,527,381
Prepaid Items	536,637
Notes Receivable	2,488,321
Total Current Assets	<u>\$ 8,732,980</u>
Noncurrent Assets:	
Capital Assets:	
Assets Not Depreciated:	
Land	\$ 518,413
Construction in Progress	7,589,373
Assets Net of Accumulated Depreciation:	
Other Capital Assets	24,644,940
Total Noncurrent Assets	<u>\$ 32,752,726</u>
Total Assets	<u>\$ 41,485,706</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 2,990,540
Accrued Leave	508,755
Other Current Liabilities	139,262
Current Liabilities Payable from Restricted Assets:	
Customer Deposits Payable	890,606
Total Current Liabilities	<u>\$ 4,529,163</u>
Noncurrent Liabilities:	
Due Within One Year	\$ 283,828
Due in More Than One Year	4,475,746
Total Noncurrent Liabilities	<u>\$ 4,759,574</u>
Total Liabilities	<u>\$ 9,288,737</u>
<u>NET ASSETS</u>	
Invested in Capital Assets, Net of Related Debt Unrestricted	<u>\$ 30,263,670</u> <u>1,933,299</u>
Total Net Assets	<u>\$ 32,196,969</u>

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

Exhibit D-2

Weakley County, Tennessee  
Statement of Revenues, Expenses, and Changes in Net Assets  
Proprietary Fund  
For the Year Ended June 30, 2009

	Business-type Activities
	<u>Major Fund</u>
	<u>Weakley County Municipal Electric System</u>
<u>Operating Revenues</u>	
<u>Sale of Electric Energy</u>	
Residential and Rural	\$ 25,382,337
Small Commercial	4,161,466
Large Commercial	13,474,992
Street and Outdoor Lighting	1,176,140
<u>Other Electric Revenues</u>	
Consumer Forfeited Discounts	311,931
Rent from Electric Property	357,227
Service Charge - Meter Sets	90,301
Miscellaneous	62,479
Total Operating Revenues	<u>\$ 45,016,873</u>
<u>Operating Expenses</u>	
Purchased Power	\$ 37,057,247
<u>Operation Expense</u>	
<u>Transmission Expense</u>	
Overhead Wire Expense	362
Station Expense	24,777
<u>Distribution Expense</u>	
Supervision and Engineering	135,759
Station Expense	33,070
Overhead Line Expense	500,438
Underground Line Expense	90,493
Street Lighting and Signal Systems	8,928
Removing and Resetting Meters	305,993
Services on Customers' Premises	45,974
Miscellaneous Distribution Expense	20,523
Rents	20,030
<u>Customer Accounts Expense</u>	
Supervision and Accounting	17,131
Meter Reading	221,130
Records and Collection	659,225
<u>Customer Service and Sales Expense</u>	
Supervision	11,452
Customer Assistance	33,228
Miscellaneous Sales Expense	110,470
<u>Administrative and General Expense</u>	
Salaries	291,571
Office Supplies and Expense	110,716
Outside Services	18,201
Insurance	40,400

(Continued)

Exhibit D-2

Weakley County, Tennessee  
Statement of Revenues, Expenses, and Changes in Net Assets  
Proprietary Fund (Cont.)

	Business-type Activities
	<u>Major Fund</u>
	<u>Weakley County Municipal Electric System</u>
<u>Operating Expenses (Cont.)</u>	
<u>Administrative and General Expense (Cont.)</u>	
Injuries and Damages	\$ 155,333
Employee Pension and Benefits	581,835
Dues	37,516
<u>Maintenance Expense</u>	
<u>Transmission Maintenance</u>	
Station Equipment	11,191
Overhead Lines	27,171
<u>Distribution Maintenance</u>	
Supervision and Engineering	936
Station Equipment	36,290
Overhead Lines	801,000
Underground Lines	6,303
Line Transformers and Devices	45,285
Street Lights and Signal Systems	14,989
Meters	34,667
Security Lights	27,151
Miscellaneous	2,546
<u>Administrative and General Maintenance</u>	
Structures and Improvements	63,653
Communications Equipment	11,653
Depreciation and Amortization	1,442,281
Tax Equivalent	319,487
Payroll Taxes	78,924
Total Operating Expenses	<u>\$ 43,455,329</u>
Operating Income	<u>\$ 1,561,544</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 124,264
Miscellaneous Non-operating Income	8,737
Interest on Long-term Debt	(44,058)
Other Interest Expense	(10,207)
Total Nonoperating Revenues (Expenses)	<u>\$ 78,736</u>
Income Before Transfers	\$ 1,640,280
Transfers In (Out)	<u>(366,454)</u>
Change in Net Assets	\$ 1,273,826
Net Assets, July 1, 2008	<u>30,923,143</u>
Net Assets, June 30, 2009	<u>\$ 32,196,969</u>

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

Exhibit D-3

Weakley County, Tennessee  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2009

	<u>Business-type Activities Major Fund</u>
	<u>Weakley County Municipal Electric System</u>
<u>Cash Flows from Operating Activities</u>	
Cash Received from Customers	\$ 45,244,366
Cash Payments to Suppliers for Goods and Services	(38,851,458)
Cash Payments to Employees for Services	(2,915,436)
Net Cash Advanced on Conservation Loans Receivable	(145,641)
Net Cash Proceeds from Conservation Loans Payable	140,645
Net Cash Provided By (Used In) Operating Activities	<u>\$ 3,472,476</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Interest Paid	\$ (9,918)
Transfers to Other Funds	(366,454)
Miscellaneous Non-operating Income	8,737
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ (367,635)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Additions to Plant	\$ (5,551,451)
Removal Cost	(110,034)
Interest Paid on Long-term Debt	(44,058)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (5,705,543)</u>
<u>Cash Flows from Investing Activities</u>	
Investment Income	\$ 124,264
Net Cash Provided By (Used In) Investing Activities	<u>\$ 124,264</u>
Net Increase in Cash	\$ (2,476,438)
Cash, July 1, 2008	<u>5,164,219</u>
Cash, June 30, 2009	<u>\$ 2,687,781</u>
<u>Reconciliation of Operating Income to</u>	
<u>Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income	\$ 1,561,544
Adjustments to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:	
Depreciation and Amortization	1,549,493
Amortization of Prepaid Purchased Power	130,500
Change In:	
Accounts Receivable	201,842
Rents Receivable	(659)
Material and Supplies	(21,641)
Prepayments	12,328
Conservation Loans Receivable	(145,641)
Accounts Payable	1,051
Customer Deposits	26,310
Accrued Salaries and Leave	(21,223)
Other Current and Accrued Liabilities	68,427
Conservation Loans Payable	140,645
Deferred Credits	<u>(30,500)</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 3,472,476</u>
<u>Noncash Investing, Capital, and Financing Activities</u>	
Plant Purchased with Note Proceeds	\$ 2,489,056

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

Exhibit E

Weakley County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2009

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,154,570
Equity in Pooled Cash and Investments	286,357
Due from Other Governments	<u>466,006</u>
Total Assets	<u>\$ 1,906,933</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 456,487
Due to Litigants, Heirs, and Others	1,148,485
Due to Joint Ventures	<u>301,961</u>
Total Liabilities	<u>\$ 1,906,933</u>

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

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**WEAKLEY COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2009**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. Reporting Entity**

Weakley County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Weakley County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Weakley County Nursing Home provides intermediate health care to the citizens of Weakley County, and the Weakley County Commission appoints its governing body. Before the issuance of any debt instruments, the nursing home must obtain the County Commission's approval.

The Weakley County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Weakley County, and the Weakley County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval.

The Weakley County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the Weakley County School Department are included in this report as listed in the table of contents. Complete financial statements of the Weakley County Emergency Communications District and the Weakley County Nursing Home can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Weakley County Emergency Communications District  
P.O. Box 911  
Dresden, TN 38225

Weakley County Nursing Home  
700 Nursing Home Road  
Dresden, TN 38225

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

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

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

Weakley County issues all debt for the discretely presented Weakley County School Department. No new debt issues were contributed by the county to the School Department during the year ended June 30, 2009.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Weakley County considers grants and similar revenues to be available if they are collected within 120 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when

amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Weakley County reports the following major governmental funds:

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

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

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

Weakley County reports the following major proprietary fund:

**Public Utility Fund** – This fund is used to account for the operations of the Weakley County Municipal Electric System, which is financed and operated in a manner similar to private business enterprises where the intent is that the costs of providing services to the general public on a continuing basis can be financed or recovered primarily through user charges.

Additionally, Weakley County reports the following fund types:

**Capital Projects Funds** – These funds are used to account for financial resources to be used for the acquisition or construction of major capital projects.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by

the state to be forwarded to the various cities in Weakley County, state grants and other restricted revenues held for the benefit of the Twenty-seventh Judicial District Drug Task Force, and funds collected and held in a custodial capacity for a watershed district. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Weakley County School Department reports the following major governmental fund:

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

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

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

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

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

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

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

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

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

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies;

deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds (excluding the Weakley County Municipal Electric System, enterprise fund) and the discretely presented Weakley County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Weakley County (excluding the Weakley County Municipal Electric System, enterprise fund) and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

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

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.97 percent of total taxes levied.

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

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

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

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

### **3. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$1,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government (excluding the Weakley County Municipal Electric System, enterprise fund) and the discretely presented School Department are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25
Other Capital Assets	5
Infrastructure:	
Roads	20
Bridges	20 - 30

**4. Compensated Absences**

It is the policy of Weakley County (with the exception of the Weakley County Municipal Electric System, enterprise fund) and the discretely presented Weakley County School Department to permit employees to accumulate a limited amount of earned but unused vacation and sick leave benefits. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded. Accumulated vacation benefits will be paid to employees upon separation from county service. All vacation leave is accrued when incurred in the government-wide statements for the county and the School Department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**5. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Assets. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method. Debt issuance costs are reported as deferred charges and amortized over the term of the related debt. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is netted against the new debt and amortized over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are

reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

**6. Net Assets and Fund Equity**

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

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

As of June 30, 2009, Weakley County had \$23,759,719 in outstanding debt for capital purposes for the discretely presented Weakley County School Department. This debt is a liability of Weakley County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Weakley County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The discretely presented Weakley County School Department's General Purpose School Fund has \$69,914 designated for the operations of the student farm at June 30, 2009.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Assets**

**Primary Government**

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds to the government-wide Statement of Net Assets.

**Discretely Presented Weakley County School Department**

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds to the government-wide Statement of Net Assets.

**B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

**Primary Government**

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

**Discretely Presented Weakley County School Department**

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

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

**A. Budgetary Information**

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

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

The budgetary level of control is at the major category level established by the County 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/Executive, 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 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. Fund Deficit**

The Other Capital Projects Fund had a deficit in unreserved fund balance of \$34,600 at June 30, 2009. This deficit resulted from the unperformed portions of construction contracts of \$35,000 being reserved as encumbrances. These future expenditures will be funded by a state grant.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

**Deposits**

**Legal Provisions.** All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The

amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

### **Investments**

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

**Investment Balances.** As of June 30, 2009, Weakley County had the following investments carried at cost. All investments (excluding the Weakley County Municipal Electric System, enterprise fund) are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Weakley County (excluding the Weakley County Municipal Electric System, enterprise fund) and the discretely presented Weakley County School Department since both pool their deposits and investments through the county trustee.

## POOLED INVESTMENTS

Investment	Maturity	Cost
State Treasurer's Investment Pool	Daily	\$ 68,254

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Weakley 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. Weakley County has no investment policy that would further limit its investment choices. As of June 30, 2009, Weakley County's investment in the State Treasurer's Investment Pool was unrated.

### B. Capital Assets

Capital assets activity for the year ended June 30, 2009, was as follows:

#### Primary Government

##### Governmental Activities:

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 1,575,535	\$ 0	\$ 0	\$ 1,575,535
Total Capital Assets Not Depreciated	\$ 1,575,535	\$ 0	\$ 0	\$ 1,575,535
Capital Assets Depreciated:				
Buildings and Improvements	\$ 11,996,669	\$ 0	\$ 0	\$ 11,996,669
Infrastructure	70,228,360	601,748	0	70,830,108
Other Capital Assets	3,577,051	623,553	(53,448)	4,147,156
Total Capital Assets Depreciated	\$ 85,802,080	\$ 1,225,301	\$ (53,448)	\$ 86,973,933

**Governmental Activities (Cont.):**

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Less Accumulated Depreciation For: Buildings and Improvements	\$ 5,784,383	\$ 417,107	\$ 0	\$ 6,201,490
Infrastructure	27,066,107	2,914,992	0	29,981,099
Other Capital Assets	2,832,341	281,287	(50,631)	3,062,997
<b>Total Accumulated Depreciation</b>	<b>\$ 35,682,831</b>	<b>\$ 3,613,386</b>	<b>\$ (50,631)</b>	<b>\$ 39,245,586</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 50,119,249</b>	<b>\$ (2,388,085)</b>	<b>\$ (2,817)</b>	<b>\$ 47,728,347</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 51,694,784</b>	<b>\$ (2,388,085)</b>	<b>\$ (2,817)</b>	<b>\$ 49,303,882</b>

Depreciation expense was charged to functions of the primary government (excluding the Weakley County Municipal Electric System, enterprise fund) as follows:

**Governmental Activities:**

General Government	\$ 45,194
Finance	14,183
Administration of Justice	21,448
Public Safety	386,195
Public Health and Welfare	23,885
Social, Cultural, and Recreational Services	13,092
Agriculture and Natural Resources	2,298
Other Operations	766
Highways/Public Works	<u>3,106,325</u>
<b>Total Depreciation Expense - Governmental Activities</b>	<b><u>\$ 3,613,386</u></b>

**Discretely Presented Weakley County School Department**

**Governmental Activities:**

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 1,935,850	\$ 0	\$ 0	\$ 1,935,850
Total Capital Assets Not Depreciated	\$ 1,935,850	\$ 0	\$ 0	\$ 1,935,850
Capital Assets Depreciated:				
Buildings and Improvements	\$ 61,353,539	\$ 0	\$ 0	\$ 61,353,539
Other Capital Assets	4,280,915	952,820	(119,894)	5,113,841
Total Capital Assets Depreciated	\$ 65,634,454	\$ 952,820	\$ (119,894)	\$ 66,467,380
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 34,286,192	\$ 1,765,468	\$ 0	\$ 36,051,660
Other Capital Assets	2,939,356	553,806	(119,894)	3,373,268
Total Accumulated Depreciation	\$ 37,225,548	\$ 2,319,274	\$ (119,894)	\$ 39,424,928
Total Capital Assets Depreciated, Net	\$ 28,408,906	\$ (1,366,454)	\$ 0	\$ 27,042,452
Governmental Activities Capital Assets, Net	\$ 30,344,756	\$ (1,366,454)	\$ 0	\$ 28,978,302

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

**Governmental Activities:**

Instruction	\$ 1,406,091
Support Services	750,034
Operation of Non-Instructional Services	<u>163,149</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,319,274</u></u>

**C. Construction Commitments**

At June 30, 2009, the Highway/Public Works Fund had uncompleted construction contracts of approximately \$499,140 for road and bridge construction. Funding has been provided for these future expenditures.

At June 30, 2009, the General Capital Projects Fund had uncompleted construction contracts of \$175,341 for building construction. Note proceeds have been received to provide funding for these future expenditures.

At June 30, 2009, the Other Capital Projects Fund had uncompleted construction contracts of \$35,000 related to industrial site preparation. These future expenditures will be funded by a state grant.

At June 30, 2009, the discretely presented Weakley County School Department had uncompleted construction contracts of approximately \$217,209 in the General Purpose School Fund related to school repairs. Funding has been received for these future expenditures.

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

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

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 5,284
Highway/Public Works	General	200

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

The receivable in the Highway/Public Works Fund (\$200) was in transit from the General Fund at June 30, 2009.

**Due to/from primary government and component units:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:	Component unit:	
General	Weakley County	
	Nursing Home	\$ 622

The due from component unit balance in the General Fund was in transit from the Weakley County Nursing Home at June 30, 2009.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2009, consisted of the following amounts:

**Primary Government**

	Transfers In			
	General Fund	Highway/ Public Works Fund	General Debt Service Fund	Nonmajor Governmental Fund
Transfers Out				
Public Utility	\$ 162,047	\$ 44,704	\$ 154,116	\$ 5,587

**Discretely Presented Weakley County School Department**

Transfer Out	Transfer In
	General Purpose School Fund
Nonmajor governmental fund	\$ 4,188

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

**E. Long-term Debt**

**Primary Government**

**General Obligation Bonds, Notes, and Other Loans**

The county (excluding the Weakley County Municipal Electric System, enterprise fund) issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds and other loans have been issued to refund other general obligation bonds. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 13 years for bonds, up to 20 years for other loans, and up to 19 years for notes. Repayment terms are generally

structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2009, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, and other loans outstanding as of June 30, 2009, are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-09
General Obligation Bond -			
School Refunding	2 to 4 %	\$ 17,125,000	\$ 11,030,000
Capital Outlay Notes	0 to 4.4	2,379,240	1,319,941
Other Loans	variable	23,609,705	16,874,705

In 1997-98, Weakley County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned Weakley County \$7,400,000. This loan is repayable at a variable interest rate based on the weekly Bank of America Thursday National Non-AMT Index (BOA). In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2009, the variable interest rate was .33 percent based on the BOA rate, and other fees totaled approximately .25 percent (letter of credit) and .08 percent (remarketing) of the outstanding loan principal.

During 2002-03, Weakley County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned Weakley County \$10,339,705. This loan is repayable at a variable interest rate based on the daily London Interbank Offer Rate (LIBOR). In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2009, the variable interest rate was .24 percent based on the LIBOR rate, and other fees totaled approximately .35 percent (letter of credit) and .08 percent (remarketing) of the outstanding loan principal.

On July 18, 2008, Weakley County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned Weakley County \$5,870,000. This loan is repayable at a variable interest rate based on the weekly Bank of America Thursday National Non-AMT Index (BOA). In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2009, the variable interest rate was .24 percent based on the BOA rate, and other fees totaled approximately .15 percent (letter of credit) and .08 percent (remarketing) of the outstanding loan principal.

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2009, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2010	\$ 1,610,000	\$ 415,982	\$ 2,025,982
2011	995,000	362,059	1,357,059
2012	1,100,000	322,258	1,422,258
2013	1,220,000	283,758	1,503,758
2014	1,745,000	239,838	1,984,838
2015-2016	4,360,000	274,400	4,634,400
<b>Total</b>	<b>\$ 11,030,000</b>	<b>\$ 1,898,295</b>	<b>\$ 12,928,295</b>

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 353,049	\$ 44,365	\$ 397,414
2011	311,511	31,670	343,181
2012	650,273	16,618	666,891
2013	5,108	0	5,108
<b>Total</b>	<b>\$ 1,319,941</b>	<b>\$ 92,653</b>	<b>\$ 1,412,594</b>

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2010	\$ 1,939,000	\$ 25,424	\$ 38,830	\$ 2,003,254
2011	2,073,000	20,426	31,722	2,125,148
2012	2,110,000	15,088	24,160	2,149,248
2013	2,148,000	9,642	16,434	2,174,076
2014	989,000	4,085	8,142	1,001,227
2015-2019	5,010,000	43,613	75,022	5,128,635
2020-2023	2,605,705	43,157	92,362	2,741,224
<b>Total</b>	<b>\$ 16,874,705</b>	<b>\$ 161,435</b>	<b>\$ 286,672</b>	<b>\$ 17,322,812</b>

There is \$4,559,358 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$316, based on the 2000 federal census. Debt per capita, including bonds, notes, and other loans totaled \$838, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the primary government (excluding the Weakley County Municipal Electric System, enterprise fund) for the year ended June 30, 2009, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2008	\$ 18,370,000	\$ 1,360,634
Additions	0	800,000
Deductions	<u>(7,340,000)</u>	<u>(840,693)</u>
Balance, June 30, 2009	<u>\$ 11,030,000</u>	<u>\$ 1,319,941</u>
Balance Due Within One Year	<u>\$ 1,610,000</u>	<u>\$ 353,049</u>
	<u>Other Loans</u>	<u>Compensated Absences</u>
Balance, July 1, 2008	\$ 12,976,705	\$ 208,564
Additions	5,870,000	280,045
Deductions	<u>(1,972,000)</u>	<u>(277,406)</u>
Balance, June 30, 2009	<u>\$ 16,874,705</u>	<u>\$ 211,203</u>
Balance Due Within One Year	<u>\$ 1,939,000</u>	<u>\$ 10,559</u>
	<u>Other Postemployment Benefits</u>	
Balance, July 1, 2008	\$	8,942
Additions		28,585
Deductions		<u>(19,309)</u>
Balance, June 30, 2009	<u>\$</u>	<u>18,218</u>
Balance Due Within One Year	<u>\$</u>	<u>0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 29,454,067
Less: Balance Due Within One Year	(3,912,608)
Deferred Amount on Refunding	(351,945)
Add: Deferred Revenue - Premium on Debt	<u>13,145</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 25,202,659</u>

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

Current Refunding

On July 18, 2008, Weakley County refunded the School Refunding - Series 1998 bonds with a separate loan agreement with the Montgomery County Public Building Authority. The county issued \$5,870,000 of other loan proceeds to provide resources to retire the entire outstanding balance (\$5,825,000) of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. Because of the current refunding, total debt payments over the next six years will be reduced by \$1,015,847, and an economic gain (difference between the present value of the debt service payments of the refunded bonds and other loans) of \$620,487 was obtained.

Discretely Presented Weakley County School Department

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Weakley County School Department for the year ended June 30, 2009, was as follows:

	Notes	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2008	\$ 27,791	\$ 30,594	\$ 216,245
Additions	0	34,978	371,553
Deductions	(27,791)	(27,822)	(142,531)
Balance, June 30, 2009	<u>\$ 0</u>	<u>\$ 37,750</u>	<u>\$ 445,267</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 1,887</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 483,017
Less: Balance Due Within One Year	<u>(1,887)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 481,130</u>

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

**F. Pledges of Local Option Sales Taxes**

In May 1998, the citizens of Weakley County voted by public referendum to increase the local option sales tax by one-half percent. Weakley County began collecting this tax in July 1998. The increase in sales tax was specifically designated for paying the debt service requirements for a loan from the Public Building Authority of Montgomery County, Tennessee, to construct a detention center and law enforcement complex. Weakley County and the cities of Martin, Dresden, Gleason, Greenfield, Sharon, and McKenzie have pledged their portions of the sales tax increase to the Weakley County General Debt Service Fund for a period of 12 years for the retirement of this debt. The cities' contributions are limited to maximum amounts for each 12-month period of collections as follows:

Martin	\$ 274,745
Dresden	59,860
Gleason	16,163
Greenfield	31,683
Sharon	11,002
McKenzie	540

This increase in local option sales tax resulted in the payment of \$393,633 in sales tax collections to the General Debt Service Fund for the year ended June 30, 2009.

