
**ANNUAL FINANCIAL REPORT
WILLIAMSON COUNTY, TENNESSEE**



FOR THE YEAR ENDED JUNE 30, 2009



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

DEPARTMENT OF AUDIT
JUSTIN P. WILSON
Comptroller of the Treasury

DIVISION OF COUNTY AUDIT
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Assistant to the Comptroller

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State Auditors

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

Scope

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

Results

Our report on Williamson County's financial statements is unqualified.

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

Findings

The following are summaries of the audit findings:

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ The Self-Insurance Fund had a deficit of \$19,893,711 in unrestricted net assets at June 30, 2009.

OFFICE OF COUNTY CLERK

- ◆ A cash shortage totaling \$3,386.18 existed in the office as of December 31, 2008.

OTHER FINDING

- ◆ Duties were not segregated adequately in the Offices of County Clerk and Juvenile Court Clerk.

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INTRODUCTORY SECTION

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Williamson County Officials

June 30, 2009

Officials

Rogers Anderson, County Mayor
Eddie Hood, Highway Superintendent
David Heath, Ed.D, Interim Director of Schools
Walter Davis, Trustee
Dennis Anglin, Assessor of Property
Elaine Anderson, County Clerk
Debbie McMillan Barrett, Circuit and General Sessions Courts Clerk
Elaine Beeler, Clerk and Master
Brenda Hyden, Juvenile Court Clerk
Sadie Wade, Register
Jeff Long, Sheriff
David Coleman, Director of Accounts and Budgets

Board of County Commissioners

Houston Naron, Jr., Chairman	Cheryl Wilson	Jack Walton
Reba Greer	Lewis Green, Jr.	Mary Brockman
Ricky Jones	Tom Bain	Ernie Williams
Betsy Hester	Arlene Cooke	Bob Barnwell
John Hancock	Jeff Ford	Mary Mills
Clyde Lynch	Bert Chalfant	Russell Little
Judy Hayes	Jason Para	Steve Smith
Tommy Little	Greg Davis	Doug Langston

Board of Education

Pat Anderson, Chairman	Janine Moore	Barry Watkins
D'Wayne Greer	Terry Leve	Bill Peach
Janice Mills	Susan Graham	Mark Gregory
Timothy McLaughlin	Gary Anderson	James Bond

Highway Commission

Rogers Anderson, County Mayor, Chairman
Dick Fowlkes
Charlie Bennett
Stan Tyson
Renis Baker

Williamson County Officials (Cont.)

Budget Committee

Clyde Lynch, Chairman
Rogers Anderson, County Mayor
Arlene Cook
Lewis Green, Jr.
Doug Langston

Audit Committee

Russell Little
Clyde Lynch
Tom Bain

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

October 5, 2009

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Williamson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Williamson 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 discretely presented Williamson County Hospital District, which represent 30 percent and 37 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, and we did not audit the financial statements of the discretely presented Williamson County Emergency Communications District, which represent .3 percent and .4 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, as of June 30, 2009, and for the year then ended. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion on the financial statements insofar as it relates to the amounts included for the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District is based solely 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson 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 October 5, 2009, on our consideration of Williamson 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.

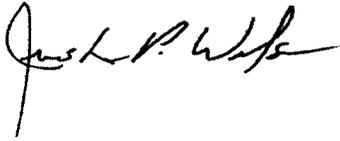
As described in Note V.B., Williamson County has adopted the provisions of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions; Statement No. 49, Accounting and Financial Reporting for Pollution Remediation 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 32 and the budgetary comparison, pension, and other postemployment benefits information on pages 111 through 119 are not required parts of the basic financial statements but they do provide supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/yu

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Management's Discussion and Analysis

As management of Williamson County, Tennessee, we offer readers of Williamson County's financial statements this narrative overview and analysis of the financial activities of Williamson County, Tennessee, for the fiscal year ended June 30, 2009. This discussion and analysis focuses on the primary government only and does not include discussion of discretely presented component units.

Financial Highlights

- The liabilities of Williamson County exceeded its assets at the close of the fiscal year by \$122,683,287 (net assets). The liabilities include \$293,688,233 in debt that is attributable to the Williamson County School Department.
- The government's total net assets decreased by \$5,661,009.
- At June 30, 2009, Williamson County's governmental funds reported combined ending fund balances of \$105,307,676, an increase of \$15,274,173 in comparison with the prior year.
- At June 30, 2009, unreserved fund balance for the General Fund was \$32,111,720, or 52 percent of total General Fund expenditures.
- For the fiscal year ended June 30, 2009, Williamson County's total debt had a net increase of \$23,608,000, of which \$18,202,000 in debt service payments were made, and \$19,300,000 was used to currently refund existing notes and to provide resources for current principal. There was \$61,110,000 of new debt issued, of which \$39,555,000 was for school construction, building renovation and improvement projects, and refunding of debt, while \$21,555,000 of new debt was issued for public works projects, building renovation and improvements, equipment acquisition, parks and recreation projects, and refunding of debt.

Overview of the Financial Statements

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

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

The statement of net assets presents information on all of Williamson 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 Williamson County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Williamson County, which 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; education; interest on long-term debt; and other debt service. The government-wide financial statements can be found on Exhibits A and B of this report.

The government-wide financial statements include not only Williamson County (known as the primary government), but also a legally separate School Department, Hospital District, and Emergency Communications District for which the county is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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. Williamson County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Williamson 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.

Williamson County maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General,

Highway/Public Works, General Debt Service, Rural Debt Service, and the General Capital Projects funds all of which are considered to be major funds. Data from the other four 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.

Williamson County adopts an annual appropriated budget for all funds except the General Capital Projects, District Attorney General, and Constitutional Officers - Fees funds. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-4 of this report.

Proprietary fund. Williamson County has one proprietary fund. The county uses an internal service fund (Self-Insurance Fund) to account for the county's and School Department's self-insured health programs. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the internal service fund. The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial 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.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 49 through 108 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Williamson County's General Fund 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 and individual fund statements and schedules for the nonmajor governmental funds can be found on Exhibits G-1 through G-4 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Williamson County, liabilities exceeded assets by \$122,683,287 at the close of the fiscal year. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, when the Williamson County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the county. As of June 30, 2009, the county had outstanding debt totaling \$293,688,233 for capital purposes for the Williamson County Board of Education, but the capital assets are reported in the financial statements of the Williamson 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. Allocation of school debt to the Williamson County Board of Education would result in Williamson County having net assets of \$171,004,946 at June 30, 2009.

The largest portion of Williamson County Government's net assets (\$81,856,944) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding.

Williamson County's net assets were restated through a prior-period adjustment by \$3,116,695, of which \$2,282,625 reflects land and an office building that were inadvertently omitted when titles of these assets were transferred from the hospital based on a 1992 refunding of series 1985 Hospital Revenue Bonds, and \$834,070 was for closure/postclosure care cost restated due to the use of seven percent of the estimated capacity of the landfill. Williamson County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Williamson County's investment in capital assets is 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.

WILLIAMSON COUNTY'S Net Assets

	2009 Governmental Activities	2008 Governmental Activities
Current and Other Assets	\$ 199,144,138	\$ 181,024,087
Capital Assets	206,667,635	192,898,572
Total Assets	<u>\$ 405,811,773</u>	<u>\$ 373,922,659</u>
Long-term Liabilities Outstanding	\$ 448,865,362	\$ 418,945,481
Other Liabilities	79,629,698	75,116,151
Total Liabilities	<u>\$ 528,495,060</u>	<u>\$ 494,061,632</u>

WILLIAMSON COUNTY'S Net Assets (Cont.)

	2009	2008
	Governmental Activities	Governmental Activities
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 81,856,944	\$ 74,940,014
Restricted	57,396,599	47,348,546
Unrestricted	<u>(261,936,830)</u>	<u>(242,427,533)</u>
Total Net Assets	<u>\$ (122,683,287)</u>	<u>\$ (120,138,973)</u>

An additional portion of Williamson County's net assets (\$57,396,599) represents resources that are subject to external restrictions on how they may be used. The restricted net assets are made up of capital projects, debt service, highway, all of the nonmajor funds, and other county general reserves or designations not accounted for in unrestricted net assets.

Governmental activities. Governmental activities decreased Williamson County's net assets by \$5,661,009. Elements of this decrease are noted in the table below:

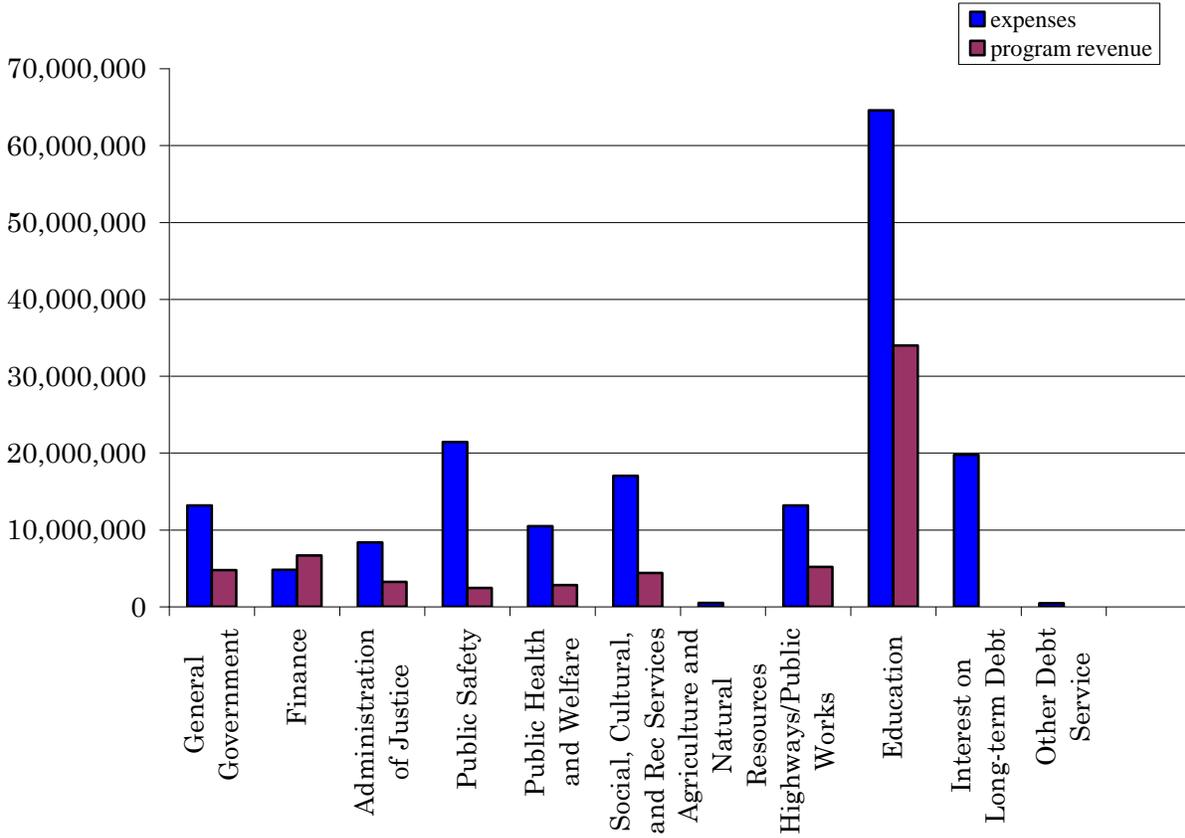
WILLIAMSON COUNTY'S Changes in Net Assets

	2009	2008
	Governmental Activities	Governmental Activities
Revenues:		
Program Revenues:		
Charges for Services	\$ 54,278,021	\$ 54,240,323
Operating Grants and Contributions	6,106,322	6,166,950
Capital Grants and Contributions	<u>3,089,964</u>	<u>9,607,588</u>
Total Program Revenues	<u>\$ 63,474,307</u>	<u>\$ 70,014,861</u>
General Revenues:		
Property Taxes Levied for General Purposes	\$ 37,995,407	\$ 36,029,460
Property Taxes Levied for Debt Service	33,344,526	31,556,788
Local Option Sales Tax	940,078	972,851
Hotel/Motel Tax	2,406,683	2,352,527
Wheel Tax	3,574,991	3,550,678
Litigation Tax	665,750	0
Business Tax	3,742,927	3,949,116
Privilege Taxes	1,980,361	3,060,774
Adequate Facilities Tax	1,303,643	3,740,056
Mineral Severance Tax	184,223	0
Wholesale Beer Tax	452,026	0
Other Local Taxes	12,958	943,202

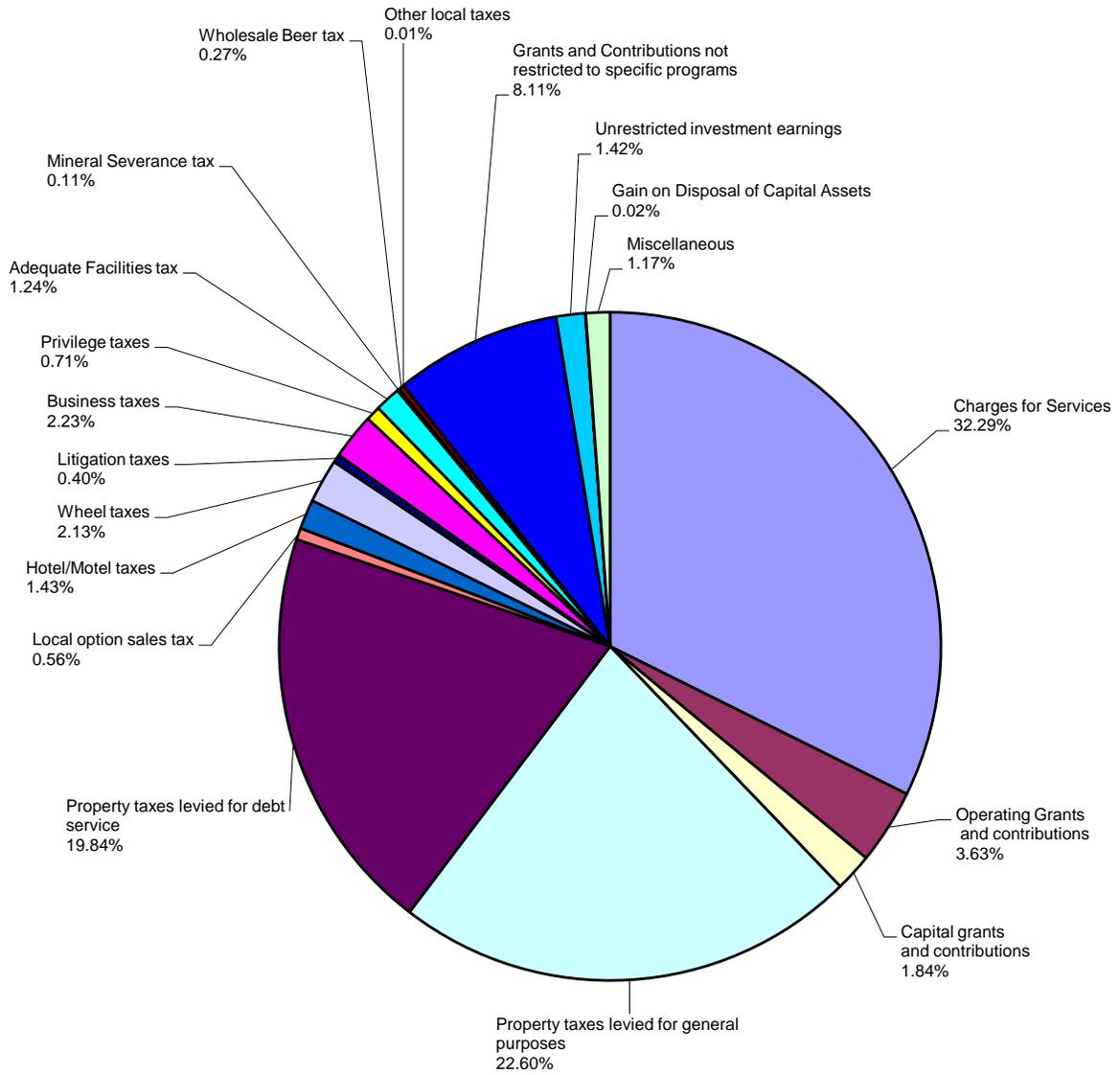
WILLIAMSON COUNTY'S Changes in Net Assets (Cont.)

	2009	2008
	Governmental Activities	Governmental Activities
	<u> </u>	<u> </u>
General Revenues (Cont.):		
Grants and Contributions Not		
Restricted to Specific Programs	\$ 13,641,280	\$ 5,626,200
Unrestricted Investment Earnings	2,381,959	4,434,579
Gain on Disposal of Capital Assets	33,959	0
Miscellaneous	1,970,864	1,208,797
Total General Revenues	<u>\$ 104,631,635</u>	<u>\$ 97,425,028</u>
Total Revenues	<u>\$ 168,105,942</u>	<u>\$ 167,439,889</u>
Expenses:		
Governmental Activities:		
General Government	\$ 13,186,921	\$ 15,339,646
Finance	4,796,987	4,430,027
Administration of Justice	8,376,425	4,351,810
Public Safety	21,410,257	19,384,368
Public Health and Welfare	10,495,101	10,222,853
Social, Cultural, and		
Recreational Services	17,016,978	13,615,096
Agriculture and Natural Resources	502,176	480,829
Highway/Public Works	13,183,015	11,414,160
Education	64,556,639	60,742,157
Interest on Long-term Debt	19,776,797	19,489,968
Other Debt Service	465,655	496,077
Total Expenses	<u>\$ 173,766,951</u>	<u>\$ 159,966,991</u>
Change in Net Assets	\$ (5,661,009)	\$ 7,472,898
Prior-period Adjustment	3,116,695	3,048,055
Net Assets - July 1,	<u>(120,138,973)</u>	<u>(130,659,926)</u>
Net Assets - June 30,	<u>\$ (122,683,287)</u>	<u>\$ (120,138,973)</u>

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of \$105,307,676, an increase of \$15,274,173 in comparison with the prior year. Approximately 68 percent of this total amount (\$71,100,403) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$32,111,720 while total fund balance was \$33,482,905. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 52 percent of total General Fund expenditures, while total fund balance represents 54 percent of that same amount.

The fund balance of the General Fund increased \$1,338,232 from the prior year. One factor of the increase is Williamson County's budgets for a 92 percent collection rate of property taxes while the county had actual collections of 99.5 percent collected during the current year. Another factor was actual expenditures were nine percent less than budgeted expenditures.

The fund balance of the Highway/Public Works Fund had a net decrease of (\$1,199,613) during the current fiscal year. The two main contributing factors were an increase in the new highway facility construction cost and the purchase of new equipment.

The fund balance of the General Debt Service Fund increased \$4,349,892 from the prior year.

The fund balance of the Rural Debt Service Fund increased \$3,281,553 due to a restructuring of debt service.

The fund balance of the General Capital Projects Fund increased \$7,974,578 from the prior year due to ongoing construction projects.

Proprietary fund. Williamson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

General and Highway/Public Works Funds Budgetary Highlights

The final amended budget for General Fund expenditures reflected an increase of five percent above the original budget.

The final amended budget for Highway/Public Works Fund expenditures reflected no change from the original budget. There were no amendments to the original budget for the Highway/Public Works Fund during the current fiscal year.

Capital Assets and Debt Administration

Capital assets. Williamson County's investment in capital assets for its governmental activities as of June 30, 2009, amounted to \$206,667,635 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in Williamson County's investment in capital assets for the current fiscal year was \$13,769,063. The main factor, which contributed to the increase, was a new parks and recreation facility completed and added to the capital assets for the current year. Construction in progress totaling \$10,333,167 reflects Williamson County's various ongoing construction and renovation projects for the historic courthouse, the Highway Department facilities construction project, and various other renovation projects for the Parks and Recreation Department facilities. There are also ongoing capital improvements to the emergency communications radio system.

Williamson County's Capital Assets As of June 30 (net of depreciation)

	2009 Governmental Activities	2008 Governmental Activities
Land	\$ 56,571,441	\$ 53,148,360
Construction in Progress	10,333,167	15,351,659
Buildings and Improvements	90,296,318	76,169,062
Other Capital Assets	24,230,069	22,290,935
Infrastructure	25,236,640	25,938,556
Total	<u>\$ 206,667,635</u>	<u>\$ 192,898,572</u>

Long-term debt. At the end of the current fiscal year, Williamson County had total bonded debt outstanding of \$419,885,000, notes payable of \$685,000, and other variable rate debt (Montgomery County Public Building Authority) loans of \$9,737,000. All debt is backed by the full faith and credit of the county. Of the amount outstanding for governmental activities, \$293,688,233 reflects the balance of borrowings for education capital projects for the Williamson County Board of Education.

Williamson County's Outstanding Debt

As of June 30

	<u>2009</u> Governmental Activities	<u>2008</u> Governmental Activities
Bonds Payable	\$ 419,885,000	\$ 393,895,000
Notes Payable	685,000	2,345,000
Other Loans Payable	<u>9,737,000</u>	<u>10,459,000</u>
 Total	 <u>\$ 430,307,000</u>	 <u>\$ 406,699,000</u>

- For the fiscal year ended June 30, 2009, Williamson County's total debt had a net increase of \$23,608,000, of which \$18,202,000 of debt service payments were made, and \$19,300,000 was used to currently refund existing notes and to provide resources for current principal. There was \$61,110,000 of new debt issued, of which \$39,555,000 was for school construction, building renovation and improvement projects, and refunding of debt. While \$21,555,000 of the new debt was issued for general governments' public works projects, building renovation and improvements, equipment acquisition, parks and recreation projects, and refunding of debt.

- The new debt issues for Williamson County are comprised of the following:
 - a) General obligation bond issues of \$26,450,000 for various school construction projects, public parks projects, and building renovation and improvement projects, of which \$9,300,000 was used to currently refund two existing capital outlay notes.
 - b) Rural or county district school general obligation refunding and improvement bond issue of \$23,660,000 for various school construction and renovation projects, refunding of existing capital outlay notes, and to provide resources for current principal.
 - c) General obligation bond anticipation note of \$7,300,000 for various school and general government renovation and improvement projects, and equipment purchases, of which all was refunded within the \$26,450,000 general obligation bond.
 - d) County district bond anticipation note of \$2,700,000 for various school renovation and improvement projects, of which all was refunded with the \$23,660,000 county district school general obligation bond.
 - e) Capital outlay note of \$1,000,000 for various parks and recreation projects of which all was refunded with the \$26,450,000 general obligation bond.

The county maintains an Aaa bond rating from Moody's for general and rural obligation debt.

Additional information on the county's long-term debt can be found in Exhibits K-1 and K-2 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the county as of June 30, 2009, was 8.4 percent, which is a 75 percent increase from the 2008 rate of 4.8 percent. This compares to the state's average unemployment rate of 10.8 percent and the national average rate of 9.5 percent.
- The occupancy rate of the government's central business district for the past three years was 94 percent for 2007, 90.2 percent for 2008, and 87.6 percent for 2009.
- Inflationary trends in the region compare favorably to national indices.
- Assessed property value within the county is in excess of \$7.2 billion.

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 Williamson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Accounts and Budgets at 1320 West Main Street, Suite 125, Franklin, TN 37064.

BASIC FINANCIAL STATEMENTS

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Exhibit A

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

	Primary Government Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
ASSETS				
Cash	\$ 16,375	\$ 92,705	\$ 5,962,335	\$ 775,976
Cash with Paying Agents	300,000	0	0	0
Equity in Pooled Cash and Investments	102,854,868	45,715,629	0	0
Accounts Receivable	1,171,611	105,001	30,419,792	184,158
Allowance for Uncollectibles	0	0	(6,289,734)	0
Property Taxes Receivable	76,028,939	80,471,323	0	0
Allowance for Uncollectible Property Taxes	(800,358)	(837,749)	0	0
Due from Other Governments	5,145,462	5,310,418	0	156,270
Prepaid Items	0	0	234,159	0
Cash Shortage	46,842	0	0	0
Deferred Charges - Debt Issuance Costs	2,295,774	0	226,598	0
Inventories	0	0	1,677,661	0
Investment in Joint Venture	6,794,625	0	797,285	0
Other Receivable	0	0	255,295	0
Notes Receivable - Long-term	5,290,000	0	0	0
Restricted Assets:				
Customer Deposits	0	0	622,882	0
Bond Reserves	0	0	2,652,536	0
Capital Improvements	0	0	33,473,620	0
Capital Assets:				
Assets Not Depreciated:				
Land	56,571,441	26,366,595	6,513,813	0
Construction in Progress	10,333,167	16,291,107	298,930	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	90,296,318	242,688,161	0	0
Other Capital Assets	24,230,069	14,874,444	112,570,425	855,081
Infrastructure	25,236,640	0	0	0
Total Assets	\$ 405,811,773	\$ 431,077,634	\$ 189,415,597	\$ 1,971,485
LIABILITIES				
Accounts Payable	\$ 52,339	\$ 14,612	\$ 2,036,808	\$ 23,804
Accrued Payroll	0	25,384	4,774,784	0
Payroll Deductions Payable	0	250	0	0
Contracts Payable	1,308,215	3,068,829	0	0
Retainage Payable	55,091	247,943	0	0
Accrued Interest Payable	4,980,422	0	209,831	0
Due to State of Tennessee	1,820	0	0	0
Other Current Liabilities	900	0	0	0
Other Accrued Expenses	0	0	2,078,084	0
Estimated Amounts Due to Third-party Payors	0	0	331,572	0
Customer Deposits Payable	97,600	0	0	0
Deferred Revenue - Current Property Taxes	73,133,311	77,464,568	0	0
Noncurrent Liabilities:				
Due Within One Year	30,468,708	555,785	5,997,220	0
Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt)	418,396,654	16,564,356	46,200,085	0
Total Liabilities	\$ 528,495,060	\$ 97,941,727	\$ 61,628,384	\$ 23,804

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Units		
		Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	\$ 81,856,944	\$ 0	\$ 67,185,863	\$ 0
Invested in Capital Assets	0	300,220,307	0	855,081
Restricted for:				
Capital Projects	11,729,393	27,769,695	0	0
Debt Service	32,177,023	0	0	0
Highway	9,486,011	0	0	0
Solid Waste	3,110,080	0	0	0
Central Cafeteria	0	2,041,551	0	0
Federal Projects	0	483,526	0	0
Extended Schools Program	0	315,885	0	0
Basic Education Program	0	175,882	0	0
Career Ladder - Extended Contract	0	90,737	0	0
Career Ladder	0	17,408	0	0
Drug Control	91,514	0	0	0
District Attorney General	208,719	0	0	0
Alcohol and Drug Treatment	47,506	0	0	0
Victims Assistance Programs	105,577	0	0	0
Computer System - Register	244,276	0	0	0
Automation Purposes	131,056	0	0	0
Other Purposes	65,444	0	674,123	0
Unrestricted	(261,936,830)	2,020,916	59,927,227	1,092,600
Total Net Assets (Deficit)	\$ (122,683,287)	\$ 333,135,907	\$ 127,787,213	\$ 1,947,681

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Program Revenues					Primary Government		Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Williamson County School Department	Williamson County Hospital District	Emergency Communications District	Williamson County	
									School District	Hospital District
Primary Government:										
Governmental Activities:										
General Government	\$ 13,186,921	\$ 3,751,043	\$ 825,275	\$ 177,375	\$ (8,433,228)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	4,796,987	6,614,322	46,888	0	1,864,223	0	0	0	0	0
Administration of Justice	8,376,425	3,236,229	0	0	(5,140,196)	0	0	0	0	0
Public Safety	21,410,257	1,176,368	1,258,413	434	(18,975,042)	0	0	0	0	0
Public Health and Welfare	10,495,101	1,177,438	1,347,856	299,702	(7,670,105)	0	0	0	0	0
Social, Cultural, and Recreational Services	17,016,978	4,289,711	0	114,227	(12,643,040)	0	0	0	0	0
Agriculture and Natural Resources	502,176	0	0	0	(502,176)	0	0	0	0	0
Highway/Public Works	13,183,015	65,376	2,627,890	2,498,226	(7,991,523)	0	0	0	0	0
Education	64,556,639	33,997,534	0	0	(30,559,105)	0	0	0	0	0
Interest on Long-term Debt	19,776,797	0	0	0	(19,776,797)	0	0	0	0	0
Other Debt Service	465,655	0	0	0	(465,655)	0	0	0	0	0
Total Governmental Activities	\$ 173,766,951	\$ 54,278,021	\$ 6,106,322	\$ 3,089,964	\$ (110,292,644)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Component Units:										
Williamson County School Department	\$ 255,807,169	\$ 8,757,625	\$ 11,699,278	\$ 24,743,303	\$ 0	\$ (210,606,963)	\$ 0	\$ 0	\$ 0	\$ 0
Williamson County Hospital District	139,192,608	142,045,334	0	172,445	0	0	3,025,171	0	0	0
Emergency Communications District	1,511,466	1,400,340	171,175	0	0	0	0	0	60,049	0
Total Component Units	\$ 396,511,243	\$ 152,203,299	\$ 11,870,453	\$ 24,915,748	\$ 0	\$ (210,606,963)	\$ 3,025,171	\$ 0	\$ 60,049	\$ 0
General Revenues:										
Taxes:										
Property Taxes Levied for General Purposes			\$ 37,995,407		\$ 75,434,783	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes Levied for Debt Service			33,344,526		0	0	0	0	0	0
Local Option Sales Tax			940,078		30,398,910	0	0	0	0	0
Hotel/Motel Tax			2,406,683		0	0	0	0	0	0
Wheel Tax			3,574,991		0	0	0	0	0	0
Litigation Tax			665,750		0	0	0	0	0	0
Business Tax			3,742,927		0	0	0	0	0	0
Privilege Tax			1,980,361		0	0	0	0	0	0