**G. On-Behalf Payments - Discretely Presented Weakley County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Weakley County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2009, were \$118,178 and \$33,429, respectively. The School Department

has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**H. Short-term Debt**

During the year, Weakley County borrowed \$1,600,000 from the General Debt Service Fund to provide temporary operating funds for the General (\$1,000,000) and Highway/Public Works (\$600,000) funds. These loans were retired prior to June 30, 2009, as required by state statutes, and therefore have not been reflected in the financial statements of this report. Short-term debt activity for the year ended June 30, 2009, was as follows:

	Balance 7-01-08	Issued	Paid	Balance 6-30-09
Tax Anticipation Notes	\$ 0	\$ 1,600,000	\$ (1,600,000)	\$ 0

**V. OTHER INFORMATION**

**A. Risk Management**

**Primary Government (excluding the Weakley County Municipal Electric System, enterprise fund)**

**Workers' Compensation Insurance**

Weakley County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under the provisions of Section 29-20-401, Tennessee Code Annotated (TCA), by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$300,000.

**General Liability, Property, and Casualty**

The county participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$100,000 for each insured event.

### Employee Health Insurance

Weakley County participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, TCA, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

### Discretely Presented Weakley County School Department

#### General Liability, Property, and Casualty

The School Department purchases commercial insurance for risk of losses to which it is exposed. These risks include general and public official's liability, property, and casualty losses. Settled claims have not exceeded this commercial coverage in any of the last three fiscal years.

#### Workers' Compensation Insurance

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

#### Employee Health Insurance

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

## **B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations; and Statement No. 52, Land and Other Real Estate Held as Investments by Endowments became effective for the year ended June 30, 2009.

GASB Statement No. 49 requires county governments to measure and report their pollution remediation liabilities. A county has a pollution remediation problem if one of the following five obligating events occurs. The statement requires governments to restate beginning net assets in government-wide and proprietary fund financial statements for pollution remediation liabilities that existed as of July 1, 2008. Previous to Statement No. 49, counties were not required to measure and record pollution remediation liabilities. GASB Statement No. 49 had no effect on the financial statements of Weakley County for the year ended June 30, 2009, since the county had none of the obligating events. However, it is reasonably expected that Weakley County could have pollution remediation liabilities in subsequent years.

GASB Statement No. 52 requires endowments to report land and other real estate investments at fair value. Previous to Statement No. 52, land and other real estate held by endowments were reported at historical cost. Changes in fair value between years will be reported as investment income (loss). GASB Statement No. 52 had no effect on the financial statements of Weakley County for the year ended June 30, 2009, since the county had no endowment investments. However, it is reasonably expected that Weakley County could have endowment investments in subsequent years.

**C. Subsequent Events**

On August 24, 2009, the county's General Debt Service Fund issued a \$1,000,000 tax anticipation note to the General Fund for temporary operating funds.

On September 2, 2009, the county's General Debt Service Fund issued a \$800,000 tax anticipation note to the Highway/Public Works Fund for temporary operating funds.

**D. Contingent Liabilities**

Weakley County issued \$2,489,056 in capital outlay notes during the year for benefit of the Weakley County Municipal Electric System (enterprise fund) to assist in financing the cost of acquiring capital assets. The liability for these notes has not been reflected in the county's governmental activities long-term debt schedule since they are to be retired by the Weakley County Municipal Electric System. Weakley County will be contingently liable for the notes and the interest thereon in the event of default by the electric system. As of June 30, 2009, future principal requirements were \$2,489,056, and future interest requirements were \$579,237.

The attorneys representing Weakley County and the Weakley County Board of Education have advised that the county and the board are defendants in litigation with individuals in three separate court cases seeking compensatory and punitive damages resulting from mold infestation at two Weakley County schools. One of the lawsuits also seeks an injunction ordering repairs and remediation at the schools, and as result of hearings

addressing those problems, the Weakley County Board of Education has expended significant sums for remediation of the mold problem. On January 25, 2010, the parties involved in the three mold infestation cases tentatively agreed to a total settlement of \$650,000. The settlement amounts agreed upon will have to be approved by the Weakley County Board of Education and the Weakley County Board of Commissioners. If the settlement amounts are not approved by both boards, a trial would be expected to begin in the latter part of 2010 or early 2011.

The attorney representing the Weakley County Board of Education has also advised that the board is a defendant in litigation for the appeal of a special education due process proceeding filed by a parent on behalf of a student. The case alleges that the student was not given proper consideration and/or evaluation for special education services. An administrative law judge ruled in favor of the parent and issued an order for payment of educational services provided at a private placement. This ruling is currently under appeal. The financial exposure to the county cannot be reasonably estimated in the event of an adverse judgment.

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

**E. Changes in Administration**

Donald Doster, Trustee, left office on October 31, 2008, and was succeeded by Marci Floyd.

Richard Barber, Director of Schools, left office on June 30, 2009, and was succeeded by Randy Frazier.

**F. Joint Ventures**

The Twenty-seventh Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-seventh Judicial District; Obion and Weakley counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within the judicial district. Weakley County made no contributions to the DTF for the year ended June 30, 2009, and does not have any equity interest in this joint venture.

The Everett-Stewart Regional Airport is a joint venture between Weakley and Obion counties and was established December 1, 2006. The agreement between Obion and Weakley counties states that the land and other capital assets, including improvements, will continue to be owned by Obion County; however, the funding of airport operations will be jointly funded and managed by both counties. Weakley County appropriated \$151,038 to the Everett-Stewart Regional Airport during the year.

The Weakley County Economic Development Board is a joint venture between Weakley County and the cities of Martin, Dresden, Greenfield, Gleason, and Sharon. The board comprises the county and city mayors, 14 additional members, and four ex-officio non-voting members. The purpose of the board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens. The county and cities provide the majority of funding for the board based on the percentage of their population compared to the total census of the county. Weakley County appropriated \$187,400 to the Weakley County Economic Development Board during the year representing 93.7 percent of the total funding.

Complete financial statements for the DTF, the Everett-Stewart Regional Airport, and the Weakley County Economic Development Board can be obtained from their administrative offices at the following addresses:

**Administrative Offices:**

Office of District Attorney General  
Twenty-seventh Judicial District  
P.O. Box 746  
Union City, TN 38281-0746

Everett-Stewart Regional Airport  
1489 Airport Circle  
Union City, TN 38261

Weakley County Economic Development Board  
c/o Ronnie Price, President/CEO  
P.O. Box 106  
Martin, TN 38237

**G. Retirement Commitments**

**Employees**

**Plan Description**

Employees of Weakley County are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System

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

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

### **Funding Policy**

Weakley County has adopted a noncontributory retirement plan for its employees by assuming employee contributions up to five percent of annual covered payroll. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2009, was 11.51 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Weakley County is established and may be amended by the TCRS Board of Trustees.

### **Annual Pension Cost**

For the year ended June 30, 2009, Weakley County's annual pension cost of \$1,165,580 to TCRS was equal to the county'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 three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term

volatility in the market value of total investments over a five-year period. Weakley 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 ten years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

#### Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-09	\$1,165,580	100%	\$0
6-30-08	1,215,233	100	0
6-30-07	1,096,195	100	0

#### Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 93.76 percent funded. The actuarial accrued liability for benefits was \$22.4 million, and the actuarial value of assets was \$21 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$1.4 million. The covered payroll (annual payroll of active employees covered by the plan) was \$10 million, and the ratio of the UAAL to the covered payroll was 13.35 percent.

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

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

#### School Teachers

##### **Plan Description**

The Weakley County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides

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

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

### **Funding Policy**

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the Weakley County School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2009, was 6.42 percent of annual covered payroll. The employer contribution requirement for the Weakley County School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2009, 2008, and 2007, were \$1,033,673, \$1,005,869, and \$912,215, respectively, equal to the required contributions for each year.

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

### **Plan Description**

Weakley County and the Weakley County School Department participate in the state-administered Local Government Group Insurance Plan and the Local Education 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 Section 8-27-207, Tennessee Code Annotated (TCA), for

local governments and Section 8-27-302, TCA, for teachers and support personnel. Prior to reaching the age of 65, all members have the option of choosing a preferred provider organization (PPO), point of service (POS), or health maintenance organization (HMO) plan for healthcare benefits. Subsequent to age 65, members who are also in the state's retirement system may participate in a state administered Medicare Supplement Plan that does not include pharmacy. The plans are reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at <http://tn.gov/finance/act/cafr.html>.

### Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The 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 plans are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in each plan develop their own contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state does not provide a subsidy for local government participants, however, the state does provide a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. Retirees' contributions vary depending on the insurance options they select. During the year ended June 30, 2009, Weakley County and the discretely presented Weakley County School Department contributed \$18,917 and \$133,060, respectively, for postemployment benefits.

### Annual OPEB Cost and Net OPEB Obligation

	Local Government Group Plan	Local Education Group Plan
ARC	\$ 28,182	\$ 361,822
Interest on the NPO	403	9,731
Adjustment to the ARC	(392)	(9,471)
Annual OPEB cost	\$ 28,193	\$ 362,082
Less: Amount of contribution	(18,917)	(133,060)
Increase/decrease in NPO	\$ 9,276	\$ 229,022
Net OPEB obligation, 7-1-08	8,942	216,245
Net OPEB obligation, 6-30-09	\$ 18,218	\$ 445,267

Fiscal Year Ended *	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-08	Local Government Group	\$ 27,884	41%	\$ 8,942
6-30-09	"	28,193	67	18,218
6-30-08	Local Education Group	364,332	68	216,245
6-30-09	"	362,082	37	445,267

\* Data only available for two years.

### Funding Status and Funding Progress

The funded status of the plans as of June 30, 2009, were as follows:

	Local Government Group Plan	Local Education Group Plan
Actuarial valuation date	7-1-07	7-1-07
Actuarial accrued liability (AAL)	\$ 186,474	\$ 3,547,708
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 186,474	\$ 3,547,708
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 3,482,938	\$ 13,075,146
UAAL as a % of covered payroll	5%	27%

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

### Actuarial Methods and Assumptions

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

In the July 1, 2007, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 11 percent initially, reduced by decrements to an ultimate rate of six percent after ten years. Both rates include a three percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level of percentage of payroll on a closed basis over a 30-year period beginning with June 30, 2008.

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

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

**J. Purchasing Law**

The County Financial Management System of 1981 provides for the director of finance or a deputy appointed by her to serve as the county purchasing agent. The finance director serves as the purchasing agent for Weakley County. All purchase orders are issued by the Finance Department. Purchases exceeding \$10,000 are required to be competitively bid.

**VI. OTHER NOTES – WEAKLEY COUNTY MUNICIPAL ELECTRIC SYSTEM (ENTERPRISE FUND)**

**A. Significant Accounting Policies**

**1. Reporting Entity**

The Weakley County Municipal Electric System is a proprietary fund of Weakley County. Tennessee Code Annotated, Section 7-52-117(c), states “Subject to the provisions of Section 7-52-132, the superintendent with the approval of the supervisory body, may acquire and dispose of all property, real and personal, necessary to effectuate the purpose of this part. The title of such property shall be taken in the name of the municipality” (county). Therefore, Weakley County Municipal Electric System does not possess sufficient corporate powers that distinguish it as a legally separate entity and is considered a proprietary fund of Weakley County, Tennessee.

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

The electric system’s financial statements are presented on the full accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are

recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental Accounting Standards Board (GASB) Statement No. 20 gives governments the option of applying all Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its proprietary funds, unless they conflict with or contradict GASB pronouncements. Weakley County has elected not to implement FASB statements and interpretations issued thereafter, unless they are adopted by GASB.

The books of account are kept in accordance with the provisions of the power contract between the Weakley County Municipal Electric System and the Tennessee Valley Authority (TVA) and meet the requirements of the Federal Power System chart of accounts.

The electric system recognizes income based on cycle billings. This results in recognizing as income the energy usage through each respective cycle each month, which may not coincide with the last day of the fiscal year. Non-recognition of unbilled income from energy sales as a result of cycle billing is a common industry practice.

The cost of purchased power is accrued based on the final meter reading of the fiscal year. This may result in an unrecognized expense for the period between the final billing and the end of the fiscal year. This practice is consistent with TVA guidelines and does not differ significantly from generally accepted accounting principles.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the electric system are charges to customers for sales and service. Operating expenses for the enterprise fund include the cost of purchased power, operation expenses, maintenance expenses, amortization of plant acquisition adjustment, property tax equivalent, payroll taxes, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### **3. Assets, Liabilities, and Net Assets**

#### **a. Deposits and Investments**

Cash and cash equivalents as used on the Statement of Cash Flows include cash on hand, demand deposits at financial institutions, and funds held in the State of Tennessee Local Government Investment Pool. The funds held in the State of Tennessee Local Government Investment Pool mature every 30 days.

**b. Accounts Receivable**

Trade receivables result from unpaid billings for electric service to customers and from unpaid billings related to work performed for or materials sold to certain entities. The electric system uses the direct write-off method of uncollectible accounts, rather than an estimated allowance for uncollectible accounts. This method, though not recognized by generally accepted accounting principles, does not distort the presentation by a material amount.

Operating revenues are reported net of bad debt expense. Bad debt expense for the year ended June 30, 2009, was \$73,756.

**c. Inventories**

The electric system uses a perpetual inventory system and has actual physical counts every six months. Inventories are stated at cost, using an average costing method.

**d. Capital Assets**

Capital assets include property, plant and equipment, work in progress, and an electric plant acquisition adjustment. Such assets are stated substantially at original cost. The electric system capitalizes interest costs as part of the cost of construction when the construction period covers more than 12 months. No interest costs were capitalized for the year under examination. The electric system provides for depreciation on a straight-line basis at rates recommended by the Tennessee Valley Authority. These rates purport to depreciate the property over its estimated useful life. Depreciation expense for the year ended June 30, 2009, was \$1,403,553 and \$107,212 cleared through other accounts, for a total accrual of \$1,510,765. The electric plant acquisition adjustment represents the cost of acquiring existing plant from neighboring systems over the book value of the plant purchased. This amount is amortized over a ten-year period as prescribed by state statutes. Amortization for the year ended June 30, 2009, was \$38,728 per year.

**e. Leases**

The electric system leases attachment space on joint use poles to and from telephone companies and various cable television companies. These leases are accounted for as operating leases. Rent expense for the year ended June 30, 2009, was \$20,030.

**f. Compensated Absences**

Employees are entitled to paid vacation and sick days depending on length of service and other factors. An accrual for compensated absences has been made, which includes accumulated vacation leave and one-half of accumulated sick leave.

**g. Net Assets**

Equity is classified as net assets and displayed in the following components:

- Invested in Capital Assets, net of related debt – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any payables that are attributable to the acquisition, construction, or improvement of those assets.
- Unrestricted – All other net assets that do not meet the description of the above categories.

**B. Detailed Notes on All Accounts**

**1. Deposits and Investments**

**Custodial Credit Risk.** The electric system's policies limit investments to those instruments allowed by applicable state laws as described above in Note VI.A.(3)(a). State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the system's agent in the system's name, or by the Federal Reserve Banks acting as third-party agents. State statutes also authorize the electric system to invest in bonds, notes, or treasury bills of the United States or any of its agencies; certificates of deposit at Tennessee state chartered banks, savings and loan associations, and federally chartered banks and savings and loan associations; repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities; the state pooled investment fund; and mutual funds. Statutes also require that securities underlying repurchase agreements must have a market value of at least equal to the amount of funds invested in the repurchase transaction. As of June 30, 2009, all bank deposits were fully collateralized or insured.

**2. Prepayments**

The Weakley County Municipal Electric System elected to participate in a Discounted Energy Units (DEU) Program offered by TVA. This program allowed the electric system to purchase DEUs in one million dollar increments, which entitles them to a 2.5 cent per kwh program discount on a specified quantity for a specified term. The electric system's agreement is for a period of ten years, and amounts will be amortized over the ten-year period. For the year ended June 30, 2009, the electric system received credit of \$130,500 for prepaid purchased power.

**3. Interfund Activity**

A transfer is made each year from the Weakley County Municipal Electric System to the primary government of Weakley County for an in-lieu-of tax payment. The transfer amount for the year ended June 30, 2009, was \$366,454. An additional \$209,550 in-lieu-of tax payment was made to the General Purpose School Fund.

**4. Capital Assets**

Capital assets activity during the year was as follows:

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Transmission Plant Land	\$ 100,307	\$ 0	\$ 0	\$ 100,307
Distribution Plant Land	111,975	0	0	111,975
General Plant Land	306,131	0	0	306,131
Construction in Progress	649,678	6,939,695	0	7,589,373
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 1,168,091</b>	<b>\$ 6,939,695</b>	<b>\$ 0</b>	<b>\$ 8,107,786</b>
Capital Assets Depreciated:				
Transmission Plant	\$ 4,834,579	\$ 31,475	\$ 0	\$ 4,866,054
Distribution Plant	39,686,617	883,575	(548,536)	40,021,656
General Plant	4,323,884	185,761	0	4,509,645
Electric Plant Acquisition Adjustment	364,510	0	(38,728)	325,782
<b>Total Capital Assets Depreciated</b>	<b>\$ 49,209,590</b>	<b>\$ 1,100,811</b>	<b>\$ (587,264)</b>	<b>\$ 49,723,137</b>

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Less Accumulated Depreciation For:				
Transmission Plant	\$ 3,077,632	\$ 47,114	\$ 0	\$ 3,124,746
Distribution Plant	17,763,529	1,338,842	(611,845)	18,490,526
General Plant	3,338,116	124,809	0	3,462,925
Total Accumulated Depreciation	\$ 24,179,277	\$ 1,510,765	\$ (611,845)	\$ 25,078,197
Total Capital Assets Depreciated, Net	\$ 25,030,313	\$ (409,954)	\$ 24,581	\$ 24,644,940
Total Capital Assets, Net	\$ 26,198,404	\$ 6,529,741	\$ 24,581	\$ 32,752,726

## 5. Notes Payable

Two notes were executed during the current year with First State Bank to assist in financing the costs of capital assets. Two draw-down lines of credit were established for \$2,000,000 each. The draw-down feature expires after six months, and during this period, monthly interest-only payments are due. The amounts outstanding will then be repaid through monthly payments of principal and interest. Both notes are unsecured and have a fixed interest rate. Details of the two notes are as follows:

Loan No.	Loan Date	Maturity Date	Interest Rate	Monthly Payment	Outstanding Balance 6-30-09
82112076	11-17-08	11-17-20	4.45 %	\$ 18,607	\$ 1,989,056
92112453	4-28-09	4-24-12	3.3	19,635	500,000
					<u>\$ 2,489,056</u>

Amounts due on notes payable for the next five years and to maturity are shown below:

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 283,828	\$ 96,541	\$ 380,369
2011	370,020	88,888	458,908
2012	274,086	75,573	349,659
2013	156,047	67,242	223,289
2014	163,235	60,055	223,290
2015-2019	935,998	180,452	1,116,450
2020-2021	305,842	10,486	316,328
Total	\$ 2,489,056	\$ 579,237	\$ 3,068,293

Changes in long-term debt during the year ended June 30, 2009, are summarized as follows:

Loan No.	Balance 7-1-08	Additions	Balance 6-30-09	Due Within One Year
82112076	\$ 0	\$ 1,989,056	\$ 1,989,056	136,335
92112453	0	500,000	500,000	147,493
Total	\$ 0	\$ 2,489,056	\$ 2,489,056	283,828

**C. Other Information**

**1. Pension Plan**

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

amended by the Tennessee General Assembly. Political subdivisions such as Weakley County Municipal Electric System participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10<sup>th</sup> 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**

The Weakley County Municipal Electric System requires employees to contribute five percent of earnable compensation. The Weakley County Municipal Electric System is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2009 was 18.86 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the Weakley County Municipal Electric System is established and may be amended by the TCRS Board of Trustees.

### **Annual Pension Cost**

For the year ended June 30, 2009, the Weakley County Municipal Electric System's annual pension cost of \$502,885 to TCRS was equal to their 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), and (c) projected 3.5 percent annual increase in the Social Security wage base. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of equities over a five-year period. The Weakley County Municipal Electric System'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 14 years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

### Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-09	\$ 502,885	100%	\$ 0
6-30-08	525,393	100	0
6-30-07	527,358	100	0

### Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 64.01 percent funded. The actuarial accrued liability for benefits was \$8.3 million, and the actuarial value of assets was \$5.31 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$2.98 million. The covered payroll (annual payroll of active employees covered by the plan) was \$2.61 million, and the ratio of the UAAL to the covered payroll was 114.36 percent.

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

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

## 2. Risk Management

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

## **VII. OTHER NOTES – DISCRETELY PRESENTED WEAKLEY COUNTY NURSING HOME**

### **A. Significant Accounting Policies**

#### **1. Reporting Entity**

The Weakley County Nursing Home is a discretely presented component unit of Weakley County, Tennessee, and is, therefore, included in their audit report. The board of directors of the Weakley County Nursing Home is comprised of county commissioners who are appointed to the board. Before the issuance of any debt instruments, the nursing home must obtain the approval of the County Commission. The Weakley County Nursing Home is located in Dresden, Tennessee, and mainly serves the residents of Weakley County by rendering intermediate and skilled care to patients.

#### **2. Basis of Accounting**

The Weakley County Nursing Home is a governmental unit and uses fund accounting. The nursing home is an enterprise fund in that operations are accounted for in a manner similar to a private business, where the intent of the governing body is that the costs of operations (including depreciation) will be recovered through user charges.

The nursing home uses the accrual basis of accounting. The accrual basis of accounting recognizes revenues when earned and expenses as incurred.

The Governmental Accounting Standards Board (GASB) Statement No. 20 requires that governments' proprietary activities apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins. Governments are given the option whether or not to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. The Weakley County Nursing Home has elected not to implement FASB Statements and Interpretations issued after November 30, 1989.

#### **3. Depreciation**

Capital assets are recorded at historical cost. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives for assets are as follows:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 - 40
Equipment	5 - 15
Vehicles	5
Other Capital Assets	7 - 10

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets' lives are not capitalized. Typically, purchases of less than \$250 are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

**4. Leases**

The Weakley County Nursing Home is not obligated on any significant lease agreements.

**5. Inventories**

Inventories, consisting of supplies held for consumption, are valued at cost, using the first-in, first-out (FIFO) method. Inventories are adjusted to physical counts at the end of each fiscal year.

**6. Net Assets**

Equity is classified as net assets and displayed in the following components:

- a. Invested in Capital Assets, net of related debt – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds that are attributable to the acquisition, construction, or improvement of those assets; debt related to unspent proceeds or other restricted cash and investments is excluded from the determination.
- b. Unrestricted – All other net assets that do not meet the description of the above categories.

**7. Cash and Cash Equivalents**

Cash and cash equivalents as used on the Statement of Cash Flows represent cash on hand, cash in bank, and cash in two money market accounts. They do not include certificates of deposit or patient trust funds. For purposes of the Statement of Cash Flows, the nursing home considers all highly liquid investments with an original

maturity of three months or less when purchased to be cash equivalents.

**8. Allowance for Doubtful Accounts**

An allowance for doubtful accounts has not been reflected as of the balance sheet date. The direct write-off of bad debts is made at the end of each fiscal year. The direct write-off method is not in accordance with generally accepted accounting principles, but the effect on the financial statements is immaterial. For the current year, \$217,493 in bad debts was written off. Also, for the current year, \$336,616 of bad debts written off last year was recovered from Medicare.

**9. Budget**

The nursing home adopts a budget prior to the beginning of each fiscal year. The budget, as amended, is presented against operations in the statement of budgetary comparison. Any expenditures over budgeted amounts require an amendment to the budget by the board of directors.

**B. Compensated Absences**

Employees are entitled to paid vacation and sick days depending on length of service and other factors. Only full-time employees are entitled to these benefits. The policy of the nursing home is to pay eligible employees up to 15 days of vacation time upon termination assuming they have 15 days of vacation time accrued. An accrual for vacation pay has been made on the financial statements presented. However, sick pay has not been accrued since it is payable only for those who are currently employed with no benefits due upon termination of any employee.

**C. Deposits and Investments**

**Custodial Credit Risk.** The nursing home's policies limit deposits and investments to those instruments allowed by applicable state laws. State statute requires that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the nursing home's agent in the nursing home's name, or by the Federal Reserve banks acting as third-party agents. State statute also authorizes the nursing home to invest in bonds, notes, or treasury bills of the United States or any of its agencies; certificates of deposit at Tennessee state chartered banks, savings and loan associations, and federally chartered banks and savings and loan associations; repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities; the state pooled investment fund; and mutual funds. Statutes also require

that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction. As of June 30, 2009, all bank deposits were fully collateralized or insured.

**D. Risk Management**

Prior to February 1, 2001, the Weakley County Nursing Home chose to cover its employees' health insurance claims below \$20,000 for each employee up to a maximum total annual exposure amount for the nursing home, which is based on a calculation that changes as number of participants and premium amounts change. The nursing home had obtained a stop/loss commercial insurance policy to cover claims beyond this liability. As of February 1, 2001, the nursing home changed to commercial health insurance for its employees through Blue Cross Blue Shield for everything except a paid prescription card.

The Weakley County Nursing Home felt it was more economically feasible to be covered under Weakley County's insurance policies for workers' compensation, property, casualty, and automobile insurance. Weakley County is covered under the Local Government Property and Casualty Fund (LGPCF). The nursing home pays an annual premium to the LGPCF for coverage under the above areas. The LGPCF has self-insured retention of \$100,000 for each loss and/or claim and/or occurrence.

The Weakley County Nursing Home continues to carry commercial insurance for all other risks of loss, including general liability and fidelity bonding. Settled claims have not exceeded commercial insurance coverage in any of the past three years.

**E. Changes in Capital Assets**

Capital assets activity for the year ended June 30, 2009, was as follows:

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 2,371	\$ 0	\$ 0	\$ 2,371
Construction in Progress	15,096	12,838	(27,934)	0
Total Capital Assets Not Depreciated	\$ 17,467	\$ 12,838	\$ (27,934)	\$ 2,371

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
<b>Capital Assets Depreciated:</b>				
Land Improvements	\$ 64,212	\$ 0	\$ 0	\$ 64,212
Building and Improvements	2,784,887	80,302	0	2,865,189
Equipment	1,080,662	61,558	(10,005)	1,132,215
Vehicles	34,059	21,500	0	55,559
Other Assets	40,815	0	0	40,815
<b>Total Capital Assets Depreciated</b>	<b>\$ 4,004,635</b>	<b>\$ 163,360</b>	<b>\$ (10,005)</b>	<b>\$ 4,157,990</b>
<b>Less Accumulated Depreciated For:</b>				
Land Improvements	\$ 30,822	\$ 2,566	\$ 0	\$ 33,388
Building and Improvements	1,466,964	74,846	0	1,541,810
Equipment	880,090	57,903	0	937,993
Vehicles	34,059	1,433	0	35,492
Other Assets	40,815	0	0	40,815
<b>Total Accumulated Depreciation</b>	<b>\$ 2,452,750</b>	<b>\$ 136,748</b>	<b>\$ 0</b>	<b>\$ 2,589,498</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 1,551,885</b>	<b>\$ 26,612</b>	<b>\$ (10,005)</b>	<b>\$ 1,568,492</b>
<b>Business-type Capital Assets, Net</b>	<b>\$ 1,569,352</b>	<b>\$ 39,450</b>	<b>\$ (37,939)</b>	<b>\$ 1,570,863</b>

## **F. Pension Information**

### **Plan Description**

Employees of the Weakley County Nursing Home participate in the pension plan established by Weakley County. Employees of Weakley County, including the Weakley County Nursing Home, are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979, become vested after five years of service, and members joining prior to July 1, 1979, were vested after four years of service. Benefit provisions are established in state statute

found in Title 8, Chapters 34-37 of Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Weakley County participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

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

Since the Weakley County Nursing Home participates in Weakley County's plan, retirement information for the Weakley County Nursing Home is not available separately from the retirement information provided for the county. Complete disclosure for the county's participation in the TCRS is described in footnote V.G.

**G. Commitment to Weakley County**

During the year ended June 30, 2006, the nursing home received \$300,000 from Weakley County to help finance the construction of the new therapy wing. Because there is not a written agreement between the county and the nursing home for the repayment of these funds, the financial statements of the nursing home do not reflect a long-term debt liability. However, it is the intent of the nursing home to repay the county based on the following schedule with a 4.4 percent interest rate and a maturity date of October 1, 2011.

Year Ending June 30	Principal	Interest	Total
2010	\$ 63,000	\$ 2,046	\$ 65,046
2011	15,000	330	15,330
Total	<u>\$ 78,000</u>	<u>\$ 2,376</u>	<u>\$ 80,376</u>

**VIII. OTHER NOTES - DISCRETELY PRESENTED WEAKLEY COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**A. Significant Accounting Policies**

**1. Reporting Entity**

The Weakley County Emergency Communications District was approved by a referendum on August 4, 1994. The County Commission passed a resolution, to establish the Emergency Communications District in

accordance with Tennessee Code Annotated, Section 7-86-101, on August 22, 1994. The district accounts for its financial position and results of operations in accordance with generally accepted accounting principles applicable to governmental units. Currently only the proprietary fund type is used that accounts for activities conducted on a fee-for-service basis in a manner similar to commercial enterprises providing services to the public (enterprise fund).

The district's financial statements include all accounts of the district's operations. The criteria for including organization's with the district's reporting entity, as set forth in GASB No. 14, The Financial Reporting Entity, is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Based upon these criteria, there were no component units that required presentation.

The district is, however, considered a discretely presented component unit of Weakley County, Tennessee, because of the following factors. The Weakley County Commission appoints the board and has a right to remove them. The county also provides office space for the district's business use, and the district is accountable to the county for fiscal matters.

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

The Weakley County Emergency Communications District accounts for its financial position and results of operations in accordance with generally accepted accounting principles as defined in the statements of the Governmental Accounting Standards Board (GASB). Generally accepted accounting principles for proprietary fund types are those applicable to similar businesses in the private sector, and the measurement focus is on the determination of net income, financial position, and cash flows. Proprietary fund types are accounted for on the accrual basis, whereby income is recognized as it is earned, and expenses are recognized as they are incurred, whether or not cash is received or paid out at that time. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Statement No. 20 gives governments the option of applying all Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its proprietary funds, unless they conflict with or contradict GASB pronouncements. The Office of the Comptroller of the Treasury requires Tennessee emergency communications districts not to implement FASB statements and interpretations issued thereafter, unless they are adopted by GASB.

**3. Assets, Liabilities, and Net Assets**

**a. Deposits and Investments**

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of inception.

State statutes authorize the district to invest in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, obligations by the U.S. government or its agencies, repurchase agreements, as approved by the state director of Local Finance, and the state's local government investment pool.

**b. Accounts Receivable**

Accounts receivable represent amounts due from various phone companies.

**c. Capital Assets**

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from five to 40 years. Interest costs incurred on financing during the construction or installation period of capital assets are capitalized as part of the cost of the assets. For the year under review, there were no interest costs capitalized.

**d. Compensated Absences**

The district has adopted Weakley County's Personnel Policies, which allow full-time employees one sick day per month with a maximum carry over of 90 days to the subsequent year and one vacation day per month with a maximum carry over of 15 days. These benefits normally are accrued in proprietary funds (using the accrual basis of accounting). Employees are not paid for unused sick days but may be paid for a maximum of 15 unused vacation days. This liability is reflected in the current year's financial statements.

**e. Net Assets**

Equity is classified as net assets and displayed in the following components:

- Invested in capital assets – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any payables that are attributable to the acquisition, construction, or improvement of those assets.
- Unrestricted – All other net assets that do not meet the description of the above category.

**B. Detailed Notes on Accounts**

**1. Deposits and Investments**

**Custodial Credit Risk.** The district's policies limit investments to those instruments allowed by applicable state laws as described in Note VIII.A.(3)(a). State statute requires that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the district's agent in the district's name, or by the Federal Reserve banks acting as third-party agents. As of June 30, 2009, all bank deposits were fully collateralized or insured.

**2. Capital Assets**

Capital assets activity during the year was as follows:

	Balance 7-1-08	Increases	Balance 6-30-09
Capital Assets			
Depreciated:			
Furniture and Fixtures	\$ 500,900	\$ 15,000	\$ 515,900
Machinery and Equipment	50,598	22,059	72,657
Vehicles	45,076	0	45,076
Total Capital Assets			
Depreciated	\$ 596,574	\$ 37,059	\$ 633,633
Less Accumulated			
Depreciation For:			
Furniture and Fixtures	\$ 308,624	\$ 45,530	\$ 354,154
Machinery and Equipment	9,648	7,460	17,108
Vehicles	26,676	4,600	31,276
Total Accumulated			
Depreciation	\$ 344,948	\$ 57,590	\$ 402,538
Total Capital Assets, Net	\$ 251,626	\$ (20,531)	\$ 231,095

**C. Other Information**

**1. Risk Management**

The district's primary risk of loss is from suits filed for improper response or handling of emergency 911 calls. The district's significant losses are covered by commercial liability insurance. There were no claims or settlements made during this fiscal year and no losses were sustained. Board members with financial responsibility are bonded.

**2. Employees' Retirement Plan**

**Plan Description**

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

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

## Funding Policy

The Weakley County Emergency Communications District has adopted a noncontributory retirement plan for its employees by assuming employee contributions up to five percent of annual covered payroll. The district is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2009, was 30.75 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the Weakley County Emergency Communications District is established and may be amended by the TCRS Board of Trustees.

## Annual Pension Cost

For the year ended June 30, 2009, the Weakley County Emergency Communications District's annual pension cost of \$12,915 to TCRS was equal to the district'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 three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. The Weakley County Emergency Communications District's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2007, was eight years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

### Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-09	\$ 12,915	100 %	\$ 0
6-30-08	10,619	100	0
6-30-07	8,921	100	0

## **Funded Status and Funding Progress**

As of July 1, 2007, the most recent actuarial valuation date, the plan was 55.41 percent funded. The actuarial accrued liability for benefits was \$.15 million, and the actuarial value of assets was \$.08 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$.07 million. The covered payroll (annual payroll of active employees covered by the plan) was zero, and the ratio of the UAAL to the covered payroll was 200 percent.

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

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

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

Weakley County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 General Fund  
 For the Year Ended June 30, 2009

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 3,891,359	\$ 0	\$ 0	\$ 3,891,359	\$ 4,037,991	\$ 3,889,219	\$ 2,140
Licenses and Permits	25,859	0	0	25,859	43,000	43,000	(17,141)
Fines, Forfeitures, and Penalties	237,081	0	0	237,081	315,100	316,600	(79,519)
Charges for Current Services	105,680	0	0	105,680	114,019	126,819	(21,139)
Other Local Revenues	15,483	0	0	15,483	23,260	26,018	(10,535)
Fees Received from County Officials	1,314,000	0	0	1,314,000	1,432,000	1,432,000	(118,000)
State of Tennessee	1,354,894	0	0	1,354,894	1,339,870	1,429,848	(74,954)
Federal Government	89,801	0	0	89,801	83,969	96,969	(7,168)
Other Governments and Citizens Groups	234,970	0	0	234,970	213,886	245,246	(10,276)
<b>Total Revenues</b>	<b>\$ 7,269,127</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,269,127</b>	<b>\$ 7,603,095</b>	<b>\$ 7,605,719</b>	<b>\$ (336,592)</b>
<b>Expenditures</b>							
<b>General Government</b>							
County Commission	\$ 68,666	(240)	728	\$ 69,154	\$ 94,102	\$ 92,792	\$ 23,638
County Mayor/Executive	129,544	0	0	129,544	138,489	135,654	6,110
County Attorney	5,312	0	0	5,312	18,000	8,000	2,688
Election Commission	253,967	(5,069)	0	248,898	277,027	251,513	2,615
Register of Deeds	152,370	0	0	152,370	157,422	157,122	4,752
County Buildings	197,000	0	590	197,590	179,363	216,149	18,559
<b>Finance</b>							
Accounting and Budgeting	312,249	(4,668)	2,052	309,633	303,522	313,134	3,501
Property Assessor's Office	225,942	(72)	12	225,882	233,207	229,365	3,483
Reappraisal Program	56,231	0	0	56,231	63,150	63,150	6,919
County Trustee's Office	192,376	0	0	192,376	193,885	192,517	141
County Clerk's Office	308,083	0	0	308,083	314,685	313,172	5,089

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
<u>Administration of Justice</u>							
Circuit Court	\$ 215,128	\$ (21)	\$ 0	\$ 215,107	\$ 222,317	\$ 218,764	\$ 3,657
General Sessions Court	228,735	(222)	0	228,513	233,773	233,286	4,773
Drug Court	16,407	0	0	16,407	0	41,692	25,285
Chancery Court	189,455	0	709	190,164	206,035	203,612	13,448
Juvenile Court	183,057	0	0	183,057	187,053	195,877	12,820
District Attorney General	28,697	0	0	28,697	28,697	28,699	2
Other Administration of Justice	193,674	(771)	162	193,065	200,000	200,000	6,935
Probation Services	63,789	(2,204)	0	61,585	62,747	62,747	1,162
<u>Public Safety</u>							
Sheriff's Department	1,446,714	(30,068)	1,865	1,418,511	1,531,651	1,511,611	93,100
Traffic Control	345,488	0	0	345,488	364,563	347,217	1,729
Jail	1,020,136	(4,689)	39	1,015,486	1,036,059	1,049,534	34,048
Correctional Incentive Program Improvements	2,000	0	0	2,000	2,000	2,000	0
Fire Prevention and Control	22,000	0	0	22,000	22,000	22,000	0
Civil Defense	109,859	0	1,000	110,859	102,399	111,799	940
Rescue Squad	5,500	0	0	5,500	5,500	5,500	0
County Coroner/Medical Examiner	4,425	0	0	4,425	5,000	5,000	575
Other Public Safety	7,062	0	0	7,062	6,373	7,374	312
<u>Public Health and Welfare</u>							
Local Health Center	136,426	(2,449)	0	133,977	155,194	151,694	17,717
Ambulance/Emergency Medical Services	235,000	0	0	235,000	235,000	235,000	0
Maternal and Child Health Services	2,500	0	0	2,500	3,000	3,000	500
Crippled Children Services	2,167	0	0	2,167	2,167	2,167	0
Other Local Health Services	26,047	0	0	26,047	27,000	27,000	953

(Continued)

Exhibit F-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				0 \$	18,000 \$	Original	Final	
<b>Expenditures (Cont.)</b>								
<u>Public Health and Welfare (Cont.)</u>								
General Welfare Assistance	\$ 18,000	\$ 0	\$ 0	\$ 18,000	\$ 22,000	\$ 22,000	\$ 4,000	
<u>Social, Cultural, and Recreational Services</u>								
Adult Activities	134,792	(222)	0	134,570	133,447	135,163	593	
Senior Citizens Assistance	33,005	(402)	0	32,603	33,982	33,982	1,379	
Libraries	177,821	0	0	177,821	181,475	180,147	2,326	
<u>Agriculture and Natural Resources</u>								
Agriculture Extension Service	74,825	0	0	74,825	76,968	78,968	4,143	
Soil Conservation	35,639	0	0	35,639	38,585	36,033	394	
Flood Control	23,726	0	0	23,726	23,726	23,726	0	
<u>Other Operations</u>								
Veterans' Services	41,197	0	0	41,197	42,724	42,726	1,529	
Other Charges	4,784	0	0	4,784	4,784	4,784	0	
Contributions to Other Agencies	370,074	0	0	370,074	298,136	374,174	4,100	
Employee Benefits	1,754	0	0	1,754	20,000	5,000	3,246	
Miscellaneous	231,519	0	0	231,519	232,274	233,960	2,441	
<b>Total Expenditures</b>	<b>\$ 7,533,142</b>	<b>\$ (51,097)</b>	<b>\$ 7,157</b>	<b>\$ 7,489,202</b>	<b>\$ 7,719,481</b>	<b>\$ 7,808,804</b>	<b>\$ 319,602</b>	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (264,015)</b>	<b>\$ 51,097</b>	<b>\$ (7,157)</b>	<b>\$ (220,075)</b>	<b>\$ (116,386)</b>	<b>\$ (203,085)</b>	<b>\$ (16,990)</b>	
<u>Other Financing Sources (Uses)</u>								
Insurance Recovery	\$ 6,875	\$ 0	\$ 0	\$ 6,875	\$ 5,000	\$ 6,876	\$ (1)	
Transfers In	162,047	0	0	162,047	9,100	172,347	(10,300)	
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 168,922</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 168,922</b>	<b>\$ 14,100</b>	<b>\$ 179,223</b>	<b>\$ (10,301)</b>	
<b>Net Change in Fund Balance Fund Balance, July 1, 2008</b>	<b>\$ (95,093)</b>	<b>\$ 51,097</b>	<b>\$ (7,157)</b>	<b>\$ (51,153)</b>	<b>\$ (102,286)</b>	<b>\$ (23,862)</b>	<b>\$ (27,291)</b>	
<b>Fund Balance, July 1, 2008</b>	<b>1,065,269</b>	<b>(51,097)</b>	<b>0</b>	<b>1,014,172</b>	<b>713,859</b>	<b>713,859</b>	<b>300,313</b>	
<b>Fund Balance, June 30, 2009</b>	<b>\$ 970,176</b>	<b>\$ 0</b>	<b>\$ (7,157)</b>	<b>\$ 963,019</b>	<b>\$ 611,573</b>	<b>\$ 689,997</b>	<b>\$ 273,022</b>	

Exhibit F-2

Weakley County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2009

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,716,958	\$ 0	\$ 0	\$ 1,716,958	\$ 1,809,585	\$ 1,762,200	\$ (45,242)
Licenses and Permits	2,000	0	0	2,000	0	2,300	(300)
Other Local Revenues	5,980	0	0	5,980	25,000	28,158	(22,178)
State of Tennessee	2,287,446	0	0	2,287,446	2,343,367	2,343,367	(55,921)
Total Revenues	\$ 4,012,384	\$ 0	\$ 0	\$ 4,012,384	\$ 4,177,952	\$ 4,136,025	\$ (123,641)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 121,062	\$ 0	\$ 0	\$ 121,062	\$ 123,329	\$ 123,329	\$ 2,267
Highway and Bridge Maintenance	2,074,718	(3,278)	34,112	2,105,552	2,143,256	2,128,257	22,705
Operation and Maintenance of Equipment	555,022	(32)	0	554,990	735,189	710,189	155,199
Litter and Trash Collection	43,991	(42)	0	43,949	44,203	44,203	254
Other Charges	142,167	0	737	142,904	130,608	148,765	5,861
Employee Benefits	557,173	0	0	557,173	593,566	583,566	26,393
Capital Outlay	59,614	0	499,140	558,754	531,925	566,925	8,171
Total Expenditures	\$ 3,553,747	\$ (3,352)	\$ 533,989	\$ 4,084,384	\$ 4,302,076	\$ 4,305,234	\$ 220,850
Excess (Deficiency) of Revenues Over Expenditures	\$ 458,637	\$ 3,352	\$ (533,989)	\$ (72,000)	\$ (124,124)	\$ (169,209)	\$ 97,209
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 44,704	\$ 0	\$ 0	\$ 44,704	\$ 2,300	\$ 47,385	\$ (2,681)
Total Other Financing Sources (Uses)	\$ 44,704	\$ 0	\$ 0	\$ 44,704	\$ 2,300	\$ 47,385	\$ (2,681)
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 503,341	\$ 3,352	\$ (533,989)	\$ (27,296)	\$ (121,824)	\$ (121,824)	\$ 94,528
	309,285	(3,352)	0	305,933	246,419	246,419	59,514
Fund Balance, June 30, 2009	\$ 812,626	\$ 0	\$ (533,989)	\$ 278,637	\$ 124,595	\$ 124,595	\$ 154,042

Exhibit F-3

Weakley County, Tennessee  
Schedule of Funding Progress – Pension Plan  
Primary Government and Discretely Presented Weakley County School Department  
June 30, 2009

(Dollar amounts in thousands)

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-09	7-1-07	\$ 21,005	\$ 22,404	\$ 1,399	93.76 %	\$ 10,481	13.35%
6-30-08	7-1-07	21,005	22,404	1,399	93.76	10,481	13.35

The Governmental Accounting Standards Board requires the plan to prepare the Schedule of Funding Progress using the entry age actuarial cost method. The requirement to present the Schedule of Funding Progress using the entry age actuarial cost method was a change made during the 2007-08 year; therefore, only two years of data are presented.

Exhibit F-4

Weakley County, Tennessee  
Schedule of Funding Progress – Pension Plan  
Discretely Presented Weakley County Municipal Electric System and  
Discretely Presented Weakley County Emergency Communications District  
June 30, 2009

(Dollar amounts in thousands)

Component Units	Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (UAAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Municipal Electric System	6-30-09	7-1-07	\$ 5,311	\$ 8,297	\$ 2,986	64.01 %	\$ 2,611	114.37%
"	6-30-08	7-1-07	5,311	8,297	2,986	64.01	2,611	114.37
Emergency Communications District	6-30-09	7-1-07	87	157	70	55.41	35	200
"	6-30-08	7-1-07	87	157	70	55.41	35	200

The Governmental Accounting Standards Board requires the plan to prepare the Schedule of Funding Progress using the entry age actuarial cost method. The requirement to present the Schedule of Funding Progress using the entry age actuarial cost method was a change made during the 2007-08 year; therefore, only two years of data are presented.