(Continued)

Exhibit B

Williamson County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets									
	Program Revenues			Primary Government			Component Units			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District			
General Revenues (Cont.):				\$ 1,303,643	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Taxes (Cont.):				184,223	0	0	0	0	0	0
Adequate Facilities Tax				452,026	0	0	0	0	0	0
Mineral Severance Tax				12,958	14,407	0	0	0	0	0
Wholesale Beer Tax				13,641,280	91,829,402	0	0	0	0	0
Other Local Taxes				2,381,959	548,306	494,133	0	0	12,085	0
Grants and Contributions Not Restricted to Specific Programs				33,959	274,696	0	0	0	0	0
Unrestricted Investment Income				1,970,864	160,427	52,264	0	0	0	0
Gain on Disposal of Capital Assets										
Miscellaneous										
Total General Revenues				\$ 104,631,635	\$ 198,660,931	\$ 546,397	\$ 12,085			
Change in Net Assets				\$ (5,661,009)	\$ (11,946,032)	\$ 3,571,568	\$ 72,134			
Net Assets, July 1, 2008				(120,138,973)	345,318,738	124,215,645	1,875,547			
Prior-period Adjustment				3,116,695	(236,799)	0	0			
Net Assets, June 30, 2009				\$ (122,683,287)	\$ 333,135,907	\$ 127,787,213	\$ 1,947,681			

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

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Governmental Funds			
Cash	\$ 14,750	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,625	\$ 16,375	
Equity in Pooled Cash and Investments	8,909,180	20,314,247	6,451,929	27,869,762	3,319,406		99,194,878	
Accounts Receivable	1,144,104	0	0	0	27,507		1,171,611	
Due from Other Governments	3,486,939	912,957	0	120,000	581,553	44,013	5,145,462	
Property Taxes Receivable	36,746,858	904,279	25,403,921	10,089,013	0	2,884,868	76,028,939	
Allowance for Uncollectible Property Taxes	(376,595)	(23,572)	(245,740)	(116,768)	0	(37,683)	(800,358)	
Cash Shortage	46,842	0	0	0	0	0	46,842	
Notes Receivable - Long-term	0	0	5,290,000	0	0	0	5,290,000	
Total Assets	\$ 73,393,252	\$ 10,702,844	\$ 50,762,428	\$ 16,544,174	\$ 28,451,315	\$ 6,239,736	\$ 186,093,749	

ASSETS

Cash	\$ 14,750
Equity in Pooled Cash and Investments	8,909,180
Accounts Receivable	1,144,104
Due from Other Governments	3,486,939
Property Taxes Receivable	36,746,858
Allowance for Uncollectible Property Taxes	(376,595)
Cash Shortage	46,842
Notes Receivable - Long-term	0

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts Payable	\$ 46,009
Contracts Payable	0
Retainage Payable	0
Claims and Judgments Payable	1,272,208
Due to State of Tennessee	1,820
Due to Litigants, Heirs, and Others	0
Current Liabilities Payable from Restricted Assets:	
Customer Deposits Payable	0
Deferred Revenue - Current Property Taxes	35,410,747
Deferred Revenue - Delinquent Property Taxes	865,516
Other Deferred Revenues	2,314,047
Total Liabilities	\$ 39,910,347

Fund Balances

Reserved for Encumbrances	\$ 777,326
Reserved for Alcohol and Drug Treatment	47,506
Reserved for Drug Court	36,326

(Continued)

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

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General		Rural Debt Service	General Capital Projects	Other Governmental Funds	Total Governmental Funds	
			Debt Service	General					
\$	8,700	0	0	0	0	0	0	8,700	
Reserved for Sexual Offender Registration	20,418	0	0	0	0	0	0	20,418	
Reserved for Courtroom Security	105,577	0	0	0	0	0	0	105,577	
Reserved for Victims Assistance Programs	244,276	0	0	0	0	0	0	244,276	
Reserved for Computer System - Register	8,292	0	0	0	0	0	0	8,292	
Reserved for Automation Purposes - Circuit Court	22,369	0	0	0	0	0	0	22,369	
Reserved for Automation Purposes - Criminal Court	16,610	0	0	0	0	0	0	16,610	
Reserved for Automation Purposes - General Sessions Court	11,246	0	0	0	0	0	0	11,246	
Reserved for Automation Purposes - Juvenile Court	22,957	0	0	0	0	0	0	22,957	
Reserved for Automation Purposes - Chancery Court	30,518	0	0	0	0	0	0	30,518	
Reserved for Automation Purposes - Sheriff	19,064	0	0	0	0	0	0	19,064	
Reserved for Automation Purposes - County Clerk	0	0	5,290,000	0	0	0	0	5,290,000	
Reserved for Long-term Notes Receivable	0	0	0	0	0	0	0	0	
Reserved for Other General Purposes	0	0	0	0	0	21,208,034	0	21,208,034	
Unreserved, Reported In:									
General Fund	32,111,720	0	0	0	0	0	0	32,111,720	
Special Revenue Funds	0	8,903,748	0	0	0	0	3,167,759	12,071,507	
Debt Service Funds	0	0	20,378,247	6,538,929	0	0	0	26,917,176	
Total Fund Balances	\$ 33,482,905	\$ 9,335,992	\$ 25,668,247	\$ 6,538,929	\$ 26,990,409	\$ 3,291,194	\$ 105,307,676		
Total Liabilities and Fund Balances	\$ 73,393,252	\$ 10,702,844	\$ 50,762,428	\$ 16,544,174	\$ 28,451,315	\$ 6,239,736	\$ 186,093,749		

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

Exhibit C-2

Williamson 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)		\$ 105,307,676
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 56,571,441	
Add: construction in progress	10,333,167	
Add: infrastructure net of accumulated depreciation	25,236,640	
Add: buildings and improvements net of accumulated depreciation	90,296,318	
Add: other capital assets net of accumulated depreciation	<u>24,230,069</u>	206,667,635
(2) Investment in joint venture used in governmental activities is not a financial resource and therefore is not reported in governmental funds.		6,794,625
(3) Internal service funds are used to account for the county's and School Department's self-insured health programs. The assets and liabilities are included in governmental activities in the statement of net assets.		
Less: internal service fund's net assets	\$ (19,893,711)	
Add: School Department OPEB liabilities – self-insurance plan	<u>15,241,714</u>	(4,651,997)
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (685,000)	
Add: deferred amount on refunded debt	4,060,917	
Less: unamortized debt premiums	(10,476,527)	
Less: bonds payable	(419,885,000)	
Less: other loans payable	(9,737,000)	
Add: deferred charges - debt issuance costs	2,295,774	
Less: accrued interest on bonds and notes	(4,980,422)	
Less: landfill closure/postclosure care costs	(61,910)	
Less: compensated absences payable	<u>(1,840,147)</u>	(441,309,315)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>4,508,089</u>
Net assets of governmental activities (Exhibit A)		<u>\$ (122,683,287)</u>

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

Williamson 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	Rural Debt Service	General Capital Projects	Other Governmental Funds		
Revenues								
Local Taxes	\$ 39,352,133	\$ 7,571,253	\$ 24,008,870	\$ 10,306,714	\$ 4,261,071	\$ 2,676,646	\$ 88,176,687	
Licenses and Permits	1,075,190	0	0	0	0	0	1,075,190	
Fines, Forfeitures, and Penalties	680,847	0	0	0	0	136,966	817,813	
Charges for Current Services	5,376,615	0	0	0	0	683,730	6,060,345	
Other Local Revenues	1,340,465	213,109	1,059,322	723,680	91,123	167,265	3,594,964	
Fees Received from County Officials	10,270,262	0	0	0	0	0	10,270,262	
State of Tennessee	4,184,630	3,238,685	0	0	32,801	132,648	7,588,764	
Federal Government	1,581,728	0	0	0	1,539,158	38,342	3,159,228	
Other Governments and Citizens Groups	372,604	33,773	5,591,494	2,135,000	2,262,871	1,800	10,397,542	
Total Revenues	\$ 64,234,474	\$ 11,056,820	\$ 30,659,686	\$ 13,165,394	\$ 8,187,024	\$ 3,837,397	\$ 131,140,795	
Expenditures								
Current:								
General Government	\$ 9,605,218	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,605,218	
Finance	3,324,801	0	0	0	0	0	3,324,801	
Administration of Justice	3,103,078	0	0	0	0	82,616	3,185,694	
Public Safety	14,216,783	0	0	0	0	147,565	14,364,348	
Public Health and Welfare	4,025,678	0	0	0	0	3,244,517	7,270,195	
Social, Cultural, and Recreational Services	11,850,919	0	0	0	0	0	11,850,919	
Agriculture and Natural Resources	366,432	0	0	0	0	0	366,432	
Other Operations	15,232,560	0	0	0	0	695,168	15,927,728	
Highways	0	10,850,346	0	0	0	0	10,850,346	
Debt Service:								
Principal on Debt	0	0	14,672,000	3,530,000	0	0	18,202,000	
Interest on Debt	0	0	11,108,813	7,371,004	0	0	18,479,817	
Other Debt Service	0	0	528,981	232,837	0	0	761,818	
Capital Projects	0	0	0	0	20,227,748	0	20,227,748	
Capital Projects - Donated	0	0	0	0	24,481,050	0	24,481,050	
Total Expenditures	\$ 61,725,469	\$ 10,850,346	\$ 26,309,794	\$ 11,133,841	\$ 44,708,798	\$ 4,169,866	\$ 158,898,114	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,509,005	\$ 206,474	\$ 4,349,892	\$ 2,031,553	\$ (36,521,774)	\$ (332,469)	\$ (27,757,319)	