Exhibit F-5

Weakley County, Tennessee  
Schedule of Funding Progress -- Other Postemployment Benefits Plans  
Primary Government and Discretely Presented Weakley County School Department  
June 30, 2009

(Dollar amounts in thousands)

Plans	Fiscal Year Ended*	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<b><u>PRIMARY GOVERNMENT</u></b>								
Local Government Group	6-30-08	7-1-07	\$ 0	\$ 186	\$ 186	0%	\$ 4,750	4%
"	6-30-09	7-1-07	0	186	186	0	4,750	4
<b><u>DISCRETELY PRESENTED WEAKLEY COUNTY SCHOOL DEPARTMENT</u></b>								
Local Education Group	6-30-08	7-1-07	0	3,548	3,548	0	18,049	20
"	6-30-09	7-1-07	0	3,548	3,548	0	18,049	20

\*Data only available for two years.

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**WEAKLEY COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2009**

**BUDGETARY INFORMATION**

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

The budgetary level of control is at the major category level established by the County 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/Executive, County Attorney, Election Commission, etc.). Management may make revisions within major categories, but only the Weakley County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Weakley County’s recycling center operations.

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

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

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

# Capital Projects Funds

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

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

Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for grant proceeds received for a sewer line extension.

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for road and bridge construction, highway equipment purchases, and county road system renovations.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for grant proceeds and local funds received for improvements at the industrial park.

Weakley County, Tennessee  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2009

Special Revenue Funds					
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitutional Officers - Fees	Total
\$	0 \$	0 \$	0 \$	5,140 \$	5,140
	36,438	146,664	98,767	0	281,869
	388	0	0	144	532
	2,097	0	618	0	2,715
	0	0	0	0	0
	0	0	0	0	0
\$	38,923 \$	146,664 \$	99,385 \$	5,284 \$	290,256

ASSETS

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

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities  
 Accounts Payable  
 Contracts Payable  
 Due to Other Funds  
 Deferred Revenue - Current Property Taxes  
 Deferred Revenue - Delinquent Property Taxes

Total Liabilities

Fund Balances  
 Reserved for Encumbrances  
 Unreserved (Deficit)  
 Total Fund Balances

Total Liabilities and Fund Balances

\$	2,045 \$	0 \$	0 \$	0 \$	2,045
	0	0	0	0	0
	0	0	0	5,284	5,284
	0	0	0	0	0
	0	0	0	0	0
\$	2,045 \$	0 \$	0 \$	5,284 \$	7,329
\$	0 \$	0 \$	0 \$	0 \$	0
	36,878	146,664	99,385	0	282,927
\$	36,878 \$	146,664 \$	99,385 \$	0 \$	282,927
\$	38,923 \$	146,664 \$	99,385 \$	5,284 \$	290,256

(Continued)

Exhibit G-1

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

	Capital Projects Funds				Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Other Capital Projects	Total	
\$	0	0	0	0	0
Equity in Pooled Cash and Investments	335,153	42,233	36	377,422	659,291
Accounts Receivable	0	1	0	1	533
Due from Other Governments	0	0	12,414	12,414	15,129
Property Taxes Receivable	0	97,392	0	97,392	97,392
Allowance for Uncollectible Property Taxes	0	(3,616)	0	(3,616)	(3,616)
Total Assets	\$ 335,153	\$ 136,010	\$ 12,450	\$ 483,613	\$ 773,869

ASSETS

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

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable  
Contracts Payable  
Due to Other Funds  
Deferred Revenue - Current Property Taxes  
Deferred Revenue - Delinquent Property Taxes  
Total Liabilities

Fund Balances

Reserved for Encumbrances  
Unreserved (Deficit)  
Total Fund Balances

Total Liabilities and Fund Balances

\$	2,420	0	0	0	2,420	4,465
	210	0	12,050	12,260	12,260	12,260
	0	0	0	0	0	5,284
	0	89,941	0	89,941	89,941	89,941
	0	3,555	0	3,555	3,555	3,555
\$	2,630	\$ 93,496	\$ 12,050	\$ 108,176	\$ 115,505	
\$	175,341	0	35,000	210,341	210,341	210,341
	157,182	42,514	(34,600)	165,096	448,023	448,023
\$	332,523	\$ 42,514	\$ 400	\$ 375,437	\$ 658,364	
\$	335,153	\$ 136,010	\$ 12,450	\$ 483,613	\$ 773,869	

Weakley County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2009

	Special Revenue Funds				Total
	Solid Waste / Sanitation	Drug Control	District Attorney General		
<b>Revenues</b>					
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	0
Fines, Forfeitures, and Penalties	0	66,239	23,747	89,986	89,986
Other Local Revenues	5,886	0	0	5,886	5,886
State of Tennessee	17,637	0	0	17,637	17,637
Federal Government	0	0	0	0	0
Other Governments and Citizens Groups	0	0	0	0	0
<b>Total Revenues</b>	<b>\$ 23,523</b>	<b>\$ 66,239</b>	<b>\$ 23,747</b>	<b>\$ 113,509</b>	
<b>Expenditures</b>					
Current:					
Administration of Justice	\$ 0	\$ 0	\$ 38,765	\$ 38,765	38,765
Public Safety	0	28,886	0	28,886	28,886
Public Health and Welfare	29,803	0	0	29,803	29,803
Other Operations	710	0	0	710	710
Capital Projects	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 30,513</b>	<b>\$ 28,886</b>	<b>\$ 38,765</b>	<b>\$ 98,164</b>	
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (6,990)</b>	<b>\$ 37,353</b>	<b>\$ (15,018)</b>	<b>\$ 15,345</b>	
<b>Other Financing Sources (Uses)</b>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	0
Transfers In	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>\$ (6,990)</b>	<b>\$ 37,353</b>	<b>\$ (15,018)</b>	<b>\$ 15,345</b>	
<b>Fund Balance, July 1, 2008</b>	<b>43,868</b>	<b>109,311</b>	<b>114,403</b>	<b>267,582</b>	
<b>Fund Balance, June 30, 2009</b>	<b>\$ 36,878</b>	<b>\$ 146,664</b>	<b>\$ 99,385</b>	<b>\$ 282,927</b>	

(Continued)

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

	Capital Projects Funds						Total Nonmajor Governmental Funds
	General Capital Projects	Community Development/ Industrial Park	Highway Capital Projects	Other Capital Projects	Total		
<u>Revenues</u>							
Local Taxes	\$ 0 \$	0 \$	92,212 \$	0 \$	92,212 \$	92,212	
Fines, Forfeitures, and Penalties	0	0	0	0	0	89,986	
Other Local Revenues	0	0	0	0	0	5,886	
State of Tennessee	0	0	0	0	0	17,637	
Federal Government	0	42,988	0	48,990	91,978	91,978	
Other Governments and Citizens Groups	0	6,183	0	10,754	16,937	16,937	
Total Revenues	\$ 0 \$	49,171 \$	92,212 \$	59,744 \$	201,127 \$	314,636	
<u>Expenditures</u>							
Current:							
Administration of Justice	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	38,765	
Public Safety	0	0	0	0	0	28,886	
Public Health and Welfare	0	0	0	0	0	29,803	
Other Operations	0	0	0	0	0	710	
Capital Projects	467,477	49,171	503,012	59,344	1,079,004	1,079,004	
Total Expenditures	\$ 467,477 \$	49,171 \$	503,012 \$	59,344 \$	1,079,004 \$	1,177,168	
Excess (Deficiency) of Revenues Over Expenditures	\$ (467,477) \$	0 \$	(410,800) \$	400 \$	(877,877) \$	(862,532)	
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 800,000 \$	0 \$	0 \$	0 \$	800,000 \$	800,000	
Transfers In	0	0	5,587	0	5,587	5,587	
Total Other Financing Sources (Uses)	\$ 800,000 \$	0 \$	5,587 \$	0 \$	805,587 \$	805,587	
Net Change in Fund Balances	\$ 332,523 \$	0 \$	(405,213) \$	400 \$	(72,290) \$	(56,945)	
Fund Balance, July 1, 2008	0	0	447,727	0	447,727	715,309	
Fund Balance, June 30, 2009	\$ 332,523 \$	0 \$	42,514 \$	400 \$	375,437 \$	658,364	

Exhibit G-3

Weakley County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2009

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 5,886	\$ 5,100	\$ 5,100	\$ 786
State of Tennessee	17,637	21,900	21,900	(4,263)
Total Revenues	<u>\$ 23,523</u>	<u>\$ 27,000</u>	<u>\$ 27,000</u>	<u>\$ (3,477)</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Recycling Center	\$ 29,803	\$ 30,500	\$ 30,500	\$ 697
<u>Other Operations</u>				
Employee Benefits	710	1,124	1,124	414
Total Expenditures	<u>\$ 30,513</u>	<u>\$ 31,624</u>	<u>\$ 31,624</u>	<u>\$ 1,111</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (6,990)</u>	<u>\$ (4,624)</u>	<u>\$ (4,624)</u>	<u>\$ (2,366)</u>
Net Change in Fund Balance	\$ (6,990)	\$ (4,624)	\$ (4,624)	\$ (2,366)
Fund Balance, July 1, 2008	<u>43,868</u>	<u>44,597</u>	<u>44,597</u>	<u>(729)</u>
Fund Balance, June 30, 2009	<u>\$ 36,878</u>	<u>\$ 39,973</u>	<u>\$ 39,973</u>	<u>\$ (3,095)</u>

Exhibit G-4

Weakley County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2009

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 66,239	\$ 31,000	\$ 69,000	\$ (2,761)
Other Local Revenues	0	500	500	(500)
<b>Total Revenues</b>	<b>\$ 66,239</b>	<b>\$ 31,500</b>	<b>\$ 69,500</b>	<b>\$ (3,261)</b>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 28,886	\$ 81,780	\$ 81,830	\$ 52,944
<b>Total Expenditures</b>	<b>\$ 28,886</b>	<b>\$ 81,780</b>	<b>\$ 81,830</b>	<b>\$ 52,944</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 37,353	\$ (50,280)	\$ (12,330)	\$ 49,683
Net Change in Fund Balance	\$ 37,353	\$ (50,280)	\$ (12,330)	\$ 49,683
Fund Balance, July 1, 2008	109,311	109,611	109,611	(300)
<b>Fund Balance, June 30, 2009</b>	<b>\$ 146,664</b>	<b>\$ 59,331</b>	<b>\$ 97,281</b>	<b>\$ 49,383</b>

Exhibit G-5

Weakley County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway Capital Projects Fund  
For the Year Ended June 30, 2009

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 92,212	\$ 99,423	\$ 93,500	\$ (1,288)
Total Revenues	\$ 92,212	\$ 99,423	\$ 93,500	\$ (1,288)
<u>Expenditures</u>				
<u>Highways</u>				
Other Charges	\$ 0	\$ 2,000	\$ 0	\$ 0
Capital Outlay	0	507,000	1,000	1,000
<u>Capital Projects</u>				
Highway and Street Capital Projects	503,012	0	508,000	4,988
Total Expenditures	\$ 503,012	\$ 509,000	\$ 509,000	\$ 5,988
Excess (Deficiency) of Revenues Over Expenditures	\$ (410,800)	\$ (409,577)	\$ (415,500)	\$ 4,700
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 5,587	\$ 0	\$ 5,923	\$ (336)
Total Other Financing Sources (Uses)	\$ 5,587	\$ 0	\$ 5,923	\$ (336)
Net Change in Fund Balance	\$ (405,213)	\$ (409,577)	\$ (409,577)	\$ 4,364
Fund Balance, July 1, 2008	447,727	447,786	447,786	(59)
Fund Balance, June 30, 2009	\$ 42,514	\$ 38,209	\$ 38,209	\$ 4,305

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# **Major Governmental Fund**

## **General Debt Service Fund**

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

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Exhibit H

Weakley County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2009

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,612,110	\$ 3,177,488	\$ 2,625,965	\$ (13,855)
Other Local Revenues	277,067	400,000	400,000	(122,933)
State of Tennessee	333,258	333,629	333,629	(371)
Other Governments and Citizens Groups	969,865	596,266	1,007,285	(37,420)
Total Revenues	<u>\$ 4,192,300</u>	<u>\$ 4,507,383</u>	<u>\$ 4,366,879</u>	<u>\$ (174,579)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 446,072	\$ 364,000	\$ 457,890	\$ 11,818
Highways and Streets	743,000	743,000	743,000	0
Education	3,138,622	8,963,622	3,138,622	0
<u>Interest on Debt</u>				
General Government	84,623	277,680	128,728	44,105
Highways and Streets	22,167	22,817	22,817	650
Education	739,691	1,019,106	742,237	2,546
<u>Other Debt Service</u>				
General Government	74,967	62,000	76,655	1,688
Education	92,534	50,590	92,853	319
<u>Capital Projects</u>				
Public Health and Welfare Projects	0	64,752	35	35
Public Utility Projects	0	0	19,384	19,384
Total Expenditures	<u>\$ 5,341,676</u>	<u>\$ 11,567,567</u>	<u>\$ 5,422,221</u>	<u>\$ 80,545</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,204,378)</u>	<u>\$ (7,060,184)</u>	<u>\$ (1,055,342)</u>	<u>\$ (149,036)</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 5,870,000	\$ 5,870,000	\$ 5,870,000	\$ 0
Transfers In	154,116	0	209,118	55,002
Payments to Refunded Debt Escrow Agent	(5,825,000)	0	(5,825,000)	0
Total Other Financing Sources (Uses)	<u>\$ 199,116</u>	<u>\$ 5,870,000</u>	<u>\$ 254,118</u>	<u>\$ 55,002</u>
Net Change in Fund Balance	\$ (950,260)	\$ (1,190,184)	\$ (801,224)	\$ (149,036)
Fund Balance, July 1, 2008	<u>5,509,618</u>	<u>5,495,913</u>	<u>5,495,913</u>	<u>13,705</u>
Fund Balance, June 30, 2009	<u>\$ 4,559,358</u>	<u>\$ 4,305,729</u>	<u>\$ 4,694,689</u>	<u>\$ (135,331)</u>

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# Fiduciary Funds

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

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

Watershed District Fund – The Watershed District Fund is used to account for acreage assessments collected on drainage district properties located in the county. These funds are held in trust for the benefit of the Watershed District.

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

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

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Exhibit I-1

Weakley County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
For the Year Ended June 30, 2009

	Agency Funds					Total
	Cities - Sales Tax	Watershed District	Constitu- tional Officers - Agency	Judicial District Drug		
<b><u>ASSETS</u></b>						
Cash	\$ 0	\$ 0	\$ 1,148,485	\$ 6,085	\$ 1,154,570	
Equity in Pooled Cash and Investments	0	9,491	0	276,866	286,357	
Due from Other Governments	446,996	0	0	19,010	466,006	
Total Assets	\$ 446,996	\$ 9,491	\$ 1,148,485	\$ 301,961	\$ 1,906,933	
<b><u>LIABILITIES</u></b>						
Due to Other Taxing Units	\$ 446,996	\$ 9,491	\$ 0	\$ 0	\$ 456,487	
Due to Litigants, Heirs, and Others	0	0	1,148,485	0	1,148,485	
Due to Joint Ventures	0	0	0	301,961	301,961	
Total Liabilities	\$ 446,996	\$ 9,491	\$ 1,148,485	\$ 301,961	\$ 1,906,933	

Exhibit I-2

Weakley County, Tennessee  
Combining Statement of Changes in Assets and Liabilities - All Agency Funds  
For the Year Ended June 30, 2009

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 2,316,559	\$ 2,316,559	\$ 0
Due from Other Governments	456,813	446,996	456,813	446,996
<b>Total Assets</b>	<b>\$ 456,813</b>	<b>\$ 2,763,555</b>	<b>\$ 2,773,372</b>	<b>\$ 446,996</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 456,813	\$ 2,763,555	\$ 2,773,372	\$ 446,996
<b>Total Liabilities</b>	<b>\$ 456,813</b>	<b>\$ 2,763,555</b>	<b>\$ 2,773,372</b>	<b>\$ 446,996</b>
<u>Watershed District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 8,917	\$ 582	\$ 8	\$ 9,491
<b>Total Assets</b>	<b>\$ 8,917</b>	<b>\$ 582</b>	<b>\$ 8</b>	<b>\$ 9,491</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 8,917	\$ 582	\$ 8	\$ 9,491
<b>Total Liabilities</b>	<b>\$ 8,917</b>	<b>\$ 582</b>	<b>\$ 8</b>	<b>\$ 9,491</b>
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,103,472	\$ 6,910,370	\$ 6,865,357	\$ 1,148,485
<b>Total Assets</b>	<b>\$ 1,103,472</b>	<b>\$ 6,910,370</b>	<b>\$ 6,865,357</b>	<b>\$ 1,148,485</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,103,472	\$ 6,910,370	\$ 6,865,357	\$ 1,148,485
<b>Total Liabilities</b>	<b>\$ 1,103,472</b>	<b>\$ 6,910,370</b>	<b>\$ 6,865,357</b>	<b>\$ 1,148,485</b>
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Cash	\$ 11,289	\$ 0	\$ 5,204	\$ 6,085
Equity in Pooled Cash and Investments	367,700	154,406	245,240	276,866
Due from Other Governments	14,217	19,010	14,217	19,010
<b>Total Assets</b>	<b>\$ 393,206</b>	<b>\$ 173,416</b>	<b>\$ 264,661</b>	<b>\$ 301,961</b>
<u>Liabilities</u>				
Due to Joint Ventures	\$ 393,206	\$ 173,416	\$ 264,661	\$ 301,961
<b>Total Liabilities</b>	<b>\$ 393,206</b>	<b>\$ 173,416</b>	<b>\$ 264,661</b>	<b>\$ 301,961</b>

(Continued)

Exhibit I-2

Weakley County, Tennessee

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

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Totals - All Agency Funds</b>				
<u>Assets</u>				
Cash	\$ 1,114,761	\$ 6,910,370	\$ 6,870,561	\$ 1,154,570
Equity in Pooled Cash and Investments	376,617	2,471,547	2,561,807	286,357
Due from Other Governments	471,030	466,006	471,030	466,006
<b>Total Assets</b>	<b>\$ 1,962,408</b>	<b>\$ 9,847,923</b>	<b>\$ 9,903,398</b>	<b>\$ 1,906,933</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 465,730	\$ 2,764,137	\$ 2,773,380	\$ 456,487
Due to Litigants, Heirs, and Others	1,103,472	6,910,370	6,865,357	1,148,485
Due to Joint Ventures	393,206	173,416	264,661	301,961
<b>Total Liabilities</b>	<b>\$ 1,962,408</b>	<b>\$ 9,847,923</b>	<b>\$ 9,903,398</b>	<b>\$ 1,906,933</b>

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# Weakley County School Department

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

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

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

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

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

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Exhibit J-1

Weakley County, Tennessee  
 Statement of Activities  
 Discretely Presented Weakley County School Department  
 For the Year Ended June 30, 2009

Functions/Programs	Program Revenues			Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Operating Grants and Contributions	Capital Grants and Contributions		Total Governmental Activities		
<b>Governmental Activities:</b>							
Instruction	\$ 22,013,596	\$ 2,119,145	\$ 40,276	\$ 102,680	\$ 2,119,145	\$ 40,276	\$ (19,751,495)
Support Services	11,257,411	646,090	0	109,383	646,090	0	(10,501,988)
Operation of Non-Instructional Services	3,183,472	2,072,617	0	967,337	2,072,617	0	(143,518)
Interest on Long-term Debt	821	0	0	0	0	0	(821)
Other Debt Service	513,514	0	0	0	0	0	(513,514)
<b>Total Governmental Activities</b>	<b>\$ 36,968,814</b>	<b>\$ 4,837,852</b>	<b>\$ 40,276</b>	<b>\$ 1,179,400</b>	<b>\$ 4,837,852</b>	<b>\$ 40,276</b>	<b>\$ (30,911,286)</b>
<b>General Revenues:</b>							
Taxes:							
Property Taxes Levied for General Purposes							\$ 3,450,969
Local Option Sales Taxes							2,992,580
Wheel Tax							128,451
Interstate Telecommunications Tax							4,070
Grants and Contributions Not Restricted to Specific Programs							22,452,758
Miscellaneous							131,078
<b>Total General Revenues</b>							<b>\$ 29,159,906</b>
<b>Change in Net Assets</b>							<b>\$ (1,751,380)</b>
<b>Net Assets, July 1, 2008</b>							<b>34,494,621</b>
<b>Net Assets, June 30, 2009</b>							<b>\$ 32,743,241</b>

Exhibit J-2

Weakley County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Weakley County School Department  
June 30, 2009

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
	General Purpose School	Other Govern- mental Funds	Govern- mental Funds
<b><u>ASSETS</u></b>			
Equity in Pooled Cash and Investments	\$ 2,277,146	\$ 925,460	\$ 3,202,606
Accounts Receivable	22,055	0	22,055
Due from Other Governments	1,001,918	16,252	1,018,170
Property Taxes Receivable	3,652,200	0	3,652,200
Allowance for Uncollectible Property Taxes	(135,624)	0	(135,624)
<b>Total Assets</b>	<b>\$ 6,817,695</b>	<b>\$ 941,712</b>	<b>\$ 7,759,407</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Liabilities</u></b>			
Accounts Payable	\$ 0	\$ 18	\$ 18
Contracts Payable	131,733	0	131,733
Retainage Payable	6,933	0	6,933
Deferred Revenue - Current Property Taxes	3,372,767	0	3,372,767
Deferred Revenue - Delinquent Property Taxes	133,292	0	133,292
Other Deferred Revenues	252,117	0	252,117
<b>Total Liabilities</b>	<b>\$ 3,896,842</b>	<b>\$ 18</b>	<b>\$ 3,896,860</b>
<b><u>Fund Balances</u></b>			
Reserved for Encumbrances	\$ 428,684	\$ 11,425	\$ 440,109
Other Local Education Reserves	12,092	0	12,092
Reserved for Driver Education	23,835	0	23,835
Reserved for Career Ladder - Extended Contract	11,835	0	11,835
Reserved for Career Ladder Program	16,281	0	16,281
Reserved for Education Edge	11,280	0	11,280
Reserved for Basic Education Program	90,590	0	90,590
Reserved for Title I Grants to Local Education Agencies	0	13,874	13,874
Reserved for Special Education - Grants to States	0	46,932	46,932
Other Federal Reserves	0	2,249	2,249
Unreserved, Reported In:			
General Fund	2,326,256	0	2,326,256
Special Revenue Funds	0	673,394	673,394
Capital Projects Fund	0	193,820	193,820
<b>Total Fund Balances</b>	<b>\$ 2,920,853</b>	<b>\$ 941,694</b>	<b>\$ 3,862,547</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,817,695</b>	<b>\$ 941,712</b>	<b>\$ 7,759,407</b>

Exhibit J-3

Weakley County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets  
Discretely Presented Weakley County School Department  
June 30, 2009

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	3,862,547
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,935,850	
Add: buildings and improvements net of accumulated depreciation		25,301,879	
Add: other capital assets net of accumulated depreciation		<u>1,740,573</u>	28,978,302
(2) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			385,409
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(37,750)	
Less: other postemployment benefits liability		<u>(445,267)</u>	<u>(483,017)</u>
Net assets of governmental activities (Exhibit A)			<u>\$ 32,743,241</u>

Exhibit J-4

Weakley County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
	General Purpose School	Other Govern- mental Funds	Govern- mental Funds
<u>Revenues</u>			
Local Taxes	\$ 6,788,562	\$ 0	\$ 6,788,562
Licenses and Permits	2,166	0	2,166
Charges for Current Services	210,694	968,706	1,179,400
Other Local Revenues	159,349	11,128	170,477
State of Tennessee	22,756,782	27,294	22,784,076
Federal Government	507,451	3,600,608	4,108,059
Other Governments and Citizens Groups	15,597	0	15,597
Total Revenues	<u>\$ 30,440,601</u>	<u>\$ 4,607,736</u>	<u>\$ 35,048,337</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 18,613,279	\$ 1,749,926	\$ 20,363,205
Support Services	10,323,663	451,261	10,774,924
Operation of Non-Instructional Services	700,074	2,174,330	2,874,404
Capital Outlay	690,107	0	690,107
Debt Service:			
Principal on Debt	0	27,791	27,791
Interest on Debt	0	1,378	1,378
Other Debt Service	513,514	0	513,514
Capital Projects	0	6,183	6,183
Total Expenditures	<u>\$ 30,840,637</u>	<u>\$ 4,410,869</u>	<u>\$ 35,251,506</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (400,036)</u>	<u>\$ 196,867</u>	<u>\$ (203,169)</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 15,124	\$ 0	\$ 15,124
Transfers In	4,188	0	4,188
Transfers Out	0	(4,188)	(4,188)
Total Other Financing Sources (Uses)	<u>\$ 19,312</u>	<u>\$ (4,188)</u>	<u>\$ 15,124</u>
Net Change in Fund Balances	<u>\$ (380,724)</u>	<u>\$ 192,679</u>	<u>\$ (188,045)</u>
Fund Balance, July 1, 2008	3,301,577	749,015	4,050,592
Fund Balance, June 30, 2009	<u>\$ 2,920,853</u>	<u>\$ 941,694</u>	<u>\$ 3,862,547</u>

Exhibit J-5

Weakley County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$	(188,045)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	952,820	
Less: current year depreciation expense		<u>(2,319,274)</u>	(1,366,454)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Less: deferred delinquent property taxes and other deferred June 30, 2008	\$	(374,460)	
Add: deferred delinquent property taxes and other deferred June 30, 2009		<u>385,409</u>	10,949
(3) The issuance of long-term debt (e.g. notes, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.			
Add: principal payments on notes			27,791
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Change in accrued interest payable	\$	557	
Change in compensated absences payable		(7,156)	
Change in other postemployment benefits liability		<u>(229,022)</u>	<u>(235,621)</u>
Change in net assets of governmental activities (Exhibit B)			<u>\$ (1,751,380)</u>

Weakley County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Weakley County School Department  
June 30, 2009

	Special Revenue Funds			Capital	Total
	School Federal Projects		Education Capital Projects	Nonmajor Governmental Funds	
	Central Cafeteria	Total			
\$ 63,754 \$	667,886 \$	731,640 \$	193,820 \$	925,460	
19	16,233	16,252	0	16,252	
\$ 63,773 \$	684,119 \$	747,892 \$	193,820 \$	941,712	

ASSETS

Equity in Pooled Cash and Investments  
 Due from Other Governments

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable  
 Total Liabilities

Fund Balances

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

Total Liabilities and Fund Balances

\$ 18 \$	0 \$	18 \$	0 \$	18
\$ 18 \$	0 \$	18 \$	0 \$	18
\$ 700 \$	10,725 \$	11,425 \$	0 \$	11,425
13,874	0	13,874	0	13,874
46,932	0	46,932	0	46,932
2,249	0	2,249	0	2,249
0	673,394	673,394	193,820	867,214
\$ 63,755 \$	684,119 \$	747,874 \$	193,820 \$	941,694
\$ 63,773 \$	684,119 \$	747,892 \$	193,820 \$	941,712

Exhibit J-7

Weakley County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Total</u>	<u>Projects</u>	
	<u>Federal</u>	<u>Cafeteria</u>		<u>Education</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 968,706	\$ 968,706	\$ 0	\$ 968,706
Other Local Revenues	0	11,128	11,128	0	11,128
State of Tennessee	0	27,294	27,294	0	27,294
Federal Government	2,286,324	1,314,284	3,600,608	0	3,600,608
Total Revenues	\$ 2,286,324	\$ 2,321,412	\$ 4,607,736	\$ 0	\$ 4,607,736
<u>Expenditures</u>					
Current:					
Instruction	\$ 1,749,926	\$ 0	\$ 1,749,926	\$ 0	\$ 1,749,926
Support Services	451,261	0	451,261	0	451,261
Operation of Non-Instructional Services	0	2,174,330	2,174,330	0	2,174,330
Debt Service:					
Principal on Debt	27,791	0	27,791	0	27,791
Interest on Debt	1,378	0	1,378	0	1,378
Capital Projects	0	0	0	6,183	6,183
Total Expenditures	\$ 2,230,356	\$ 2,174,330	\$ 4,404,686	\$ 6,183	\$ 4,410,869
Excess (Deficiency) of Revenues					
Over Expenditures	\$ 55,968	\$ 147,082	\$ 203,050	\$ (6,183)	\$ 196,867
<u>Other Financing Sources (Uses)</u>					
Transfers Out	\$ (4,188)	\$ 0	\$ (4,188)	\$ 0	\$ (4,188)
Total Other Financing Sources (Uses)	\$ (4,188)	\$ 0	\$ (4,188)	\$ 0	\$ (4,188)
Net Change in Fund Balances	\$ 51,780	\$ 147,082	\$ 198,862	\$ (6,183)	\$ 192,679
Fund Balance, July 1, 2008	11,975	537,037	549,012	200,003	749,015
Fund Balance, June 30, 2009	\$ 63,755	\$ 684,119	\$ 747,874	\$ 193,820	\$ 941,694

Exhibit J-8

Weakley County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 Discretely Presented Weakley County School Department  
 General Purpose School Fund  
 For the Year Ended June 30, 2009

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 6,788,562	\$ 0	\$ 0	\$ 6,788,562	\$ 6,815,060	\$ 6,882,060	\$ (93,498)
Licenses and Permits	2,166	0	0	2,166	2,350	2,350	(184)
Charges for Current Services	210,694	0	0	210,694	244,055	244,055	(33,361)
Other Local Revenues	159,349	0	0	159,349	105,651	164,891	(5,542)
State of Tennessee	22,756,782	0	0	22,756,782	22,471,696	22,704,047	52,735
Federal Government	507,451	0	0	507,451	418,376	529,381	(21,930)
Other Governments and Citizens Groups	15,597	0	0	15,597	14,073	15,704	(107)
<b>Total Revenues</b>	<b>\$ 30,440,601</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 30,440,601</b>	<b>\$ 30,071,261</b>	<b>\$ 30,542,488</b>	<b>\$ (101,887)</b>
<b>Expenditures</b>							
<b>Instruction</b>							
Regular Instruction Program	\$ 15,347,980	\$ 0	\$ 77,363	\$ 15,425,343	\$ 15,355,329	\$ 15,495,765	\$ 70,422
Special Education Program	1,924,034	(14,789)	3,890	1,913,135	1,885,122	1,934,305	21,170
Vocational Education Program	1,146,500	0	0	1,146,500	1,170,867	1,176,957	30,457
Student Body Education Program	12,252	0	0	12,252	13,300	15,300	3,048
Adult Education Program	182,513	0	0	182,513	196,479	206,765	24,252
<b>Support Services</b>							
Attendance	88,979	0	0	88,979	89,031	89,031	52
Health Services	233,509	(170)	0	233,339	223,664	234,934	1,595
Other Student Support	625,247	0	0	625,247	673,942	645,042	19,795
Regular Instruction Program	1,228,926	0	4,000	1,232,926	1,275,335	1,245,335	12,409
Alternative Instruction Program	86,078	0	0	86,078	88,345	87,645	1,567
Special Education Program	304,842	(3,549)	0	301,293	343,521	306,924	5,631
Vocational Education Program	86,500	0	0	86,500	89,620	99,363	12,863

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
<b>Support Services (Cont.)</b>							
Other Programs	\$ 254,900	\$ 0	\$ 0	\$ 254,900	\$ 113,654	\$ 265,261	\$ 10,361
Board of Education	461,257	0	0	461,257	500,651	474,651	13,394
Director of Schools	268,839	0	0	268,839	268,265	277,485	8,646
Office of the Principal	1,261,960	0	0	1,261,960	1,287,708	1,267,868	5,908
Operation of Plant	2,417,510	0	26,348	2,443,858	2,416,623	2,462,823	18,965
Maintenance of Plant	1,713,268	(115,175)	238,493	1,836,586	935,080	1,954,281	117,695
Transportation	1,290,281	(14,219)	661	1,276,723	1,530,533	1,341,633	64,910
Central and Other	1,567	0	0	1,567	8,503	2,003	436
<b>Operation of Non-Instructional Services</b>							
Community Services	123,767	0	0	123,767	130,401	143,401	19,634
Early Childhood Education	576,307	0	0	576,307	563,604	578,116	1,809
Capital Outlay							
Regular Capital Outlay	690,107	(43,763)	77,929	724,273	423,552	725,552	1,279
Other Debt Service							
Education	513,514	0	0	513,514	513,514	513,514	0
<b>Total Expenditures</b>	<b>\$ 30,840,637</b>	<b>\$ (191,665)</b>	<b>\$ 428,684</b>	<b>\$ 31,077,656</b>	<b>\$ 30,096,633</b>	<b>\$ 31,543,954</b>	<b>\$ 466,298</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (400,036)</b>	<b>\$ 191,665</b>	<b>\$ (428,684)</b>	<b>\$ (637,055)</b>	<b>\$ (25,372)</b>	<b>\$ (1,001,466)</b>	<b>\$ 364,411</b>
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	15,124	0	0	15,124	8,367	8,367	6,757
Transfers In	4,188	0	0	4,188	4,188	4,188	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 19,312</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 19,312</b>	<b>\$ 12,555</b>	<b>\$ 12,555</b>	<b>\$ 6,757</b>
<b>Net Change in Fund Balance Fund Balance, July 1, 2008</b>	<b>\$ (380,724)</b>	<b>\$ 191,665</b>	<b>\$ (428,684)</b>	<b>\$ (617,743)</b>	<b>\$ (12,817)</b>	<b>\$ (988,911)</b>	<b>\$ 371,168</b>
	<b>3,301,577</b>	<b>(191,665)</b>	<b>0</b>	<b>3,109,912</b>	<b>2,925,046</b>	<b>2,925,046</b>	<b>184,866</b>
<b>Fund Balance, June 30, 2009</b>	<b>\$ 2,920,853</b>	<b>\$ 0</b>	<b>\$ (428,684)</b>	<b>\$ 2,492,169</b>	<b>\$ 2,912,229</b>	<b>\$ 1,936,135</b>	<b>\$ 556,034</b>

Exhibit J-9

Weakley County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Weakley County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2009

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Federal Government	\$ 2,286,324	\$ 0	\$ 0	\$ 2,286,324	\$ 2,479,693	\$ 2,590,787	\$ (304,463)
Total Revenues	\$ 2,286,324	\$ 0	\$ 0	\$ 2,286,324	\$ 2,479,693	\$ 2,590,787	\$ (304,463)
<b>Expenditures</b>							
<u>Instruction</u>							
Regular Instruction Program	\$ 992,883	\$ 0	\$ 0	\$ 992,883	\$ 1,158,809	\$ 1,147,948	\$ 155,065
Special Education Program	677,480	(1,622)	700	676,558	682,299	782,119	105,561
Vocational Education Program	79,563	0	0	79,563	79,563	79,563	0
<u>Support Services</u>							
Health Services	56,414	0	0	56,414	63,571	58,571	2,157
Other Student Support	113,421	0	0	113,421	103,026	126,039	12,618
Regular Instruction Program	129,156	0	0	129,156	188,172	217,693	88,537
Special Education Program	22,040	0	0	22,040	22,198	23,933	1,893
Transportation	130,230	0	0	130,230	150,851	131,897	1,667
<u>Principal on Debt</u>							
Education	27,791	0	0	27,791	0	27,791	0
Interest on Debt							
Education	1,378	0	0	1,378	0	1,378	0
Total Expenditures	\$ 2,230,356	\$ (1,622)	\$ 700	\$ 2,229,434	\$ 2,448,489	\$ 2,596,932	\$ 367,498
Excess (Deficiency) of Revenues Over Expenditures	\$ 55,968	\$ 1,622	\$ (700)	\$ 56,890	\$ 31,204	\$ (6,145)	\$ 63,035
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 105,000	\$ 0	\$ 0
Transfers Out	(4,188)	0	0	(4,188)	(136,204)	(4,188)	0
Total Other Financing Sources (Uses)	\$ (4,188)	\$ 0	\$ 0	\$ (4,188)	\$ (31,204)	\$ (4,188)	\$ 0
Net Change in Fund Balance	\$ 51,780	\$ 1,622	\$ (700)	\$ 52,702	\$ 0	\$ (10,333)	\$ 63,035
Fund Balance, July 1, 2008	11,975	(1,622)	0	10,353	10,683	10,683	(330)
Fund Balance, June 30, 2009	\$ 63,755	\$ 0	\$ (700)	\$ 63,055	\$ 10,683	\$ 350	\$ 62,705

Exhibit J-10

Weakley County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 Discretely Presented Weakley County School Department  
 Central Cafeteria Fund  
 For the Year Ended June 30, 2009

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 968,706	\$ 0	\$ 968,706	\$ 1,002,500	\$ 1,011,546	\$ (42,840)
Other Local Revenues	11,128	0	11,128	19,583	19,583	(8,455)
State of Tennessee	27,294	0	27,294	27,181	27,381	(87)
Federal Government	1,314,284	0	1,314,284	1,255,041	1,255,441	58,843
Total Revenues	\$ 2,321,412	\$ 0	\$ 2,321,412	\$ 2,304,305	\$ 2,313,951	\$ 7,461
<u>Expenditures</u>						
<u>Operation of Non-Instructional Services</u>						
Food Service	\$ 2,174,330	\$ 10,725	\$ 2,185,055	\$ 2,368,442	\$ 2,351,644	\$ 166,589
Total Expenditures	\$ 2,174,330	\$ 10,725	\$ 2,185,055	\$ 2,368,442	\$ 2,351,644	\$ 166,589
Excess (Deficiency) of Revenues Over Expenditures	\$ 147,082	\$ (10,725)	\$ 136,357	\$ (64,137)	\$ (37,693)	\$ 174,050
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 147,082	\$ (10,725)	\$ 136,357	\$ (64,137)	\$ (37,693)	\$ 174,050
	537,037	0	537,037	536,351	536,351	686
Fund Balance, June 30, 2009	\$ 684,119	\$ (10,725)	\$ 673,394	\$ 472,214	\$ 498,658	\$ 174,736

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## MISCELLANEOUS SCHEDULES

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Weakley County, Tennessee  
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds  
 Primary Government and Discretely Presented Weakley County School Department  
 For the Year Ended June 30, 2009

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-08	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-09
<b>PRIMARY GOVERNMENT</b>									
<b>NOTES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Asbestos Removal - School Buildings	\$ 35,109	0 %	5-30-1990	11-30-08	\$ 108	\$ 0	\$ 108	\$ 0	\$ 0
Asbestos Removal - School Buildings	95,543	0	11-30-1992	5-30-10	10,596	0	5,305	0	5,291
Asbestos Removal - School Buildings	183,697	0	11-30-1993	11-30-12	45,930	0	10,207	0	35,723
Nursing Home Projects	300,000	4.4	10-7-05	10-1-10	138,000	0	60,000	0	78,000
Highway Capital Projects	1,000,000	3.89	9-12-05	9-1-10	623,000	0	200,000	0	423,000
Highway Capital Projects	600,000	4.2	12-21-06	7-11-08	543,000	0	543,000	0	0
Election Building	800,000	4	2-24-09	2-24-12	0	800,000	22,073	0	777,927
Total Notes Payable					\$ 1,360,634	\$ 800,000	\$ 840,693	\$ 0	\$ 1,319,941
<b>OTHER LOANS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Detention Center and Law Enforcement Complex	7,400,000	Variable	12-31-1997	5-25-18	\$ 4,628,000	\$ 0	\$ 364,000	\$ 0	\$ 4,264,000
School Construction and Renovation	10,339,705	Variable	2-25-03	5-25-23	8,348,705	0	440,000	0	7,908,705
School Refunding - Series 2008	5,870,000	Variable	7-18-08	5-25-13	0	5,870,000	1,168,000	0	4,702,000
Total Other Loans Payable					\$ 12,976,705	\$ 5,870,000	\$ 1,972,000	\$ 0	\$ 16,874,705
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
School Refunding - Series 1998	7,010,000	4.4 to 4.8	6-1-1998	7-18-08	\$ 5,825,000	\$ 0	\$ 0	\$ 5,825,000	\$ 0
School Refunding - Series 2003	17,125,000	2 to 4	12-1-03	5-1-16	12,545,000	0	1,515,000	0	11,030,000
Total Bonds Payable					\$ 18,370,000	\$ 0	\$ 1,515,000	\$ 5,825,000	\$ 11,030,000
<b>DISCRETELY PRESENTED WEAKLEY COUNTY SCHOOL DEPARTMENT</b>									
<b>NOTES PAYABLE</b>									
<u>Payable through School Federal Projects Fund</u>									
Handicapped School Bus	74,525	4.875	1-29-07	2-1-09	\$ 27,791	\$ 0	\$ 27,791	\$ 0	\$ 0
Total Notes Payable					\$ 27,791	\$ 0	\$ 27,791	\$ 0	\$ 0

Exhibit K-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 353,049	\$ 44,365	\$ 397,414
2011	311,511	31,670	343,181
2012	650,273	16,618	666,891
2013	5,108	0	5,108
<b>Total</b>	<b>\$ 1,319,941</b>	<b>\$ 92,653</b>	<b>\$ 1,412,594</b>

Year Ending June 30	Other Loans			
	Principal	Interest	Fees	Total
2010	\$ 1,939,000	\$ 25,424	\$ 38,830	\$ 2,003,254
2011	2,073,000	20,426	31,722	2,125,148
2012	2,110,000	15,088	24,160	2,149,248
2013	2,148,000	9,642	16,434	2,174,076
2014	989,000	4,085	8,142	1,001,227
2015	1,031,000	4,470	7,523	1,042,993
2016	1,075,000	7,518	12,378	1,094,896
2017	1,122,000	10,704	17,440	1,150,144
2018	1,169,000	14,028	22,709	1,205,737
2019	613,000	6,893	14,972	634,865
2020	634,000	8,414	18,142	660,556
2021	655,000	9,986	21,417	686,403
2022	677,000	11,611	24,802	713,413
2023	639,705	13,146	28,001	680,852
<b>Total</b>	<b>\$ 16,874,705</b>	<b>\$ 161,435</b>	<b>\$ 286,672</b>	<b>\$ 17,322,812</b>

Year Ending June 30	Bonds		
	Principal	Interest	Total
2010	\$ 1,610,000	\$ 415,982	\$ 2,025,982
2011	995,000	362,059	1,357,059
2012	1,100,000	322,258	1,422,258
2013	1,220,000	283,758	1,503,758
2014	1,745,000	239,838	1,984,838
2015	1,860,000	174,400	2,034,400
2016	2,500,000	100,000	2,600,000
<b>Total</b>	<b>\$ 11,030,000</b>	<b>\$ 1,898,295</b>	<b>\$ 12,928,295</b>

Exhibit K-3

Weakley County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Municipal Electric System	General	Payments in-lieu-of taxes	\$ 162,047
"	Highway/Public Works	"	44,704
"	General Debt Service	"	154,116
"	Highway Capital Projects	Payments in-lieu-of taxes	5,587
Total Transfers Primary Government			<u>\$ 366,454</u>
<u>DISCRETELY PRESENTED WEAKLEY</u>			
<u>COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 4,188
Total Transfers Discretely Presented Weakley County School Department			<u>\$ 4,188</u>

Weakley County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <u>TCA</u>	\$ 71,322	\$ 50,000	Auto Owners Insurance Company
Highway Supervisor	Section 8-24-102, <u>TCA</u>	67,927	100,000	"
Director of Schools	State Board of Education and Weakley County Board of Education	119,083 (1)	50,000	"
Trustee:				
Donald Doster (7-1-08 through 10-31-08)	Section 8-24-102, <u>TCA</u>	20,584	959,200	"
Marci Floyd (11-1-08 through 6-30-09)	Section 8-24-102, <u>TCA</u>	41,167	959,200	"
Assessor of Property	Section 8-24-102, <u>TCA</u>	61,751 (2)	10,000	Nationwide Mutual Insurance Company
Director of Finance	Weakley County Commission	71,410 (3)	50,000	Auto Owners Insurance Company
County Clerk	Section 8-24-102, <u>TCA</u>	61,751	50,000	"
Circuit Court Clerk	Section 8-24-102, <u>TCA</u>	61,751	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u>	61,751	85,000	RLI Insurance Company
Register	Section 8-24-102, <u>TCA</u>	61,751	25,000	Auto Owners Insurance Company
Sheriff	Section 8-24-102, <u>TCA</u>	67,927 (4)	25,000	"
Employee Blanket Bonds:				
County Mayor and Highway Supervisor:			150,000	Local Government Property and Casualty Fund
All Employees			150,000	The Netherlands Insurance Company

(1) Includes chief executive officer training supplement of \$1,000 and a salary bonus payment of \$289.  
(2) Does not include certified assessor supplement of \$750.  
(3) Includes \$2,700 for serving as recording secretary for the Health, Education, and Welfare Committee.  
(4) Does not include a law enforcement training supplement of \$600.