(Continued)

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

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Highway /	General Debt Service	Rural Debt Service	General Capital Projects	Other Governmental Funds	Total Governmental Funds		
		Public Works							
Other Financing Sources (Uses)									
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,681,563	\$ 0	\$ 0	\$ 30,681,563	
Notes Issued	0	0	0	0	11,000,000	0	0	11,000,000	
Refunding Debt Issued	0	0	9,393,759	10,034,678	0	0	0	19,428,437	
Premiums on Debt Issued	0	0	36,069	0	2,236,116	0	0	2,272,185	
Proceeds from Sale of Capital Assets	100,800	0	0	0	0	0	0	100,800	
Transfers In	93,270	299,683	0	1,250,000	3,091,565	500,000	0	5,234,518	
Transfers Out	(1,364,843)	(1,705,770)	0	0	(2,512,892)	(638,000)	0	(6,221,505)	
Payments to Refunded Debt Escrow Agent	0	0	(9,429,828)	(10,034,678)	0	0	0	(19,464,506)	
Total Other Financing Sources (Uses)	\$ (1,170,773)	\$ (1,406,087)	\$ 0	\$ 1,250,000	\$ 44,496,352	\$ (138,000)	\$ 0	\$ 43,031,492	
Net Change in Fund Balances	\$ 1,338,232	\$ (1,199,613)	\$ 4,349,892	\$ 3,281,553	\$ 7,974,578	\$ (470,469)	\$ 0	\$ 15,274,173	
Fund Balance, July 1, 2008	32,144,673	10,535,605	21,318,355	3,257,376	19,015,831	3,761,663	0	90,033,503	
Fund Balance, June 30, 2009	\$ 33,482,905	\$ 9,335,992	\$ 25,668,247	\$ 6,538,929	\$ 26,990,409	\$ 3,291,194	\$ 0	\$ 105,307,676	

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

Exhibit C-4

Williamson 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)		\$ 15,274,173
(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	\$ 16,238,477	
Less: current year depreciation expense	<u>(6,907,104)</u>	9,331,373
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net assets.		
Add: assets donated and capitalized	\$ 2,328,498	
Less: loss on disposal of capital assets	<u>(173,433)</u>	2,155,065
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2009	\$ 4,508,089	
Less: deferred delinquent property taxes and other deferred June 30, 2008	<u>(3,678,766)</u>	829,323
(4) The issuance of long-term debt (e.g., notes, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Less: bond proceeds	\$ (50,110,000)	
Less: note proceeds	(11,000,000)	
Add: payment to refunding agent	19,464,506	
Add: amortization of debt issuance premiums	869,412	
Add: debt issuance cost on debt issued during year	296,163	
Less: premiums on debt issued during year	(2,272,185)	
Less: deferred charges on refunding debt amortized during the year	(864,127)	
Less: debt issuance cost amortized during the year	(190,565)	
Add: principal payments on notes	245,000	
Add: principal payments on other loans	722,000	
Add: principal payments on bonds	<u>17,235,000</u>	(25,604,796)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ (242,288)	
Change in compensated absences payable	<u>(113,395)</u>	(355,683)
(6) Internal service funds are used to account for the county's and School Department's self-insured health programs. The net expense of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		
Less: change in internal service fund's net assets	\$ (22,532,178)	
Add: School Department OPEB liabilities – self-insurance plan	<u>15,241,714</u>	(7,290,464)
Change in net assets of governmental activities (Exhibit B)		<u>\$ (5,661,009)</u>

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

Exhibit D-1

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

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
 <u>ASSETS</u> 	
Current Assets:	
Cash with Paying Agents	\$ 300,000
Equity in Pooled Cash and Investments	3,659,990
Total Assets	<u>\$ 3,959,990</u>
 <u>LIABILITIES</u> 	
Current Liabilities:	
Claims and Judgments Payable	\$ 5,459,708
Other Long-term Liabilities	18,393,993
Total Liabilities	<u>\$ 23,853,701</u>
 <u>NET ASSETS</u> 	
Unrestricted	<u>\$ (19,893,711)</u>
Net Assets	<u>\$ (19,893,711)</u>

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

Exhibit D-2

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

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>Operating Revenues</u>	
Charges for Services	\$ 41,464,997
Other Local Revenues	891,383
Federal Government	143,205
Total Operating Revenues	<u>\$ 42,499,585</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 2,116,489
Life Insurance	155,682
Dental Insurance	2,620,706
Medical Claims	41,744,893
Other Postemployment Benefits Claims	18,393,993
Total Operating Expenses	<u>\$ 65,031,763</u>
Change in Net Assets	\$ (22,532,178)
Net Assets, July 1, 2008	<u>2,638,467</u>
Net Assets, June 30, 2009	<u>\$ (19,893,711)</u>

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

Exhibit D-3

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

	Governmental Activities - Internal Service Fund <hr/> Self - Insurance Fund <hr/>
<u>Cash Flows from Operating Activities</u>	
Receipts from Interfund Services Provided	\$ 35,141,797
Receipts from Customers and Users	7,214,583
Other Cash Receipts	143,205
Payments to Suppliers	<u>(46,199,547)</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (3,699,962)</u>
Increase (Decrease) in Cash	\$ (3,699,962)
Cash, July 1, 2008	<u>7,659,952</u>
Cash, June 30, 2009	<u><u>\$ 3,959,990</u></u>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (22,532,178)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Increase (Decrease) in Claims and Judgments Payable	438,223
Increase (Decrease) in Other Long-term Liabilities	<u>18,393,993</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (3,699,962)</u></u>
<u>Reconciliation of Cash with Statement of Net Assets</u>	
Cash with Paying Agents Per Net Assets	\$ 300,000
Equity in Pooled Cash and Investments Per Net Assets	<u>3,659,990</u>
Cash, June 30, 2009	<u><u>\$ 3,959,990</u></u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 9,019,305
Equity in Pooled Cash and Investments	2,619,949
Investments	9,874
Accounts Receivable	25,624
Due from Other Governments	5,820,234
Taxes Receivable	9,614,882
Allowance for Uncollectible Taxes	<u>(100,096)</u>
Total Assets	<u>\$ 27,009,772</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 15,747,703
Due to Joint Venture	1,624,497
Due to Litigants, Heirs, and Others	<u>9,637,572</u>
Total Liabilities	<u>\$ 27,009,772</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Williamson 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 Williamson County:

A. Reporting Entity

Williamson County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Williamson 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 Williamson County School Department operates the public school system in the county, and the voters of Williamson 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 Williamson County Hospital District provides health care to the citizens of Williamson County, and the Williamson County Commission appoints its governing body. The county annually provides a subsidy to the hospital to help defray the costs of operating an ambulance service.

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

Administrative Offices:

Williamson County Hospital District
d/b/a Williamson Medical Center
4321 Carothers Road
Franklin, TN 37064

Williamson County Emergency Communications District
1320 West Main Street, Suite B-30
Franklin, TN 37064

Related Organization – The Williamson County Industrial Development Board is a related organization of Williamson County. The county's officials are responsible for appointing the members of the board, but the county's accountability for this organization does not extend beyond making the appointments. During the year ended June 30, 2009, the county did not appropriate any operating subsidies to the Williamson County Industrial Development Board.

B. Government-wide and Fund Financial Statements

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

Williamson County issues all debt for the discretely presented Williamson County School Department. Net debt issues (\$24,481,050) were contributed by the county to the School Department during the year ended June 30, 2009.

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

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

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

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

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

and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Williamson County considers grants and similar revenues to be available if they are collected within 60 days after year-end. However, the discretely presented Williamson County School Department considers grants related to the American Recovery and Reinvestment Act to be available if they are collected within six months after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

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

Williamson County reports the following major governmental funds:

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

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

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

Rural Debt Service Fund – This fund accounts for the accumulation of resources for, and the payment of, long-term debt principal,

interest, and related costs specifically issued for K-8 schools outside the territorial boundaries of the Franklin Special School District.

General Capital Projects Fund – This fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Williamson County reports the following fund types:

Internal Service Fund – The Self-Insurance Fund is used to account for the county's and the School Department's self-insured health programs. Amounts per employee are charged to the various funds, and employee payroll deductions are placed in this fund for the payment of claims.

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 Williamson County, property taxes for the City of Nolensville and the Town of Thompson's Station, various cities' share of adequate facilities taxes collected by the county, the Franklin Special School District's share of educational revenues, funds held for the benefit of the judicial district drug task force, and assets held in a custodial capacity for the Williamson County Governmental Library Commission. 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 Williamson County School Department reports the following major governmental funds:

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

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

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide and proprietary fund financial statements to the extent that those standards do

not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the county's and the School Department's employee self-insurance health programs. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. Insurance contributions and premiums are the principal operating revenues of the internal service fund. Operating expenses for the internal service fund include administrative expenses and employee benefits.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

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 and the discretely presented Williamson 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, General Debt Service, Rural Debt Service, and General Purpose School funds. In addition, investments are held separately by the Constitutional Officers - Agency Fund of the county. Williamson County and the School Department have adopted a policy of reporting U.S. Treasury

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

2. Receivables and Payables

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is one-half percent of total taxes levied.

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

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet with offsetting deferred revenue to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court

for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets (customer deposits payable) reflected in the primary government's General Capital Projects Fund represent deposits placed with Williamson County for road damage (\$97,600). Claims and judgments payable are discussed in Note V.A. Risk Management.