Exhibit K-5

Weakley County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 For the Year Ended June 30, 2009

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway/ Public Works	
<b>Local Taxes</b>						
<b>County Property Taxes</b>						
Current Property Tax	\$ 2,504,462	\$ 0	\$ 0	\$ 0	\$ 688,804	
Trustee's Collections - Prior Year	80,603	0	0	0	24,015	
Trustee's Collections - Bankruptcy	950	0	0	0	447	
Circuit/Clerk & Master Collections - Prior Years	51,109	0	0	0	13,905	
Interest and Penalty	17,597	0	0	0	4,932	
Payments in-Lieu-of Taxes - T.V.A.	919	0	0	0	0	
Payments in-Lieu-of Taxes - Other	531,867	0	0	0	0	
<b>County Local Option Taxes</b>						
Local Option Sales Tax	198,939	0	0	0	0	
Hotel/Motel Tax	97,681	0	0	0	0	
Wheel Tax	0	0	0	0	899,158	
Litigation Tax - General	143,838	0	0	0	0	
Litigation Tax - Special Purpose	5,041	0	0	0	0	
Business Tax	193,338	0	0	0	0	
Mineral Severance Tax	0	0	0	0	82,748	
<b>Statutory Local Taxes</b>						
Bank Excise Tax	10,690	0	0	0	2,949	
Wholesale Beer Tax	52,337	0	0	0	0	
Interstate Telecommunications Tax	1,988	0	0	0	0	
<b>Total Local Taxes</b>	<b>\$ 3,891,359</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,716,958</b>	
<b>Licenses and Permits</b>						
<b>Licenses</b>						
Cable TV Franchise	\$ 25,289	\$ 0	\$ 0	\$ 0	\$ 0	
<b>Permits</b>						
Beer Permits	570	0	0	0	0	
Building Permits	0	0	0	0	2,000	
<b>Total Licenses and Permits</b>	<b>\$ 25,859</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,000</b>	

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway/ Public Works
<b>Fines, Forfeitures, and Penalties</b>					
<b>Circuit Court</b>					
Fines	\$ 5,664	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	3,484	0	0	0	0
Drug Control Fines	0	0	5,664	0	0
Drug Court Fees	1,389	0	0	0	0
Jail Fees	4,430	0	0	0	0
District Attorney General Fees	0	0	0	1,000	0
DUI Treatment Fines	190	0	0	0	0
Data Entry Fee - Circuit Court	367	0	0	0	0
Courtroom Security Fee	59	0	0	0	0
<b>General Sessions Court</b>					
Fines	39,230	0	0	0	0
Officers Costs	29,515	0	0	0	0
Drug Control Fines	0	0	5,744	0	0
Drug Court Fees	9,473	0	0	0	0
Jail Fees	100,459	0	0	0	0
District Attorney General Fees	0	0	0	11,728	0
DUI Treatment Fines	11,131	0	0	0	0
Data Entry Fee - General Sessions Court	7,931	0	0	0	0
Courtroom Security Fee	409	0	0	0	0
<b>Juvenile Court</b>					
Fines	537	0	0	0	0
Officers Costs	8,975	0	0	0	0
Data Entry Fee - Juvenile Court	1,457	0	0	0	0
Courtroom Security Fee	201	0	0	0	0
<b>Chancery Court</b>					
Officers Costs	9,578	0	0	0	0
Data Entry Fee - Chancery Court	2,588	0	0	0	0
Courtroom Security Fee	14	0	0	0	0
<b>Courts in Other District Counties</b>					
District Attorney General Fees	0	0	0	11,019	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway/ Public Works	
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property						
Total Fines, Forfeitures, and Penalties	\$ 0 \$	0 \$	54,831 \$	0 \$	0 \$	0
	\$ 237,081 \$	0 \$	66,239 \$	23,747 \$	0	0
<b>Charges for Current Services</b>						
<b>General Service Charges</b>						
Other General Service Charges	\$ 450 \$	0 \$	0 \$	0 \$	0 \$	0
Service Charges	44,995	0	0	0	0	0
<b>Fees</b>						
Greenbelt Late Application Fee	100	0	0	0	0	0
Telephone Commissions	10,173	0	0	0	0	0
Data Processing Fee - Register	10,658	0	0	0	0	0
Data Processing Fee - Sheriff	3,420	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	2,050	0	0	0	0	0
Data Processing Fee - County Clerk	1,858	0	0	0	0	0
<b>Other Charges for Services</b>						
Other Charges for Services	31,976	0	0	0	0	0
Total Charges for Current Services	\$ 105,680 \$	0 \$	0 \$	0 \$	0 \$	0
<b>Other Local Revenues</b>						
<b>Recurring Items</b>						
Investment Income	0	0	0	0	0	0
Sale of Materials and Supplies	4,115	0	0	0	0	0
Refund of Telecommunication & Internet Fees (E-Rate)	1,710	0	0	0	0	0
Miscellaneous Refunds	2,906	5,886	0	0	0	5,754
<b>Nonrecurring Items</b>						
Sale of Property	0	0	0	0	0	226
Contributions and Gifts	6,752	0	0	0	0	0
Total Other Local Revenues	\$ 15,483 \$	5,886 \$	0 \$	0 \$	0 \$	5,980

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway/ Public Works	
<u>Fees Received from County Officials</u>						
<u>Fees in-Lieu-of Salary</u>						
County Clerk	\$ 344,459	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	66,017	0	0	0	0	0
General Sessions Court Clerk	265,961	0	0	0	0	0
Clerk and Master	139,348	0	0	0	0	0
Register	116,257	0	0	0	0	0
Sheriff	12,966	0	0	0	0	0
Trustee	368,997	0	0	0	0	0
<b>Total Fees Received from County Officials</b>	<b>\$ 1,314,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 262,706	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	99,521	0	0	0	0	0
State Reappraisal Grant	12,585	0	0	0	0	0
Solid Waste Grants	0	17,637	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	12,600	0	0	0	0	0
Other Public Safety Grants	19,160	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	62,505	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	178,368	0
State Aid Program	0	0	0	0	189,637	0
Litter Program	0	0	0	0	43,616	0
<u>Other State Revenues</u>						
Income Tax	50,890	0	0	0	0	0
Beer Tax	18,701	0	0	0	0	0
Alcoholic Beverage Tax	59,713	0	0	0	0	0
Mixed Drink Tax	989	0	0	0	0	0
State Revenue Sharing - T.V.A.	333,258	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway/ Public Works	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Prisoner Transportation	698 \$	0 \$	0 \$	0 \$	0 \$	0
Contracted Prisoner Boarding	380,800	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	1,847,801
Petroleum Special Tax	0	0	0	0	0	28,024
Registrar's Salary Supplement	14,912	0	0	0	0	0
Other State Grants	500	0	0	0	0	0
Other State Revenues	25,356	0	0	0	0	0
Total State of Tennessee	\$ 1,354,894	\$ 17,637	\$ 0	\$ 0	\$ 0	\$ 2,287,446
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	0 \$	0 \$	0 \$	0 \$	0 \$	0
Civil Defense Reimbursement	18,233	0	0	0	0	0
Homeland Security Grants	66,968	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	4,600	0	0	0	0	0
Total Federal Government	\$ 89,801	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	6,673 \$	0 \$	0 \$	0 \$	0 \$	0
Contributions	15,000	0	0	0	0	0
Contracted Services	101,937	0	0	0	0	0
Other	111,360	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 234,970	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 7,269,127	\$ 23,523	\$ 66,289	\$ 23,747	\$ 4,012,384	

(Continued)

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

	Debt Service Fund	Capital Projects Funds				Total
		General Debt Service	Community Development/Industrial Park	Highway Capital Projects	Other Capital Projects	
<b>Local Taxes</b>						
<b>County Property Taxes</b>						
Current Property Tax	\$ 2,374,635	\$ 0	\$ 86,095	\$ 0	\$ 5,653,996	
Trustee's Collections - Prior Year	78,317	0	3,224	0	186,169	
Trustee's Collections - Bankruptcy	924	0	11	0	2,332	
Circuit/Clerk & Master Collections - Prior Years	45,095	0	1,879	0	111,988	
Interest and Penalty	15,881	0	634	0	39,044	
Payments in-Lieu-of-Taxes - T.V.A.	0	0	0	0	919	
Payments in-Lieu-of-Taxes - Other	0	0	0	0	531,867	
<b>County Local Option Taxes</b>						
Local Option Sales Tax	44,209	0	0	0	243,148	
Hotel/Motel Tax	0	0	0	0	97,681	
Wheel Tax	0	0	0	0	899,158	
Litigation Tax - General	42,882	0	0	0	186,720	
Litigation Tax - Special Purpose	0	0	0	0	5,041	
Business Tax	0	0	0	0	193,338	
Mineral Severance Tax	0	0	0	0	82,748	
<b>Statutory Local Taxes</b>						
Bank Excise Tax	10,167	0	369	0	24,175	
Wholesale Beer Tax	0	0	0	0	52,337	
Interstate Telecommunications Tax	0	0	0	0	1,988	
<b>Total Local Taxes</b>	<b>\$ 2,612,110</b>	<b>\$ 0</b>	<b>\$ 92,212</b>	<b>\$ 0</b>	<b>\$ 8,312,639</b>	
<b>Licenses and Permits</b>						
<b>Licenses</b>						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,289	
<b>Permits</b>						
Beer Permits	0	0	0	0	570	
Building Permits	0	0	0	0	2,000	
<b>Total Licenses and Permits</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 27,859</b>	

(Continued)

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

	Debt Service Fund	Capital Projects Funds				Total
		Community Development/ Industrial Park		Highway Capital Projects		
		General Debt Service	Other Capital Projects	Other Capital Projects	Other Capital Projects	
<b>\$</b>	0	0	0	0	0	5,664
Fines	0	0	0	0	0	3,484
Officers Costs	0	0	0	0	0	5,664
Drug Control Fines	0	0	0	0	0	1,389
Drug Court Fees	0	0	0	0	0	4,430
Jail Fees	0	0	0	0	0	1,000
District Attorney General Fees	0	0	0	0	0	190
DUI Treatment Fines	0	0	0	0	0	367
Data Entry Fee - Circuit Court	0	0	0	0	0	59
Courtroom Security Fee	0	0	0	0	0	
General Sessions Court						
Fines	0	0	0	0	0	39,230
Officers Costs	0	0	0	0	0	29,515
Drug Control Fines	0	0	0	0	0	5,744
Drug Court Fees	0	0	0	0	0	9,473
Jail Fees	0	0	0	0	0	100,459
District Attorney General Fees	0	0	0	0	0	11,728
DUI Treatment Fines	0	0	0	0	0	11,131
Data Entry Fee - General Sessions Court	0	0	0	0	0	7,931
Courtroom Security Fee	0	0	0	0	0	409
Juvenile Court						
Fines	0	0	0	0	0	537
Officers Costs	0	0	0	0	0	8,975
Data Entry Fee - Juvenile Court	0	0	0	0	0	1,457
Courtroom Security Fee	0	0	0	0	0	201
Chancery Court						
Officers Costs	0	0	0	0	0	9,578
Data Entry Fee - Chancery Court	0	0	0	0	0	2,588
Courtroom Security Fee	0	0	0	0	0	14
Courts in Other District Counties						
District Attorney General Fees	0	0	0	0	0	11,019

(Continued)

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

	Debt Service Fund	Capital Projects Funds				Total
		General Debt Service	Community Development/ Industrial Park	Highway Capital Projects	Other Capital Projects	
Fines, Forfeitures, and Penalties (Cont.)						
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	54,831
Total Fines, Forfeitures, and Penalties	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	327,067
Charges for Current Services						
General Service Charges	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	450
Other General Service Charges	0	0	0	0	0	44,995
Service Charges						
Fees						
Greenbelt Late Application Fee	0	0	0	0	0	100
Telephone Commissions	0	0	0	0	0	10,173
Data Processing Fee - Register	0	0	0	0	0	10,658
Data Processing Fee - Sheriff	0	0	0	0	0	3,420
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	2,050
Data Processing Fee - County Clerk	0	0	0	0	0	1,858
Other Charges for Services	0	0	0	0	0	31,976
Total Charges for Current Services	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	105,690
Other Local Revenues						
Recurring Items						
Investment Income	\$ 277,067	0	0	0	0	277,067
Sale of Materials and Supplies	0	0	0	0	0	4,115
Refund of Telecommunication & Internet Fees (E-Rate)	0	0	0	0	0	1,710
Miscellaneous Refunds	0	0	0	0	0	14,546
Nonrecurring Items						
Sale of Property	0	0	0	0	0	226
Contributions and Gifts	0	0	0	0	0	6,752
Total Other Local Revenues	\$ 277,067	0 \$	0 \$	0 \$	0 \$	304,416

(Continued)

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

	Debt Service Fund					Capital Projects Funds			Total
	General Debt Service	Community Development/Industrial Park	Highway Capital Projects	Other Capital Projects					
<b>Fees Received from County Officials</b>									
<b>Fees in-Lieu-of Salary</b>									
County Clerk	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	344,459	
Circuit Court Clerk	0	0	0	0	0	0	0	66,017	
General Sessions Court Clerk	0	0	0	0	0	0	0	265,961	
Clerk and Master	0	0	0	0	0	0	0	139,343	
Register	0	0	0	0	0	0	0	116,257	
Sheriff	0	0	0	0	0	0	0	12,966	
Trustee	0	0	0	0	0	0	0	368,997	
<b>Total Fees Received from County Officials</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>0 \$</b>	<b>1,314,000</b>	
<b>State of Tennessee</b>									
<b>General Government Grants</b>									
Juvenile Services Program	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	262,706	
Aging Programs	0	0	0	0	0	0	0	99,521	
State Reappraisal Grant	0	0	0	0	0	0	0	12,585	
Solid Waste Grants	0	0	0	0	0	0	0	17,637	
<b>Public Safety Grants</b>									
Law Enforcement Training Programs	0	0	0	0	0	0	0	12,600	
Other Public Safety Grants	0	0	0	0	0	0	0	19,160	
<b>Health and Welfare Grants</b>									
Other Health and Welfare Grants	0	0	0	0	0	0	0	62,505	
<b>Public Works Grants</b>									
Bridge Program	0	0	0	0	0	0	0	178,368	
State Aid Program	0	0	0	0	0	0	0	189,637	
Litter Program	0	0	0	0	0	0	0	43,616	
<b>Other State Revenues</b>									
Income Tax	0	0	0	0	0	0	0	50,890	
Beer Tax	0	0	0	0	0	0	0	18,701	
Alcoholic Beverage Tax	0	0	0	0	0	0	0	59,713	
Mixed Drink Tax	0	0	0	0	0	0	0	989	
State Revenue Sharing - T.V.A.	333,258	0	0	0	0	0	0	666,516	

(Continued)

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

	Debt Service Fund	Capital Projects Funds				Total
		General Debt Service	Community Development/ Industrial Park	Highway Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Prisoner Transportation	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	698
Contracted Prisoner Boarding	0	0	0	0	0	380,800
Gasoline and Motor Fuel Tax	0	0	0	0	0	1,847,801
Petroleum Special Tax	0	0	0	0	0	28,024
Registrar's Salary Supplement	0	0	0	0	0	14,912
Other State Grants	0	0	0	0	0	500
Other State Revenues	0	0	0	0	0	25,356
<b>Total State of Tennessee</b>	<b>\$ 333,258</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,993,235</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 42,988	\$ 0	\$ 48,990	\$ 0	91,978
Civil Defense Reimbursement	0	0	0	0	0	18,233
Homeland Security Grants	0	0	0	0	0	66,968
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	0	0	0	0	0	4,600
<b>Total Federal Government</b>	<b>\$ 0</b>	<b>\$ 42,988</b>	<b>\$ 0</b>	<b>\$ 48,990</b>	<b>\$ 0</b>	<b>\$ 181,779</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6,673
Contributions	905,148	6,183	0	10,754	0	937,085
Contracted Services	0	0	0	0	0	101,937
<u>Other</u>						
Other	64,717	0	0	0	0	176,077
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 969,865</b>	<b>\$ 6,183</b>	<b>\$ 0</b>	<b>\$ 10,754</b>	<b>\$ 0</b>	<b>\$ 1,221,772</b>
<b>Total</b>	<b>\$ 4,192,300</b>	<b>\$ 49,171</b>	<b>\$ 92,212</b>	<b>\$ 59,744</b>	<b>\$ 15,788,447</b>	

## Exhibit K-6

Weakley County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 3,228,747	\$ 0	\$ 0	\$ 3,228,747
Trustee's Collections - Prior Year	114,093	0	0	114,093
Trustee's Collections - Bankruptcy	1,329	0	0	1,329
Circuit/Clerk & Master Collections - Prior Years	66,141	0	0	66,141
Interest and Penalty	22,769	0	0	22,769
Payments in-Lieu-of Taxes - Local Utilities	209,550	0	0	209,550
<u>County Local Option Taxes</u>				
Local Option Sales Tax	2,999,418	0	0	2,999,418
Wheel Tax	128,451	0	0	128,451
<u>Statutory Local Taxes</u>				
Bank Excise Tax	13,824	0	0	13,824
Interstate Telecommunications Tax	4,240	0	0	4,240
<b>Total Local Taxes</b>	<b>\$ 6,788,562</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 6,788,562</b>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 2,166	\$ 0	\$ 0	\$ 2,166
<b>Total Licenses and Permits</b>	<b>\$ 2,166</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,166</b>
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Other	\$ 102,680	\$ 0	\$ 0	\$ 102,680
Lunch Payments - Children	0	0	769,553	769,553
Lunch Payments - Adults	0	0	105,492	105,492
Income from Breakfast	0	0	92,292	92,292
Receipts from Individual Schools	108,014	0	1,369	109,383
<b>Total Charges for Current Services</b>	<b>\$ 210,694</b>	<b>\$ 0</b>	<b>\$ 968,706</b>	<b>\$ 1,179,400</b>
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 0	\$ 11,096	\$ 11,096
Sale of Materials and Supplies	49,444	0	0	49,444
Refund of Telecommunication & Internet Fees (E-Rate)	70,965	0	0	70,965
Miscellaneous Refunds	3,782	0	32	3,814
<u>Nonrecurring Items</u>				
Sale of Equipment	3,079	0	0	3,079
Damages Recovered from Individuals	3,776	0	0	3,776
Contributions and Gifts	28,303	0	0	28,303
<b>Total Other Local Revenues</b>	<b>\$ 159,349</b>	<b>\$ 0</b>	<b>\$ 11,128</b>	<b>\$ 170,477</b>
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-Behalf Contributions for OPEB	\$ 151,607	\$ 0	\$ 0	\$ 151,607
<u>Health and Welfare Grants</u>				
Other Health and Welfare Grants	113,515	0	0	113,515
<u>State Education Funds</u>				
Basic Education Program	21,194,835	0	0	21,194,835
Early Childhood Education	561,795	0	0	561,795

(Continued)

Exhibit K-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>State of Tennessee (Cont.)</u>				
<u>State Education Funds (Cont.)</u>				
School Food Service	\$ 0	\$ 0	\$ 27,294	\$ 27,294
Driver Education	10,297	0	0	10,297
Other State Education Funds	147,393	0	0	147,393
Career Ladder Program	271,979	0	0	271,979
Career Ladder - Extended Contract	176,500	0	0	176,500
Other Vocational	65,493	0	0	65,493
<u>Other State Revenues</u>				
Mixed Drink Tax	23,092	0	0	23,092
Other State Revenues	40,276	0	0	40,276
Total State of Tennessee	\$ 22,756,782	\$ 0	\$ 27,294	\$ 22,784,076
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 997,390	\$ 997,390
Breakfast	0	0	315,027	315,027
USDA - Other	0	0	1,867	1,867
Adult Education State Grant Program	146,771	0	0	146,771
Vocational Education - Basic Grants to States	0	83,730	0	83,730
Title I Grants to Local Education Agencies	0	1,009,224	0	1,009,224
Special Education - Grants to States	0	927,463	0	927,463
Special Education Preschool Grants	12,586	26,349	0	38,935
Safe and Drug-Free Schools - State Grants	32,602	13,323	0	45,925
Eisenhower Professional Development State Grants	0	226,235	0	226,235
Other Federal through State	315,492	0	0	315,492
Total Federal Government	\$ 507,451	\$ 2,286,324	\$ 1,314,284	\$ 4,108,059
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 5,607	\$ 0	\$ 0	\$ 5,607
<u>Citizens Groups</u>				
Donations	9,990	0	0	9,990
Total Other Governments and Citizens Groups	\$ 15,597	\$ 0	\$ 0	\$ 15,597
Total	\$ 30,440,601	\$ 2,286,324	\$ 2,321,412	\$ 35,048,337

Exhibit K-7

Weakley County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2009

General Fund

General Government

County Commission

Secretary to Board	\$	5,700	
Board and Committee Members Fees		24,000	
Other Per Diem and Fees		16,800	
Social Security		1,861	
State Retirement		587	
Employer Medicare		623	
Audit Services		10,469	
Travel		6,786	
Contracts for Development Costs		292	
Other Contracted Services		240	
In Service/Staff Development		1,275	
Other Charges		33	
Total County Commission			\$ 68,666

County Mayor/Executive

County Official/Administrative Officer	\$	71,322	
Secretary(ies)		25,997	
Educational Incentive - Other County Employees		300	
Social Security		5,964	
State Retirement		11,236	
Medical Insurance		4,754	
Employer Medicare		1,395	
Communication		2,684	
Dues and Memberships		1,700	
Maintenance and Repair Services - Vehicles		189	
Postal Charges		177	
Printing, Stationery, and Forms		55	
Travel		1,263	
Gasoline		1,562	
Office Supplies		369	
In Service/Staff Development		115	
Other Charges		462	
Total County Mayor/Executive			129,544

County Attorney

Legal Services	\$	5,312	
Total County Attorney			5,312

Election Commission

County Official/Administrative Officer	\$	62,655	
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(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Deputy(ies)	\$	47,840	
Temporary Personnel		1,374	
Other Salaries and Wages		800	
Election Commission		5,850	
Election Workers		44,558	
Social Security		7,804	
State Retirement		12,472	
Medical Insurance		23,193	
Employer Medicare		1,846	
Communication		2,329	
Data Processing Services		7,800	
Dues and Memberships		150	
Legal Notices, Recording, and Court Costs		3,735	
Maintenance and Repair Services - Equipment		2,900	
Maintenance and Repair Services - Office Equipment		261	
Postal Charges		3,999	
Printing, Stationery, and Forms		11,934	
Rentals		6,376	
Travel		2,037	
Office Supplies		2,692	
In Service/Staff Development		400	
Data Processing Equipment		962	
Total Election Commission			\$ 253,967

Register of Deeds

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		47,790	
Educational Incentive - Other County Employees		300	
Social Security		6,633	
State Retirement		12,643	
Medical Insurance		4,568	
Employer Medicare		1,551	
Communication		2,481	
Dues and Memberships		607	
Legal Notices, Recording, and Court Costs		9,762	
Postal Charges		392	
Rentals		697	
Travel		1,576	
Data Processing Supplies		936	
Office Supplies		683	
Total Register of Deeds			152,370

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Custodial Personnel	\$	45,224	
Social Security		2,670	
State Retirement		4,787	
Medical Insurance		4,568	
Employer Medicare		624	
Licenses		50	
Maintenance and Repair Services - Buildings		8,831	
Maintenance and Repair Services - Equipment		30,537	
Pest Control		352	
Other Contracted Services		7,916	
Custodial Supplies		6,230	
Electricity		51,995	
Equipment and Machinery Parts		235	
Natural Gas		10,646	
Water and Sewer		5,999	
Other Supplies and Materials		2,000	
Building and Contents Insurance		10,840	
Other Charges		3,496	
Total County Buildings			\$ 197,000

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	68,710
Accountants/Bookkeepers		138,437
Custodial Personnel		2,652
Educational Incentive - Other County Employees		50
Social Security		12,492
State Retirement		22,108
Medical Insurance		14,247
Employer Medicare		2,922
Communication		3,834
Data Processing Services		6,585
Dues and Memberships		655
Legal Notices, Recording, and Court Costs		840
Maintenance and Repair Services - Office Equipment		843
Pest Control		240
Postal Charges		2,500
Printing, Stationery, and Forms		4,753
Rentals		4,100
Travel		5,437

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Custodial Supplies	\$	798	
Electricity		2,800	
Natural Gas		417	
Office Supplies		4,315	
Water and Sewer		361	
Other Supplies and Materials		3,237	
Premiums on Corporate Surety Bonds		144	
In Service/Staff Development		4,019	
Data Processing Equipment		4,753	
Total Accounting and Budgeting			\$ 312,249

Property Assessor's Office

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		97,223	
Educational Incentive - Other County Employees		7,550	
Board and Committee Members Fees		1,050	
Social Security		9,759	
State Retirement		19,167	
Medical Insurance		14,561	
Employer Medicare		2,282	
Communication		2,621	
Dues and Memberships		1,351	
Legal Notices, Recording, and Court Costs		76	
Maintenance and Repair Services - Office Equipment		40	
Maintenance and Repair Services - Vehicles		334	
Postal Charges		1,043	
Printing, Stationery, and Forms		58	
Rentals		2,394	
Travel		1,199	
Gasoline		729	
Office Supplies		657	
Premiums on Corporate Surety Bonds		178	
Vehicle and Equipment Insurance		419	
Data Processing Equipment		1,500	
Total Property Assessor's Office			225,942

Reappraisal Program

Data Processing Services	\$	4,000	
Postal Charges		1,485	
Travel		542	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Other Contracted Services	\$	48,333	
Office Supplies		254	
In Service/Staff Development		495	
Data Processing Equipment		1,122	
Total Reappraisal Program			\$ 56,231

County Trustee's Office

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		48,639	
Temporary Personnel		1,520	
Educational Incentive - Other County Employees		600	
Social Security		6,283	
State Retirement		12,775	
Medical Insurance		18,398	
Employer Medicare		1,469	
Communication		2,876	
Data Processing Services		11,090	
Dues and Memberships		607	
Legal Notices, Recording, and Court Costs		1,456	
Maintenance Agreements		4,200	
Maintenance and Repair Services - Office Equipment		65	
Postal Charges		5,200	
Rentals		698	
Travel		1,443	
Office Supplies		3,449	
Premiums on Corporate Surety Bonds		1,668	
Data Processing Equipment		8,189	
Total County Trustee's Office			192,376

County Clerk's Office

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		120,921	
Clerical Personnel		1,350	
Temporary Personnel		6,440	
Educational Incentive - Other County Employees		500	
Social Security		10,637	
State Retirement		21,687	
Medical Insurance		32,143	
Employer Medicare		2,488	
Communication		2,580	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Dues and Memberships	\$	642	
Legal Notices, Recording, and Court Costs		434	
Maintenance Agreements		11,162	
Postal Charges		9,418	
Printing, Stationery, and Forms		1,633	
Rentals		2,943	
Travel		1,167	
Other Contracted Services		10,530	
Office Supplies		1,957	
In Service/Staff Development		600	
Data Processing Equipment		7,100	
Total County Clerk's Office			\$ 308,083

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		86,520	
Temporary Personnel		1,280	
Board and Committee Members Fees		250	
Jury and Witness Fees		4,110	
Social Security		8,643	
State Retirement		17,066	
Medical Insurance		19,038	
Employer Medicare		2,021	
Communication		2,526	
Dues and Memberships		95	
Legal Notices, Recording, and Court Costs		46	
Printing, Stationery, and Forms		1,498	
Rentals		4,010	
Travel		120	
Office Supplies		1,969	
Other Supplies and Materials		2,226	
Data Processing Equipment		1,959	
Total Circuit Court			215,128

General Sessions Court

Judge(s)	\$	105,152
Deputy(ies)		59,177
Social Security		9,714
State Retirement		18,264

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Medical Insurance	\$	15,939	
Employer Medicare		2,272	
Communication		2,148	
Dues and Memberships		532	
Postal Charges		2,468	
Printing, Stationery, and Forms		925	
Travel		1,681	
Other Contracted Services		4,575	
Library Books/Media		840	
Office Supplies		2,939	
In Service/Staff Development		600	
Data Processing Equipment		1,509	
Total General Sessions Court			\$ 228,735

Drug Court

Accountants/Bookkeepers	\$	801	
Social Security		50	
State Retirement		92	
Employer Medicare		12	
Travel		1,225	
Other Contracted Services		14,227	
Total Drug Court			16,407

Chancery Court

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		71,182	
Temporary Personnel		712	
Social Security		8,083	
State Retirement		15,300	
Medical Insurance		9,136	
Employer Medicare		1,890	
Communication		1,845	
Dues and Memberships		482	
Maintenance Agreements		6,870	
Maintenance and Repair Services - Office Equipment		368	
Postal Charges		1,968	
Printing, Stationery, and Forms		2,480	
Rentals		2,122	
Office Supplies		1,369	
Data Processing Equipment		2,138	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Office Equipment	\$ 1,759	
Total Chancery Court		\$ 189,455

Juvenile Court

Judge(s)	\$ 29,020	
Youth Service Officer(s)	39,812	
Social Workers	36,464	
Secretary(ies)	24,841	
Social Security	7,032	
State Retirement	15,122	
Medical Insurance	24,830	
Employer Medicare	1,645	
Contracts with Other Public Agencies	751	
Maintenance and Repair Services - Office Equipment	47	
Maintenance and Repair Services - Vehicles	1,661	
Postal Charges	500	
Printing, Stationery, and Forms	41	
Rentals	408	
Travel	775	
Vehicle and Equipment Insurance	108	
Total Juvenile Court		183,057

District Attorney General

Secretary(ies)	\$ 24,083	
Social Security	1,493	
State Retirement	2,772	
Employer Medicare	349	
Total District Attorney General		28,697

Other Administration of Justice

Social Workers	\$ 120,522	
Other Salaries and Wages	1,794	
Social Security	7,295	
State Retirement	12,942	
Medical Insurance	12,540	
Employer Medicare	1,706	
Communication	3,152	
Maintenance and Repair Services - Buildings	350	
Rentals	9,600	
Travel	8,742	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice (Cont.)

Office Supplies	\$	4,164	
Utilities		3,325	
Other Supplies and Materials		7,542	
Total Other Administration of Justice			\$ 193,674

Probation Services

Social Workers	\$	32,598	
Social Security		2,007	
State Retirement		1,919	
Medical Insurance		5,826	
Employer Medicare		469	
Communication		2,816	
Contracts with Other Public Agencies		3,947	
Dues and Memberships		55	
Maintenance and Repair Services - Office Equipment		188	
Maintenance and Repair Services - Vehicles		1,125	
Postal Charges		825	
Printing, Stationery, and Forms		75	
Rentals		1,800	
Travel		3,041	
Gasoline		1,136	
Office Supplies		4,861	
Vehicle and Equipment Insurance		320	
Workers' Compensation Insurance		406	
In Service/Staff Development		375	
Total Probation Services			63,789

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	67,927	
Deputy(ies)		696,477	
Accountants/Bookkeepers		52,709	
Salary Supplements		12,600	
Maintenance Personnel		26,400	
Part-time Personnel		26,550	
Overtime Pay		1,059	
Social Security		50,470	
State Retirement		91,160	
Medical Insurance		110,676	
Employer Medicare		11,942	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Communication	\$	22,251	
Dues and Memberships		1,600	
Evaluation and Testing		1,155	
Maintenance Agreements		3,350	
Maintenance and Repair Services - Equipment		2,505	
Maintenance and Repair Services - Vehicles		21,138	
Postal Charges		5,671	
Printing, Stationery, and Forms		1,139	
Rentals		10,872	
Travel		16,634	
Other Contracted Services		2,830	
Gasoline		67,638	
Law Enforcement Supplies		5,511	
Office Supplies		8,079	
Uniforms		9,935	
Other Supplies and Materials		12,456	
Premiums on Corporate Surety Bonds		100	
Vehicle and Equipment Insurance		12,554	
Workers' Compensation Insurance		1,456	
In Service/Staff Development		5,756	
Other Charges		1,060	
Building Improvements		18,102	
Data Processing Equipment		3,050	
Law Enforcement Equipment		22,075	
Motor Vehicles		41,827	
Total Sheriff's Department			\$ 1,446,714

Traffic Control

Dispatchers/Radio Operators	\$	262,610	
Social Security		15,360	
State Retirement		25,331	
Medical Insurance		38,595	
Employer Medicare		3,592	
Total Traffic Control			345,488

Jail

Supervisor/Director	\$	39,576	
Accountants/Bookkeepers		28,076	
Guards		435,543	
Overtime Pay		710	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Social Security	\$	27,756	
State Retirement		54,531	
Medical Insurance		95,456	
Employer Medicare		6,491	
Communication		1,200	
Maintenance and Repair Services - Buildings		19,547	
Maintenance and Repair Services - Equipment		4,994	
Medical and Dental Services		26,840	
Pest Control		905	
Printing, Stationery, and Forms		970	
Rentals		687	
Other Contracted Services		4,011	
Custodial Supplies		12,206	
Drugs and Medical Supplies		27,998	
Electricity		59,059	
Food Preparation Supplies		239	
Food Supplies		74,696	
Natural Gas		39,476	
Office Supplies		2,362	
Water and Sewer		22,500	
Other Supplies and Materials		11,036	
Building and Contents Insurance		21,728	
Data Processing Equipment		1,543	
Total Jail			\$ 1,020,136

Correctional Incentive Program Improvements

Contributions	\$	2,000	
Total Correctional Incentive Program Improvements			2,000

Fire Prevention and Control

Contributions	\$	22,000	
Total Fire Prevention and Control			22,000

Civil Defense

Assistant(s)	\$	8,500	
Supervisor/Director		14,000	
Social Security		1,395	
State Retirement		1,611	
Employer Medicare		326	
Advertising		225	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Communication	\$	1,881	
Dues and Memberships		245	
Maintenance and Repair Services - Equipment		1,000	
Postal Charges		100	
Printing, Stationery, and Forms		300	
Travel		352	
Other Contracted Services		750	
Gasoline		1,612	
Office Supplies		573	
Uniforms		394	
Other Supplies and Materials		9,197	
Vehicle and Equipment Insurance		430	
Other Equipment		66,968	
Total Civil Defense			\$ 109,859

Rescue Squad

Other Contracted Services	\$	5,500	
Total Rescue Squad			5,500

County Coroner/Medical Examiner

Other Contracted Services	\$	4,425	
Total County Coroner/Medical Examiner			4,425

Other Public Safety

Supervisor/Director	\$	2,122	
Social Security		132	
State Retirement		244	
Employer Medicare		31	
Other Contracted Services		4,233	
Office Supplies		300	
Total Other Public Safety			7,062

Public Health and Welfare

Local Health Center

Other Salaries and Wages	\$	41,526	
Social Security		2,029	
State Retirement		4,780	
Medical Insurance		13,695	
Employer Medicare		475	
Communication		4,484	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Contracts with Government Agencies	\$	31,500	
Dues and Memberships		150	
Janitorial Services		10,080	
Maintenance and Repair Services - Buildings		5,924	
Maintenance and Repair Services - Equipment		1,340	
Pest Control		264	
Postal Charges		1,305	
Disposal Fees		256	
Custodial Supplies		650	
Drugs and Medical Supplies		142	
Electricity		9,106	
Natural Gas		1,661	
Office Supplies		1,092	
Water and Sewer		1,915	
Other Supplies and Materials		318	
Building and Contents Insurance		3,734	
Total Local Health Center			\$ 136,426

Ambulance/Emergency Medical Services

Contracts with Private Agencies	\$	235,000	
Total Ambulance/Emergency Medical Services			235,000

Maternal and Child Health Services

Contracts with Other Public Agencies	\$	2,500	
Total Maternal and Child Health Services			2,500

Crippled Children Services

Contributions	\$	2,167	
Total Crippled Children Services			2,167

Other Local Health Services

Contracts with Other Public Agencies	\$	9,000	
Other Contracted Services		17,047	
Total Other Local Health Services			26,047

General Welfare Assistance

Contracts with Other Public Agencies	\$	18,000	
Total General Welfare Assistance			18,000

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Adult Activities

Supervisor/Director	\$	21,536	
Social Workers		19,410	
Other Salaries and Wages		27,685	
Social Security		3,359	
State Retirement		5,351	
Medical Insurance		17,888	
Employer Medicare		857	
Communication		2,023	
Contributions		9,945	
Licenses		830	
Postal Charges		500	
Rentals		5,840	
Travel		10,929	
Other Contracted Services		1,300	
Custodial Supplies		1,163	
Food Supplies		2,626	
Other Supplies and Materials		3,310	
Refund to Applicant for Criminal Investigation		240	
Total Adult Activities			\$ 134,792

Senior Citizens Assistance

Supervisor/Director	\$	21,386	
Social Security		1,282	
State Retirement		2,462	
Employer Medicare		300	
Communication		976	
Maintenance and Repair Services - Vehicles		245	
Postal Charges		103	
Rentals		341	
Travel		940	
Other Contracted Services		600	
Custodial Supplies		500	
Food Supplies		1,449	
Office Supplies		300	
Utilities		147	
Other Supplies and Materials		1,974	
Total Senior Citizens Assistance			33,005

Libraries

Supervisor/Director	\$	30,308	
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(Continued)

Exhibit K-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Clerical Personnel	\$	43,895	
Temporary Personnel		3,981	
Social Security		4,325	
State Retirement		8,541	
Medical Insurance		13,880	
Employer Medicare		1,011	
Communication		2,505	
Contributions		15,374	
Janitorial Services		3,275	
Licenses		607	
Maintenance and Repair Services - Buildings		7,444	
Maintenance and Repair Services - Equipment		1,409	
Pest Control		295	
Travel		1,656	
Other Contracted Services		26,427	
Utilities		7,535	
Building and Contents Insurance		3,845	
Data Processing Equipment		1,508	
Total Libraries			\$ 177,821

Agriculture and Natural Resources

Agriculture Extension Service

Salary Supplements	\$	54,894	
Other Fringe Benefits		12,585	
Communication		4,669	
Travel		1,787	
Data Processing Equipment		890	
Total Agriculture Extension Service			74,825

Soil Conservation

Secretary(ies)	\$	24,248	
Social Security		1,228	
State Retirement		2,791	
Medical Insurance		7,085	
Employer Medicare		287	
Total Soil Conservation			35,639

Flood Control

Other Contracted Services	\$	23,726	
Total Flood Control			23,726

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations

Veterans' Services

Assistant(s)	\$ 8,103	
Supervisor/Director	23,484	
Social Security	1,958	
State Retirement	2,703	
Employer Medicare	458	
Communication	1,520	
Dues and Memberships	98	
Postal Charges	159	
Travel	681	
Office Supplies	2,033	
Total Veterans' Services		\$ 41,197

Other Charges

Dues and Memberships	\$ 4,784	
Total Other Charges		4,784

Contributions to Other Agencies

Contributions	\$ 370,074	
Total Contributions to Other Agencies		370,074

Employee Benefits

Unemployment Compensation	\$ 1,754	
Total Employee Benefits		1,754

Miscellaneous

Liability Insurance	\$ 66,482	
Premiums on Corporate Surety Bonds	743	
Trustee's Commission	78,027	
Workers' Compensation Insurance	85,667	
Other Charges	600	
Total Miscellaneous		231,519

Total General Fund \$ 7,533,142

Solid Waste/Sanitation Fund

Public Health and Welfare

Recycling Center

Temporary Personnel	\$ 5,524	
Communication	190	
Legal Notices, Recording, and Court Costs	50	

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center (Cont.)

Postal Charges	\$	26	
Travel		152	
Other Contracted Services		19,899	
Custodial Supplies		73	
Electricity		1,040	
Water and Sewer		299	
Other Supplies and Materials		550	
Solid Waste Equipment		2,000	
Total Recycling Center			\$ 29,803

Other Operations

Employee Benefits

Social Security	\$	336	
State Retirement		287	
Employer Medicare		87	
Total Employee Benefits			710

Total Solid Waste/Sanitation Fund \$ 30,513

Drug Control Fund

Public Safety

Drug Enforcement

Contributions	\$	2,000	
Maintenance and Repair Services - Equipment		1,810	
Tow-in Services		570	
Other Supplies and Materials		2,077	
Trustee's Commission		115	
Motor Vehicles		22,314	
Total Drug Enforcement			\$ 28,886

Total Drug Control Fund 28,886

District Attorney General Fund

Administration of Justice

District Attorney General

Communication	\$	1,637	
Dues and Memberships		1,080	
Matching Share		20,448	
Custodial Supplies		54	
Food Supplies		53	

(Continued)

Exhibit K-7

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

District Attorney General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General (Cont.)

Library Books/Media	\$	901	
Office Supplies		586	
Trustee's Commission		238	
In Service/Staff Development		1,185	
Furniture and Fixtures		11,343	
Office Equipment		1,240	
Total District Attorney General			\$ 38,765

Total District Attorney General Fund \$ 38,765

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	67,927	
Secretary to Board		1,800	
Secretary(ies)		26,141	
Board and Committee Members Fees		10,800	
Dues and Memberships		3,109	
Legal Services		1,040	
Legal Notices, Recording, and Court Costs		267	
Maintenance and Repair Services - Office Equipment		300	
Medical and Dental Services		1,127	
Postal Charges		688	
Printing, Stationery, and Forms		559	
Rentals		1,860	
Travel		2,195	
Drugs and Medical Supplies		172	
Office Supplies		686	
Other Supplies and Materials		341	
Premiums on Corporate Surety Bonds		75	
Other Charges		1,975	
Total Administration			\$ 121,062

Highway and Bridge Maintenance

Foremen	\$	35,823
Equipment Operators		422,821
Truck Drivers		276,014
Laborers		177,857
Rentals		2,778
Other Contracted Services		189,877

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Asphalt - Cold Mix	\$ 291,359	
Asphalt - Liquid	198,868	
Crushed Stone	281,650	
General Construction Materials	68,413	
Pipe	123,212	
Road Signs	4,935	
Small Tools	173	
Other Supplies and Materials	938	
Total Highway and Bridge Maintenance		\$ 2,074,718

Operation and Maintenance of Equipment

Foremen	\$ 33,751	
Mechanic(s)	87,137	
Laundry Service	9,154	
Maintenance and Repair Services - Equipment	39,188	
Tow-in Services	110	
Diesel Fuel	186,840	
Equipment and Machinery Parts	99,267	
Garage Supplies	3,792	
Gasoline	24,447	
Lubricants	21,835	
Small Tools	3,481	
Tires and Tubes	44,985	
Other Supplies and Materials	1,035	
Total Operation and Maintenance of Equipment		555,022

Litter and Trash Collection

Foremen	\$ 11,735	
Truck Drivers	9,510	
Secretary(ies)	5,122	
Social Security	1,635	
State Retirement	2,864	
Employer Medicare	382	
Advertising	5,500	
Other Supplies and Materials	1,756	
Litter Enforcement Awards	5,487	
Total Litter and Trash Collection		43,991

Other Charges

Communication	\$ 6,986	
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(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Maintenance and Repair Services - Buildings	\$	16,812	
Maintenance and Repair Services - Office Equipment		1,541	
Electricity		16,677	
Natural Gas		7,440	
Water and Sewer		1,239	
Building and Contents Insurance		17,548	
Liability Insurance		10,489	
Trustee's Commission		43,581	
Vehicle and Equipment Insurance		16,020	
Liability Claims		3,834	
Total Other Charges			\$ 142,167

Employee Benefits

Social Security	\$	65,618	
State Retirement		123,821	
Medical Insurance		179,461	
Unemployment Compensation		21,488	
Employer Medicare		15,329	
Workers' Compensation Insurance		151,456	
Total Employee Benefits			557,173

Capital Outlay

Bridge Construction	\$	24,961	
Highway Equipment		34,653	
Total Capital Outlay			59,614

Total Highway/Public Works Fund \$ 3,553,747

General Debt Service Fund

Principal on Debt

General Government

Principal on Notes	\$	82,072	
Principal on Other Loans		364,000	
Total General Government			\$ 446,072

Highways and Streets

Principal on Notes	\$	743,000	
Total Highways and Streets			743,000

(Continued)

Exhibit K-7

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

Principal on Bonds	\$ 1,515,000	
Principal on Notes	15,622	
Principal on Other Loans	1,608,000	
Total Education		\$ 3,138,622

Interest on Debt

General Government

Interest on Notes	\$ 15,125	
Interest on Other Loans	69,498	
Total General Government		84,623

Highways and Streets

Interest on Notes	\$ 22,167	
Total Highways and Streets		22,167

Education

Interest on Bonds	\$ 566,398	
Interest on Other Loans	173,293	
Total Education		739,691

Other Debt Service

General Government

Trustee's Commission	\$ 58,614	
Other Debt Service	16,353	
Total General Government		74,967

Education

Other Debt Issuance Charges	\$ 41,090	
Other Debt Service	51,444	
Total Education		92,534

Total General Debt Service Fund \$ 5,341,676

General Capital Projects Fund

Capital Projects

General Administration Projects

Architects	\$ 17,922	
Building Construction	449,555	
Total General Administration Projects		\$ 467,477

Total General Capital Projects Fund 467,477

(Continued)

Exhibit K-7

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

<u>Community Development/Industrial Park Fund</u>		
<u>Capital Projects</u>		
<u>Public Health and Welfare Projects</u>		
Contracts with Other Public Agencies	\$	1,950
Engineering Services		870
Legal Notices, Recording, and Court Costs		92
Site Development		426
Other Construction		<u>45,833</u>
Total Public Health and Welfare Projects	\$	<u>49,171</u>
Total Community Development/Industrial Park Fund	\$	49,171
<u>Highway Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Highway and Street Capital Projects</u>		
Trustee's Commission	\$	1,888
Highway Equipment		<u>501,124</u>
Total Highway and Street Capital Projects	\$	<u>503,012</u>
Total Highway Capital Projects Fund		503,012
<u>Other Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Other General Government Projects</u>		
Contracts with Other Public Agencies	\$	2,500
Engineering Services		<u>56,844</u>
Total Other General Government Projects	\$	<u>59,344</u>
Total Other Capital Projects Fund		<u>59,344</u>
Total Governmental Funds - Primary Government	\$	<u><u>17,605,733</u></u>