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

3. 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 primary government as assets with an initial, individual cost of \$10,000 (buildings/improvements \$100,000 and infrastructure \$50,000) or more and an estimated useful life of more than five years. Capital assets are defined by the School Department as assets with an initial, individual cost of \$10,000 (buildings/improvements \$100,000 and vehicles \$20,000) and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20-40
Other Capital Assets	5-20
Infrastructure:	
Roads	20-50
Bridges	30-50

4. Compensated Absences

It is the policy of Williamson County and the discretely presented Williamson County School Department to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Williamson County and the School Department do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the discretely presented 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 and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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, claims and judgments, other postemployment benefits, and landfill closure/postclosure care costs, 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 and the proprietary fund in the fund financial statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, 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, Williamson County had \$293,688,233 in outstanding debt for capital purposes for the discretely presented Williamson County School Department. This debt is a liability of Williamson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Williamson County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county's capital assets.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The following table reflects designations on June 30, 2009:

<u>Fund/Purpose</u>	<u>Amount</u>
General:	
Water Tap Fees	\$ 24,024
Hillsboro Scholarship	1,029
Unclaimed Property	30,641
Library Donations	44,699
Drug Court	11,999
Veteran's Park Bricks	8,693
Drug Control:	
Unawarded Forfeitures and Seizures	3,112
General Purpose School:	
Academic Excellence Foundation	3,609
Search for New Director of Schools	35,341

7. Prior-period Adjustments

Capital assets were restated \$2,282,625 for the primary government from the prior year because 34.89 acres of land and an office building had been omitted.

Closure/postclosure care costs were restated \$834,070 for the primary government from the prior year based on the use of seven percent of the estimated capacity of the landfill.

Other postemployment benefit obligations were restated \$236,799 for the discretely presented School Department from the prior year because the state-administered Medicare Supplement Plan's actuarial study was dated July 1, 2007, and the county chose not to early implement Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide statement of net assets.

Discretely Presented Williamson 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 with the government-wide statement of net assets.

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

Primary Government

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

Discretely Presented Williamson 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 Fund, which adopts project length budgets. All annual appropriations lapse at fiscal year end.

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

The budgetary level of control is at the major category level established by the State Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Beer Board, Other Boards and Committees, etc.). Management may make revisions within major categories, but only the

County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

B. Net Assets Deficit/Fund Deficit

The Self-Insurance Fund (internal service fund) had a deficit in unrestricted net assets of \$19,893,711 at June 30, 2009. This deficit resulted from the recognition of liabilities in the financial statements for claims and judgments (\$5,459,708) and other postemployment benefit obligations (\$18,393,993) at year-end.

The Education Capital Projects Fund had a deficit in unreserved fund balance of \$8,050,248 at June 30, 2009. This deficit resulted from the unperformed portions of construction contracts of \$35,819,943 being reserved as encumbrances. The County Commission has approved an intent to fund \$78,300,000 for the construction of two new elementary schools and one new high school. As of June 30, 2009, these funds have not been borrowed by the county. The fund deficit should be liquidated subsequent to June 30, 2009, as other financing is issued.

C. Cash Shortages: Prior- and Current-Years

As noted in the Annual Financial Report for the year ended June 30, 2006, in the Schedule of Findings and Questioned Costs as item 06.01, collections of at least \$45,037.43 were not accounted for at the Fairview Recreation Center. In October 2008, a former supervisor at the recreation center pled guilty to theft, was sentenced to four years probation, and was ordered to pay restitution to Williamson County. She also signed a promissory note, which requires her to pay a minimum of \$300 per month and provides that she will pay the principal amount in full no later than 48 months from November 1, 2008. The debtor recognizes that payments over and above the \$300 per month will be necessary to ensure that the principal of \$45,037.43 is paid within 48 months from November 1, 2008. The defendant paid \$1,581.50 toward liquidating the cash shortage during the current audit period.

As noted in the Annual Financial Report for the year ended June 30, 2008, in the Schedule of Findings and Questioned Costs as item 08.01, collections at the landfill office totaling \$7,351.70 were stolen. A police investigation did not discover any suspects; therefore, the county does not expect to recover these funds.

The Office of County Clerk had a cash shortage of \$3,386.18 as of December 31, 2008. On April 13, 2009, a former employee was indicted and

charged with two counts of theft over \$1,000, one count of theft over \$500, and one count of forgery. The case is still pending. Details of this cash shortage are discussed in the Schedule of Findings and Questioned Costs section of this report.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loans 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, Williamson County had the following investments carried at fair value or cost. Except for nonpooled investments in the Constitutional Officers - Agency Fund, all investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

Nonpooled investments in the Constitutional Officers - Agency Fund are by court order and at the request of a litigant. These investments do not expose the county to any risk; therefore, further disclosure is not required.

Investment	Maturities	Fair Value or Cost
Pooled:		
State Treasurer's Investment Pool	Daily	\$ 34,281,328
Nonpooled:		
Constitutional Officers - Agency	Various	9,874

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. Williamson 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. Williamson County has no investment policy that would further limit its investment choices. As of

June 30, 2009, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

B. Notes Receivable

Notes receivable in the General Debt Service Fund (\$5,290,000) resulted from an agreement with the City of Spring Hill to help finance the construction of a recreational facility and are offset by a reservation of fund balance.

C. Capital Assets

Capital assets activity for the year ended June 30, 2009, is presented in the following table. This table does not include certain land, buildings, and equipment, which are titled to Williamson County and used by the Williamson Medical Center. Titles to these assets were transferred from the hospital to the county based on a 1992 refunding of the Series 1985, Hospital Revenue Bonds. These assets are reported in the financial statements of the discretely presented Williamson County Hospital District. Chapter 107, Private Acts of 1957, as amended, provides that "the Board of Trustees shall be vested with full, absolute and complete authority and responsibility for the operation, management, conduct and control of the business and affairs of the Hospital District"

Primary Government

Governmental Activities:

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 53,148,360	\$ 3,580,874	\$ (157,793)	\$ 56,571,441
Construction in Progress	15,351,659	8,348,540	(13,367,032)	10,333,167
Total Capital Assets Not Depreciated	<u>\$ 68,500,019</u>	<u>\$ 11,929,414</u>	<u>\$ (13,524,825)</u>	<u>\$ 66,904,608</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 99,923,903	\$ 17,205,913	\$ 0	\$ 117,129,816
Infrastructure	55,765,344	2,208,368	(164,334)	57,809,378
Other Capital Assets	44,575,912	3,234,812	(1,128,354)	46,682,370
Total Capital Assets Depreciated	<u>\$ 200,265,159</u>	<u>\$ 22,649,093</u>	<u>\$ (1,292,688)</u>	<u>\$ 221,621,564</u>

Governmental Activities (Cont.):

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Less Accumulated Depreciation For: Buildings and Improvements	\$ 23,754,841	\$ 3,078,657	\$ 0	\$ 26,833,498
Infrastructure	29,826,788	2,907,250	(161,300)	32,572,738
Other Capital Assets	22,284,977	1,283,072	(1,115,748)	22,452,301
Total Accumulated Depreciation	<u>\$ 75,866,606</u>	<u>\$ 7,268,979</u>	<u>\$ (1,277,048)</u>	<u>\$ 81,858,537</u>
Total Capital Assets Depreciated, Net	<u>\$ 124,398,553</u>	<u>\$ 15,380,114</u>	<u>\$ (15,640)</u>	<u>\$ 139,763,027</u>
Governmental Activities Capital Assets, Net	<u>\$ 192,898,572</u>	<u>\$ 27,309,528</u>	<u>\$ (13,540,465)</u>	<u>\$ 206,667,635</u>

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

Governmental Activities:

General Government	\$ 979,539
Finance	27,838
Public Safety	1,271,877
Public Health and Welfare	615,587
Social, Cultural, and Recreational Services	2,014,178
Other Operations	75,166
Highways/Public Works	<u>1,922,919</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,907,104</u>

Discretely Presented Williamson County School Department

Governmental Activities:

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 25,585,276	\$ 2,590,000	\$ (1,808,681)	\$ 26,366,595
Construction in Progress	3,215,748	14,650,691	(1,575,332)	16,291,107
Total Capital Assets Not Depreciated	\$ 28,801,024	\$ 17,240,691	\$ (3,384,013)	\$ 42,657,702
Capital Assets Depreciated:				
Buildings and Improvements	\$ 322,744,094	\$ 2,488,949	\$ 0	\$ 325,233,043
Other Capital Assets	24,926,618	2,649,229	(1,006,821)	26,569,026
Total Capital Assets Depreciated	\$ 347,670,712	\$ 5,138,178	\$ (1,006,821)	\$ 351,802,069
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 74,443,672	\$ 8,101,210	\$ 0	\$ 82,544,882
Other Capital Assets	10,765,231	1,865,878	(936,527)	11,694,582
Total Accumulated Depreciation	\$ 85,208,903	\$ 9,967,088	\$ (936,527)	\$ 94,239,464
Total Capital Assets Depreciated, Net	\$ 262,461,809	\$ (4,828,910)	\$ (70,294)	\$ 257,562,605
Governmental Activities Capital Assets, Net	\$ 291,262,833	\$ 12,411,781	\$ (3,454,307)	\$ 300,220,307

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

Governmental Activities:

Instruction	\$ 17,196
Support Services	9,802,108
Operation of Non-Instructional Services	<u>147,784</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 9,967,088</u>

D. Construction Commitments

At June 30, 2009, Williamson County had uncompleted construction contracts of approximately \$4,882,629 in the General Capital Projects Fund for construction of a new Highway Department building, parks/recreation projects, sewer projects, and renovations to the historic courthouse. Funding has been provided for these future expenditures.