Exhibit K-8

Weakley County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Weakley County School Department  
For the Year Ended June 30, 2009

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 10,598,948	
Career Ladder Program	147,865	
Career Ladder Extended Contracts	158,750	
Educational Assistants	384,188	
Other Salaries and Wages	110,322	
Certified Substitute Teachers	66,670	
Non-certified Substitute Teachers	73,615	
Social Security	656,681	
State Retirement	728,020	
Medical Insurance	1,225,670	
Employer Medicare	156,730	
Other Fringe Benefits	22,230	
Communication	557	
Contracts with Other School Systems	1,136	
Maintenance and Repair Services - Equipment	2,644	
Printing, Stationery, and Forms	100	
Rentals	75,911	
Other Contracted Services	21,240	
Instructional Supplies and Materials	143,669	
Textbooks	376,024	
Other Supplies and Materials	153,323	
In Service/Staff Development	37,713	
Regular Instruction Equipment	205,974	
Total Regular Instruction Program	205,974	\$ 15,347,980

Special Education Program

Teachers	\$ 1,238,341
Career Ladder Program	20,994
Educational Assistants	64,624
Speech Pathologist	88,775
Certified Substitute Teachers	6,070
Non-certified Substitute Teachers	11,435
Social Security	82,586
State Retirement	92,487
Medical Insurance	146,227
Employer Medicare	19,320
Contracts with Private Agencies	18,751
Other Contracted Services	77,229
Instructional Supplies and Materials	38,943

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$	6,301	
Furniture and Fixtures		976	
Special Education Equipment		1,635	
Other Equipment		9,340	
Total Special Education Program			\$ 1,924,034

Vocational Education Program

Teachers	\$	813,734	
Career Ladder Program		17,000	
Other Salaries and Wages		20,308	
Certified Substitute Teachers		7,637	
Non-certified Substitute Teachers		8,925	
Social Security		50,159	
State Retirement		54,381	
Medical Insurance		84,355	
Employer Medicare		11,738	
Communication		676	
Maintenance and Repair Services - Equipment		128	
Rentals		1,237	
Other Contracted Services		400	
Animal Food and Supplies		38,091	
Drugs and Medical Supplies		1,759	
Equipment and Machinery Parts		420	
Gasoline		2,500	
Instructional Supplies and Materials		27,997	
Other Supplies and Materials		1,979	
Vehicle and Equipment Insurance		400	
Vocational Instruction Equipment		2,676	
Total Vocational Education Program			1,146,500

Student Body Education Program

Clerical Personnel	\$	6,354	
Social Security		305	
State Retirement		731	
Employer Medicare		71	
Maintenance and Repair Services - Equipment		791	
Gasoline		2,000	
Vehicle and Equipment Insurance		2,000	
Total Student Body Education Program			12,252

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Adult Education Program

Supervisor/Director	\$	40,947	
Teachers		46,020	
Guidance Personnel		11,774	
Educational Assistants		32,909	
Other Salaries and Wages		1,967	
Social Security		7,546	
State Retirement		12,933	
Medical Insurance		15,186	
Employer Medicare		1,811	
Communication		1,377	
Rentals		2,394	
Travel		3,237	
Instructional Supplies and Materials		1,367	
Other Charges		2,546	
Regular Instruction Equipment		499	
Total Adult Education Program			\$ 182,513

Support Services

Attendance

Supervisor/Director	\$	67,335	
Career Ladder Program		3,000	
Social Security		4,335	
State Retirement		4,515	
Medical Insurance		3,799	
Employer Medicare		996	
Travel		1,999	
Other Supplies and Materials		3,000	
Total Attendance			88,979

Health Services

Teachers	\$	33,278	
Medical Personnel		109,103	
Other Salaries and Wages		17,250	
Social Security		9,309	
State Retirement		14,089	
Medical Insurance		15,185	
Employer Medicare		2,177	
Communication		1,309	
Postal Charges		1,000	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Printing, Stationery, and Forms	\$	24	
Rentals		1,812	
Travel		7,688	
Other Contracted Services		2,894	
Other Supplies and Materials		18,391	
Total Health Services			\$ 233,509

Other Student Support

Career Ladder Program	\$	5,500	
Guidance Personnel		478,595	
Non-certified Substitute Teachers		450	
Social Security		27,383	
State Retirement		29,512	
Medical Insurance		35,983	
Employer Medicare		6,758	
Evaluation and Testing		24,081	
Travel		209	
Other Contracted Services		14,000	
Other Supplies and Materials		1,521	
Other Charges		1,255	
Total Other Student Support			625,247

Regular Instruction Program

Supervisor/Director	\$	286,565	
Career Ladder Program		19,600	
Librarians		387,453	
Social Workers		35,930	
Instructional Computer Personnel		52,691	
Other Salaries and Wages		106,800	
Social Security		49,459	
State Retirement		57,570	
Medical Insurance		61,312	
Employer Medicare		12,378	
Travel		18,543	
Library Books/Media		91,198	
Other Supplies and Materials		23,943	
In Service/Staff Development		25,484	
Total Regular Instruction Program			1,228,926

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program

Supervisor/Director	\$	19,815	
Career Ladder Program		1,000	
Educational Assistants		10,953	
Non-certified Substitute Teachers		476	
Social Security		1,734	
State Retirement		2,533	
Medical Insurance		11,386	
Employer Medicare		409	
Communication		608	
Contracts with Other Public Agencies		35,000	
Rentals		945	
Travel		440	
Other Supplies and Materials		779	
Total Alternative Instruction Program			\$ 86,078

Special Education Program

Supervisor/Director	\$	67,335	
Career Ladder Program		3,000	
Psychological Personnel		129,742	
Clerical Personnel		22,840	
Social Security		13,454	
State Retirement		15,474	
Medical Insurance		7,587	
Employer Medicare		3,147	
Communication		808	
Maintenance and Repair Services - Equipment		1,495	
Postal Charges		758	
Rentals		2,991	
Travel		10,497	
Drugs and Medical Supplies		426	
Office Supplies		8,185	
Other Supplies and Materials		9,347	
In Service/Staff Development		7,756	
Total Special Education Program			304,842

Vocational Education Program

Clerical Personnel	\$	23,591	
Other Salaries and Wages		1,970	
Non-certified Substitute Teachers		400	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program (Cont.)

Social Security	\$	1,263	
State Retirement		2,930	
Medical Insurance		7,587	
Employer Medicare		295	
Communication		452	
Maintenance and Repair Services - Equipment		4,933	
Travel		32,454	
Office Supplies		490	
Other Supplies and Materials		9,116	
In Service/Staff Development		1,019	
Total Vocational Education Program			\$ 86,500

Other Programs

Other Salaries and Wages	\$	86,386	
Certified Substitute Teachers		4,840	
Social Security		5,386	
State Retirement		5,402	
Employer Medicare		1,279	
On-Behalf Payments to OPEB		151,607	
Total Other Programs			254,900

Board of Education

Secretary to Board	\$	3,000	
Board and Committee Members Fees		17,100	
Social Security		843	
State Retirement		345	
Unemployment Compensation		10,999	
Employer Medicare		288	
Audit Services		9,000	
Dues and Memberships		18,694	
Legal Services		12,269	
Legal Notices, Recording, and Court Costs		1,952	
Travel		7,243	
Excess Risk Insurance		32,000	
Liability Insurance		17,993	
Premiums on Corporate Surety Bonds		2,780	
Trustee's Commission		158,664	
Workers' Compensation Insurance		165,147	
Other Charges		2,940	
Total Board of Education			461,257

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$	117,794	
Career Ladder Program		1,000	
Accountants/Bookkeepers		27,434	
Secretary(ies)		42,209	
Social Security		11,178	
State Retirement		14,840	
Medical Insurance		12,997	
Employer Medicare		2,625	
Communication		6,712	
Postal Charges		4,000	
Printing, Stationery, and Forms		6,877	
Rentals		5,514	
Travel		2,701	
Office Supplies		4,987	
Other Supplies and Materials		7,971	
Total Director of Schools			\$ 268,839

Office of the Principal

Principals	\$	659,824	
Career Ladder Program		14,000	
Secretary(ies)		291,031	
Social Security		55,493	
State Retirement		75,855	
Medical Insurance		101,539	
Employer Medicare		12,978	
Communication		30,863	
Maintenance and Repair Services - Equipment		110	
Travel		5,755	
Office Supplies		14,512	
Total Office of the Principal			1,261,960

Operation of Plant

Custodial Personnel	\$	82,029	
Social Security		4,080	
State Retirement		7,003	
Medical Insurance		23,453	
Employer Medicare		954	
Maintenance and Repair Services - Equipment		742	
Rentals		27,504	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Disposal Fees	\$	40,858	
Permits		1,025	
Other Contracted Services		786,568	
Custodial Supplies		2,747	
Electricity		902,203	
Natural Gas		305,337	
Water and Sewer		105,901	
Other Supplies and Materials		5,911	
Building and Contents Insurance		110,017	
Furniture and Fixtures		10,573	
Plant Operation Equipment		605	
Total Operation of Plant			\$ 2,417,510

Maintenance of Plant

Supervisor/Director	\$	45,470	
Secretary(ies)		26,376	
Maintenance Personnel		178,917	
Social Security		13,631	
State Retirement		27,887	
Medical Insurance		50,084	
Employer Medicare		3,188	
Communication		1,536	
Laundry Service		6,833	
Maintenance and Repair Services - Buildings		7,556	
Maintenance and Repair Services - Equipment		34,028	
Pest Control		7,520	
Printing, Stationery, and Forms		252	
Travel		1,123	
Other Contracted Services		1,189,603	
Equipment and Machinery Parts		60,366	
General Construction Materials		3,556	
Office Supplies		340	
Small Tools		326	
Other Supplies and Materials		21,975	
Motor Vehicles		32,701	
Total Maintenance of Plant			1,713,268

Transportation

Supervisor/Director	\$	40,720	
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(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Mechanic(s)	\$	67,913	
Bus Drivers		330,650	
Social Security		26,051	
State Retirement		44,694	
Medical Insurance		20,298	
Employer Medicare		6,155	
Communication		2,964	
Maintenance and Repair Services - Equipment		31,823	
Maintenance and Repair Services - Vehicles		17,400	
Medical and Dental Services		3,996	
Printing, Stationery, and Forms		50	
Rentals		1,434	
Tow-in Services		4,085	
Travel		1,200	
Other Contracted Services		405	
Drugs and Medical Supplies		100	
Gasoline		187,458	
Office Supplies		622	
Small Tools		299	
Tires and Tubes		27,973	
Vehicle Parts		81,604	
Other Supplies and Materials		9,197	
Vehicle and Equipment Insurance		51,702	
Transportation Equipment		312,916	
Other Equipment		18,572	
Total Transportation			\$ 1,290,281

Central and Other

Other Contracted Services	\$	1,567	
Total Central and Other			1,567

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	62,440	
Social Security		3,683	
State Retirement		4,479	
Medical Insurance		3,799	
Employer Medicare		861	
Other Supplies and Materials		35,505	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Other Capital Outlay	\$ 13,000	
Total Community Services		\$ 123,767

Early Childhood Education

Teachers	\$ 241,418	
Educational Assistants	69,992	
Certified Substitute Teachers	680	
Non-certified Substitute Teachers	3,325	
Social Security	17,147	
State Retirement	22,400	
Medical Insurance	61,757	
Employer Medicare	4,010	
Communication	3,550	
Postal Charges	128	
Other Contracted Services	1,852	
Other Supplies and Materials	133,992	
In Service/Staff Development	1,736	
Other Capital Outlay	14,320	
Total Early Childhood Education		576,307

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 690,107	
Total Regular Capital Outlay		690,107

Other Debt Service

Education

Contributions	\$ 513,514	
Total Education		513,514

Total General Purpose School Fund		\$ 30,840,637
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School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 389,426
Educational Assistants	243,086
Other Salaries and Wages	11,162
Certified Substitute Teachers	9,000

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Non-certified Substitute Teachers	\$	19,582	
Social Security		38,480	
State Retirement		50,111	
Medical Insurance		87,930	
Employer Medicare		9,024	
Other Contracted Services		84,884	
Instructional Supplies and Materials		45,276	
Regular Instruction Equipment		4,922	
Total Regular Instruction Program			\$ 992,883

Special Education Program

Teachers	\$	54,730	
Homebound Teachers		22,527	
Educational Assistants		398,885	
Social Security		26,940	
State Retirement		43,695	
Medical Insurance		83,912	
Employer Medicare		6,303	
Contracts with Private Agencies		2,250	
Instructional Supplies and Materials		38,238	
Total Special Education Program			677,480

Vocational Education Program

Teachers	\$	27,583	
Educational Assistants		22,618	
Social Security		2,903	
State Retirement		1,771	
Employer Medicare		679	
Travel		10,481	
Other Contracted Services		100	
Instructional Supplies and Materials		8,113	
Other Supplies and Materials		315	
In Service/Staff Development		2,400	
Vocational Instruction Equipment		2,600	
Total Vocational Education Program			79,563

Support Services

Health Services

Medical Personnel	\$	43,066	
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(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Social Security	\$	2,490	
State Retirement		3,029	
Medical Insurance		6,386	
Employer Medicare		582	
Drugs and Medical Supplies		861	
Total Health Services			\$ 56,414

Other Student Support

Guidance Personnel	\$	30,880	
Other Salaries and Wages		13,624	
Social Security		2,751	
State Retirement		5,122	
Employer Medicare		643	
Evaluation and Testing		2,535	
Travel		1,693	
Other Supplies and Materials		7,503	
Other Charges		48,670	
Total Other Student Support			113,421

Regular Instruction Program

Supervisor/Director	\$	35,481	
Secretary(ies)		27,803	
Social Security		1,495	
State Retirement		3,200	
Medical Insurance		3,482	
Employer Medicare		864	
Operating Lease Payments		897	
Maintenance and Repair Services - Equipment		312	
Travel		10,051	
Other Supplies and Materials		2,253	
In Service/Staff Development		43,314	
Other Charges		4	
Total Regular Instruction Program			129,156

Special Education Program

Clerical Personnel	\$	15,350	
Social Security		822	
State Retirement		1,767	
Medical Insurance		3,799	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	192	
Travel		110	
Total Special Education Program			\$ 22,040

Transportation

Bus Drivers	\$	79,022	
Social Security		4,897	
State Retirement		8,426	
Employer Medicare		1,145	
Gasoline		28,700	
Transportation Equipment		8,040	
Total Transportation			130,230

Principal on Debt

Education

Principal on Notes	\$	27,791	
Total Education			27,791

Interest on Debt

Education

Interest on Notes	\$	1,378	
Total Education			1,378

Total School Federal Projects Fund \$ 2,230,356

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	58,925
Accountants/Bookkeepers		23,208
Cafeteria Personnel		629,818
Maintenance Personnel		25,654
Educational Incentive - Other County Employees		300
Other Salaries and Wages		1,182
Social Security		41,041
State Retirement		63,542
Medical Insurance		125,632
Employer Medicare		9,667
Audit Services		3,000

(Continued)

Exhibit K-8

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Communication	\$	6,091	
Freight Expenses		19,344	
Legal Notices, Recording, and Court Costs		149	
Maintenance Agreements		6,365	
Maintenance and Repair Services - Equipment		90	
Pest Control		2,184	
Postal Charges		180	
Printing, Stationery, and Forms		1,561	
Travel		1,569	
Other Contracted Services		17,123	
Equipment and Machinery Parts		8,227	
Food Supplies		945,129	
Office Supplies		4,859	
Other Supplies and Materials		94,832	
Trustee's Commission		123	
In Service/Staff Development		3,322	
Food Service Equipment		81,213	
Total Food Service			\$ 2,174,330

Total Central Cafeteria Fund \$ 2,174,330

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Contributions	\$	6,183	
Total Education Capital Projects			\$ 6,183

Total Education Capital Projects Fund 6,183

Total Governmental Funds - Weakley County School Department \$ 35,251,506

Exhibit K-9

Weakley County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2009

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 2,763,555
Total Cash Receipts	<u>\$ 2,763,555</u>
<u>Cash Disbursements</u>	
Remittance of Revenue Collected	\$ 2,342,287
Trustee's Commission	27,635
Contributions	<u>393,633</u>
Total Cash Disbursements	<u>\$ 2,763,555</u>
Excess of Cash Receipts Over (Under)	
Cash Disbursements	\$ 0
Cash Balance, July 1, 2008	<u>0</u>
Cash Balance, June 30, 2009	<u><u>0</u></u>

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**SINGLE AUDIT SECTION**

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

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

January 25, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weakley County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Weakley County's basic financial statements and have issued our report thereon dated January 25, 2010. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Weakley County Municipal Electric System (a major fund and the entire business-type activities) and the Weakley County Nursing Home and the Weakley County Emergency Communications District (discretely presented component units) as described in our report on Weakley County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered Weakley County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Weakley County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Weakley County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Weakley County's internal control.

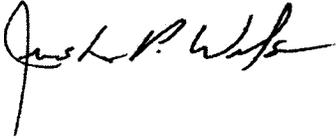
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weakley County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway supervisor, County Commission, Board of Education, Financial Management Committee, others within Weakley County, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

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

Justin P. Wilson  
Comptroller of the Treasury

JPW/yu

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

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

January 25, 2010

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

To the County Mayor and Board of County Commissioners:

Compliance

We have audited the compliance of Weakley County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. Weakley County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Weakley County's management. Our responsibility is to express an opinion on Weakley County's compliance based on our audit.

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

believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Weakley County's compliance with those requirements.

In our opinion, Weakley County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

### Internal Control Over Compliance

The management of Weakley County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Weakley County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Weakley County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

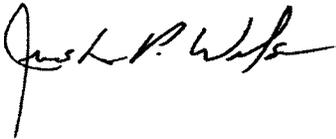
### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weakley County as of and for the year ended June 30, 2009, and have issued our report thereon dated January 25, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Weakley County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial

statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway supervisor, County Commissioners, Board of Education, Financial Management Committee, others within Weakley County, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

Justin P. Wilson  
Comptroller of the Treasury

JPW/yu

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Weakley County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1)  
For the Year Ended June 30, 2009

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 315,027
National School Lunch Program	10.555	N/A	999,257 (4)
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	158,148 (4)
Total U.S. Department of Agriculture			<u>\$ 1,472,432</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	GG-07-20258-00	\$ 42,988
Total U.S. Department of Housing and Urban Development			<u>\$ 42,988</u>
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	Z-09-022916-00	\$ 9,000
Total U.S. Department of Justice			<u>\$ 9,000</u>
U.S. Department of Labor:			
Passed-through Southwest Human Resource Agency:			
WIA Youth Activities	17.259	(2)	\$ 65,493
Total U.S. Department of Labor			<u>\$ 65,493</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	Z-09-214446-00	\$ 5,000
Total U.S. Department of Transportation			<u>\$ 5,000</u>
U.S. Institute of Museum and Library Services:			
Passed-through State Library and Archives:			
Grants to States	45.310	Z-09-217860-00	\$ 500
Total U.S. Institute of Museum and Library Services			<u>\$ 500</u>
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(3)	\$ 146,771
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	996,789
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	891,344
Special Education - Preschool Grants	84.173	N/A	36,575
Career and Technical Education - Basic Grants to States	84.048	N/A	83,751
Safe and Drug-free Schools and Communities - State Grants	84.186	(2)	40,320
State Grants for Innovative Programs	84.298	N/A	15,053
Reading First State Grants	84.357	(2)	298,015
Improving Teacher Quality State Grants	84.367	N/A	183,298
Total U.S. Department of Education			<u>\$ 2,691,916</u>

(Continued)

Weakley County, Tennessee  
Schedule of Expenditures of Federal Awards and State Contracts (1) (Cont.)

<u>Federal/Pass-through Agency/State Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
U.S. Department of Health and Human Services:			
Passed-through Northwest Tennessee Development District:			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	(2)	\$ 99,521
Total U.S. Department of Health and Human Services			<u>\$ 99,521</u>
U.S. Corporation for National and Community Service:			
Passed-through State Department of Education:			
Learn and Serve America-School and Community Based Programs	94.004	(2)	\$ 6,339
Total U.S. Corporation for National and Community Service			<u>\$ 6,339</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	GG-08-26005-00	\$ 18,233
Homeland Security Grant Program	97.067	GG-08-24154-00	66,968
Total U.S. Department of Homeland Security			<u>\$ 85,201</u>
Total Expenditures of Federal Awards			<u>\$ 4,478,390</u>

<u>State Grants</u>		<u>Contract Number</u>	
Juvenile Justice and Delinquency Prevention - State Department of Children's Services	N/A	GG-09-26160-00	\$ 60,641
Meth Outpatient Treatment Pilot Program - State Office of Criminal Justice Programs	N/A	GG-07-12717-00	193,065
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	12,585
Waste Tire Options Grant - State Department of Environment and Conservation	N/A	Z08212976	15,637
Used Oil Grant - State Department of Environment and Conservation	N/A	Z05024467	2,000
Courtroom Security Enhancement - Administrative Office of the Courts	N/A	(2)	2,754
Drug Court Treatment Resources Fund Grant - State Office of Criminal Justice Programs	N/A	Z-05-25544-00	16,406
Preventative Health and Human Services - State Department of Health	N/A	Z-08-020394-00	62,505
Litter Grant - State Department of Transportation	N/A	Z-09-212810-00	43,616
Coordinated School Health Program - State Department of Health and Human Services	N/A	(2)	113,515
Safe Schools Act - State Department of Education	N/A	(2)	32,602
Early Childhood Education - State Department of Education	N/A	(2)	561,795
FastTrack Infrastructure Development Program - State Department of Economic and Community Development	N/A	GG-08-26220-00	48,990
Total State Grants			<u>\$ 1,166,111</u>

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.  
(2) Information not available.  
(3) 07-02-PY6-1AE: \$3,000; Z-08-020841-00: \$11,383; Z-09-213521-00: \$125,102; Z-09-217291-00: \$7,286.  
(4) Total for CFDA No. 10.555 is \$1,157,405.

Weakley County, Tennessee  
Schedule of Audit Findings Not Corrected  
June 30, 2009

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. There are no findings from the Annual Financial Report for Weakley County, Tennessee, for the year ended June 30, 2008, which have not been corrected.

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**WEAKLEY COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2009**

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

1. Our report on the financial statements of Weakley County is unqualified.
2. The audit of the financial statements of Weakley County disclosed no significant deficiencies in internal control.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Weakley County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Weakley County did qualify as a low-risk auditee.

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

There were no findings relating to the financial statements of Weakley County, Tennessee, as a result of our examination for the year ended June 30, 2009.

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

There were no findings and questioned costs for federal awards.

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**WEAKLEY COUNTY, TENNESSEE  
AUDITEE REPORTING RESPONSIBILITIES  
For the Year Ended June 30, 2009**

There were no audit findings relative to federal awards presented in the prior- or current-years' Schedules of Findings and Questioned Costs.