At June 30, 2009, the School Department had uncompleted construction contracts of approximately \$35,819,943 in the Education Capital Projects Fund for school building program. Funding will be provided for these future expenditures as debt is issued.

E. Interfund Transfers

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

Primary Government

Transfers Out	Transfers In		
	General Fund	Highway/ Public Works Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 49,683	\$ 500,000
General Capital Projects Fund	35,825	250,000	0
Fiduciary funds	57,445	0	0
Total	\$ 93,270	\$ 299,683	\$ 500,000

Transfers Out	Transfers In		
	Rural Debt Service Fund	General Capital Projects Fund	Fiduciary Funds
General Fund	\$ 0	\$ 747,795	\$ 67,365
General Capital Projects Fund	1,250,000	0	977,067
Highway/Public Works	0	1,705,770	0
Nonmajor governmental funds	0	638,000	0
Total	\$ 1,250,000	\$ 3,091,565	\$ 1,044,432

Discretely Presented Williamson County School Department

<u>Transfers Out</u>	<u>Transfers In</u>	
	<u>General Purpose School Fund</u>	<u>Education Capital Projects Fund</u>
General Purpose School Fund	\$ 0	\$ 668,237
Nonmajor governmental funds	173,214	0
Total	\$ 173,214	\$ 668,237

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

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

The county issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation bonds and notes. 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 20 years for bonds, up to seven years for notes, and up to 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2009, will be retired from the debt service funds.

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 Bonds	2.25 to 5.875%	\$ 217,975,000	\$ 85,320,000
General Obligation Bonds - Refunding	2 to 5.5	188,660,000	160,485,000
Rural School Bonds	2 to 5	112,275,000	104,440,000
Rural School Bonds - Refunding	2 to 5.5	84,830,000	69,640,000
Capital Outlay Notes	2 to 3.5	4,395,000	685,000
Other Loans	variable	14,600,000	9,737,000

In prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$8,490,000 to the county for various renovation and construction projects. The loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2009, the variable interest rate was .48 percent, and other fees totaled approximately .25 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

Also, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$4,095,000 to the county for various renovation and construction projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2009, the variable interest rate was .39 percent, and other fees totaled approximately .3 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) of the outstanding loan principal.

In addition, in prior years, Williamson County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$2,015,000 to the county for various renovation and construction projects. This loan is repayable at an interest rate that is a tax-exempt variable rate determined by the remarketing agent daily or weekly, depending on the particular program. In addition, the county pays various other fees (trustee, letter of credit, and debt remarketing) in connection with this loan. At June 30, 2009, the variable interest rate was .39 percent, and other fees totaled approximately .25 percent (letter of credit), .08 percent (remarketing), and \$85 per month (trustee) 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	Notes		
	Principal	Interest	Total
2010	\$ 685,000	\$ 23,972	\$ 708,972
Total	\$ 685,000	\$ 23,972	\$ 708,972

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2010	\$ 753,000	\$ 42,509	\$ 38,177	\$ 833,686
2011	787,000	39,166	35,676	861,842
2012	823,000	35,667	33,066	891,733
2013	859,000	32,006	30,336	921,342
2014	896,000	28,183	27,489	951,672
2015-2019	4,408,000	77,181	86,840	4,572,021
2020-2023	1,211,000	11,017	15,583	1,237,600
Total	\$ 9,737,000	\$ 265,729	\$ 267,167	\$ 10,269,896

Year Ending June 30	Bonds		
	Principal	Interest	Total
2010	\$ 20,110,000	\$ 18,086,702	\$ 38,196,702
2011	24,710,000	17,098,315	41,808,315
2012	27,215,000	16,036,672	43,251,672
2013	28,980,000	14,837,110	43,817,110
2014	29,615,000	13,566,754	43,181,754
2015-2019	148,560,000	48,120,625	196,680,625
2020-2024	95,695,000	20,432,650	116,127,650
2025-2029	45,000,000	4,713,812	49,713,812
Total	\$ 419,885,000	\$ 152,892,640	\$ 572,777,640

There is \$26,917,176 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$3,316, based on the 2000 federal census. Debt per capita, including bonds, notes, and other loans totaled \$3,398, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2009, was as follows:

Governmental Activities:	Bonds	Notes	Other Loans
Balance, July 1, 2008	\$ 393,895,000	\$ 2,345,000	\$ 10,459,000
Additions	50,110,000	11,000,000	0
Deductions	(24,120,000)	(12,660,000)	(722,000)
Balance, June 30, 2009	<u>\$ 419,885,000</u>	<u>\$ 685,000</u>	<u>\$ 9,737,000</u>
Balance Due Within One Year	<u>\$ 20,110,000</u>	<u>\$ 685,000</u>	<u>\$ 753,000</u>

	Compensated Absences	Claims and Judgments	Closure/ Postclosure Care Costs
Balance, July 1, 2008	\$ 1,726,752	\$ 5,310,533	\$ 895,980
Additions	1,779,115	47,310,782	0
Deductions	(1,665,720)	(45,532,899)	(834,070)
Balance, June 30, 2009	<u>\$ 1,840,147</u>	<u>\$ 7,088,416</u>	<u>\$ 61,910</u>
Balance Due Within One Year	<u>\$ 1,832,292</u>	<u>\$ 7,088,416</u>	<u>\$ 0</u>

	Self-Insured Other Postemployment Benefits
Balance, July 1, 2008	\$ 0
Additions	4,563,000
Deductions	(1,410,721)
Balance, June 30, 2009	<u>\$ 3,152,279</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 442,449,752
Less: Due Within One Year	(30,468,708)
Add: Unamortized Premium on Debt	10,476,527
Less: Deferred Amount on Refunding	<u>(4,060,917)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 418,396,654</u>

The internal service fund primarily serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, \$5,459,708 of claims and judgments in the internal service fund is included in the above amounts. Compensated absences will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill closure/postclosure care costs will be paid from the General Capital Projects Fund.

Current Refunding

On February 24, 2009, Williamson County currently refunded two capital outlay notes with a separate general obligation bond. The county issued \$26,450,000 of general obligations bonds, of which \$9,300,000 was used to provide resources to currently refund two existing capital outlay notes. As a result, the capital outlay notes have been removed from the county's long-term debt.

On February 24, 2009, Williamson County partially refunded one and fully refunded another capital outlay note and the current principal on 14 rural school bonds with a separate rural school bond. The county issued \$23,660,000 of rural school bonds, of which \$10,000,000 was used to provide resources for the refunding transaction.

Defeasance of Prior Debt

In prior years, Williamson County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2009, the following outstanding bonds are considered defeased:

	<u>Amount</u>
1995 Rural School	\$ 14,355,000
1999 Public Improvements	14,235,000
2000 General Obligation	9,015,000
2000 School Construction	20,320,000
2000 Rural School	11,260,000
2002 General Obligation	17,430,000

Discretely Presented Williamson County School Department

Changes in Long-term Liabilities

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

Governmental Activities:

	<u>Compensated Absences</u>	<u>Claims and Judgments</u>	<u>Energy System Liabilities</u>
Balance, July 1, 2008	\$ 892,461	\$ 246,750	\$ 43,621
Additions	1,117,888	1,674,501	0
Deductions	(1,054,849)	(1,508,790)	(9,389)
	<hr/>	<hr/>	<hr/>
Balance, June 30, 2009	\$ 955,500	\$ 412,461	\$ 34,232
	<hr/>	<hr/>	<hr/>
Balance Due Within One Year	\$ 143,324	\$ 412,461	\$ 0

Governmental Activities:

	<u>State Medicare Postemployment Benefits</u>	<u>Self-Insured Other Postemployment Benefits</u>
Balance, July 1, 2008	\$ 236,799	\$ 0
Additions	242,285	22,648,000
Deductions	(2,850)	(7,406,286)
	<hr/>	<hr/>
Balance, June 30, 2009	\$ 476,234	\$ 15,241,714
	<hr/>	<hr/>
Balance Due Within One Year	\$ 0	\$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 17,120,141
Less: Due Within One Year	<u>(555,785)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 16,564,356</u>

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Williamson County School Department. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Medicare Supplement Plan for the year ended June 30, 2009, were \$14,582. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

H. Short-term Debt

Williamson County issued bond anticipation notes in advance of issuing debt and deposited the proceeds in the General Capital Projects Fund. These notes were necessary because funds were not available to meet various capital projects expenditures coming due before the bond issuance. Short-term debt activity for the year ended June 30, 2009, was as follows:

	Balance 7-1-08	Issued	Paid	Balance 6-30-09
Bond Anticipation Note \$	0	\$ 10,000,000	\$ (10,000,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

Williamson County and the Williamson County School Department have chosen to establish the Self-Insurance Fund for risks associated with the employees' health insurance plans. The Self-Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$200,000, per specific loss. The PPO and HMO plans do not carry aggregate reinsurance.

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

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2007-08	\$ 5,411,740	40,190,379	(40,580,634)	\$ 5,021,485
2008-09	5,021,485	44,521,281	(44,083,058)	5,459,708

Williamson County and the discretely presented Williamson County School Department are self-insured for all other risks of loss, including general liability, property, casualty, and workers' compensation. The county carries commercial insurance coverage for any specific loss exceeding \$100,000 and aggregate losses from \$850,000 to \$3,000,000 in a given year. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

B. Accounting Changes

Provisions of Governmental Accounting Standards Board Statement (GASB) No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions; 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. 45 establishes reporting requirements for Other Postemployment Benefits (OPEB). OPEB includes postemployment healthcare, as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. This statement establishes standards for the measurement, recognition, and display of OPEB expenses/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the county's financial

statements. In previous years, Williamson County and the Williamson County School Department had only recognized the current-year cost (expense) of these benefits. Other postemployment benefit obligations were restated \$236,799 for the discretely presented School Department from the prior year because the state-administered Medicare Supplement Plan's actuarial study was dated July 1, 2007, and the county chose not to early implement GASB Statement No. 45.

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 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 Williamson County for the year ended June 30, 2009, since the county had none of the obligating events. However, it is reasonably expected that Williamson 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 Williamson County for the year ended June 30, 2009, since the county had no endowment investments. However, it is reasonably expected that Williamson County could have endowment investments in subsequent years.

C. Subsequent Events

On July 13, 2009, Williamson County authorized the issuance of capital outlay notes totaling \$3,252,270 for school capital projects.

On August 31, 2009, Williamson County issued a tax anticipation note of \$10,000,000 for school purposes.

On September 21, 2009, the Williamson County Board of Education executed a contract with Mr. Mike Looney to become the new director of schools, effective December 1, 2009.

D. Contingent Liabilities

The county and School Department are involved in several pending lawsuits. Attorneys for the county and the School Department estimate that the potential claims against the county and School Department not covered by insurance resulting from such litigation would not materially affect the financial statements of the county and School Department.

Williamson County is contingently liable for certain revenue bonds and loans of the discretely presented Williamson County Hospital District. Williamson County would become liable for these bonds, loans, and the interest thereon, in case of default by the Williamson County Hospital District.

E. Changes in Administration

On August 18, 2008, Robert Rhoades left the Office of Sheriff and was succeeded by Jeff Long.

On December 31, 2008, Dr. Rebecca Sharber left the Office of Director of Schools and was succeeded by David Heath, Ed.D.

F. Landfill Closure/Postclosure Care Costs

Williamson County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill, solid waste transfer station, demolition landfill, and a compost facility. The county has provided financial assurances for estimated closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require Williamson County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$61,910 reported as landfill closure and postclosure care liability at June 30, 2009, represents the cumulative amount reported to date based on the use of seven percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of closure and postclosure care of \$822,523 if the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

G. Joint Ventures

The Cool Springs Conference Center is a joint venture between Williamson County and the City of Franklin. The parties have agreed to share equally all revenues, expenses, and other legal obligations from the operation of the conference center. The county's net investment of \$6,794,625 is reported as an asset in the governmental activities column on the statement of net assets. The county's share of 2008-09 revenues (\$402,191) and expenditures (\$61,960) related to the conference center are included in the county's General Fund. Williamson County and the City of Franklin have contracted

with Noble Investments, Cool Springs, LLC, for the operation and maintenance of the conference center.

The Twenty-first Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-first Judicial District; Williamson, Perry, Lewis, and Hickman 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 each judicial district. Williamson County does not retain an equity interest in the DTF.

Complete financial statements for the Cool Springs Conference Center and the Twenty-first Judicial District Drug Task Force can be obtained from their respective administrative offices at the following addresses:

Administrative Offices

Cool Springs Conference Center
City of Franklin
P.O. Box 305
Franklin, TN 37065-0305

Office of District Attorney General
Twenty-first Judicial District Drug Task Force
P.O. Box 937
Franklin, TN 37065

H. Retirement Commitments

Employees

Plan Description

Employees of Williamson 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 the Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Williamson 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.

Funding Policy

Williamson County requires employees to contribute five percent of earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2009, was 7.54 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Williamson County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2009, Williamson County's annual pension cost of \$4,297,219 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. Williamson 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 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	\$4,297,219	100%	\$0
6-30-08	4,251,734	100	0
6-30-07	3,957,552	100	0

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 85.94 percent funded. The actuarial accrued liability for benefits was \$95.03 million, and the actuarial value of assets was \$81.67 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$13.36 million. The covered payroll (annual payroll of active employees covered by the plan) was \$50 million, and the ratio of the UAAL to the covered payroll was 26.74 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 Williamson County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of

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

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

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 Williamson 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 Williamson 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 \$6,730,952, \$6,164,736, and \$5,640,385, respectively, equal to the required contributions for each year.

I. Other Postemployment Benefits (OPEB)

Self-Insurance Plan

Plan Description

All full-time employees and eligible retirees of the primary government and the discretely presented Williamson County School Department are eligible to participate in the health and dental insurance cost sharing plan accounted for in the Self-Insurance Fund (internal service fund). Life insurance ranging from \$2,700 to \$15,000 is also provided at full cost to the retiree. For accounting purposes, the plan is an agent single-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the County Commission.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The county develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums.

An employee who retires from Williamson County becomes eligible for retiree health coverage upon the earlier of attaining: (1) age 55 with 10 years of service and active coverage for one year prior to retirement, or (2) any age with 30 years of service and active coverage for one year prior to retirement. Williamson County pays 80 percent of the costs of benefits. If the retiree is eligible for health and dental insurance coverage, the coverage is also provided for the retiree's spouse and/or dependent children. Once the retirees or their dependent(s) become eligible for Medicare, the county coverage will become the secondary insurance provider.

On June 6, 2008, the Williamson County Commission amended the policy for retiree insurance eliminating the availability of continuation of health benefits for any employee hired on or after July 1, 2009.

Annual OPEB Cost and Net OPEB Obligation

	Primary Government	School Department	Total
ARC	\$ 4,563,000	\$ 22,648,000	\$ 27,211,000
Interest on the NPO	0	0	0
Adjustment to the ARC	0	0	0
Annual OPEB cost	\$ 4,563,000	\$ 22,648,000	\$ 27,211,000
Amount of contribution	(1,410,721)	(7,406,286)	(8,817,007)
Increase/decrease in NPO	\$ 3,152,279	\$ 15,241,714	\$ 18,393,993
Net OPEB obligation, 7-1-08	0	0	0
Net OPEB obligation, 6-30-09	\$ 3,152,279	\$ 15,241,714	\$ 18,393,993

Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09	Primary Government	\$ 4,563,000	31 %	\$ 3,152,279
6-30-09	School Department	22,648,000	33	15,241,714

* Data only available for one year.

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2009, was as follows:	Primary Government	School Department
Actuarial valuation date	7-1-08	7-1-08
Actuarial accrued liability (AAL)	\$ 34,098,000	\$ 148,752,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 34,098,000	\$ 148,752,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 29,915,986	\$ 132,848,575
UAAL as a % of covered payroll	114%	112%

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

Actuarial Methods and Assumptions

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

In the July 1, 2008, 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 ten percent for 2009, grading down to

five percent for 2015 and beyond. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2009.

State Sponsored Medicare Supplement Plan

Plan Description

The Williamson County School Department participates in the state-administered Medicare Supplement Plan for healthcare benefits. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-701, Tennessee Code Annotated. Subsequent to age 65, members who are also in the state’s retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plan is reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state’s website at <http://tn.gov/finance/act/cafr.html>.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop their own contribution policy in terms of subsidizing retired employees’ premiums since the committee is not prescriptive on that issue. The state provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The monthly support for noncertified School Department employees is based on years of service. If the retiree has between 15 and 19 years of service, the monthly support is \$25. If the retiree has between 20 and 29 years of service, the monthly support is \$37.50. Retirees with 30 or more years of service receive monthly support of \$50. Expenditures for postretirement health care benefits are included in the government’s annual budget. During the year, expenditures totaling \$2,850 were recognized for postemployment health care.

Annual OPEB Cost and Net OPEB Obligation

	<u>Medicare Supplement Plan</u>
ARC	\$ 242,000
Interest on the NPO	10,656
Adjustment to the ARC	<u>(10,371)</u>
Annual OPEB cost	\$ 242,285

Annual OPEB Cost and Net OPEB Obligation (Cont.)

	<u>Medicare Supplement Plan</u>
Amount of contribution	\$ (2,850)
Increase/decrease in NPO	\$ 239,435
Net OPEB obligation, 7-1-08	<u>236,799</u>
Net OPEB obligation, 6-30-09	<u>\$ 476,234</u>

Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09	Medicare Supplement Plan	\$ 242,285	1 %	\$ 476,234

* Data only available for one year.

Funded Status and Funding Progress

	<u>Medicare Supplement Plan</u>
The funded status of the plan as of June 30, 2009, was as follows:	
Actuarial valuation date	7-1-07
Actuarial accrued liability (AAL)	\$ 1,946,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,946,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 0
UAAL as a % of covered payroll	0%

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

Actuarial Methods and Assumptions

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

In the 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. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2009.

J. Office of Central Accounting, Budgeting, and Purchasing

Williamson County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and the highway superintendent. These funds are maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of accounts and budgets. Williamson County also operates under provisions of the Williamson County Budget Act, Chapter 56, Private Acts of 2001.

K. Purchasing Laws

Offices of County Mayor and Highway Superintendent

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

Office of Director of Schools

Purchasing procedures for the discretely presented Williamson County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, TCA, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires

competitive bids be solicited through newspaper advertisement on all purchases exceeding \$10,000.

VI. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY HOSPITAL DISTRICT

A. Reporting Entity

Williamson County Hospital District operates under the name of Williamson Medical Center and is a general, short-term, acute care hospital organized as a political subdivision of Williamson County, Tennessee. The medical center constitutes a component unit of the county, which is considered the primary government unit. The Williamson County Commission adopted a resolution in 1992, in conjunction with acquiring title to the property and equipment of the district, giving the district complete authority and responsibility to manage and operate the medical center as provided in Chapter 107 of the Private Act of 1957, passed by the Tennessee legislature. These financial statements include the activities of the medical center, and the Williamson Medical Center Foundation, a discretely presented component unit established in 2003. The county is financially accountable as it appoints a voting majority of the district's Board of Trustees, and the full faith and credit of the county is pledged for payment of principal and interest on the outstanding hospital revenue and tax bonds.

The primary mission of the medical center is to provide inpatient and outpatient healthcare services to the citizens of Williamson County and surrounding areas. The medical center also provides ambulance services in Williamson County.

Williamson Medical Center Foundation is a tax-exempt organization, which was established in 2003. The foundation was formed to coordinate the fund-raising and development activities of the medical center which is the sole member of the organization. The activities of the foundation are not considered core to the provision of healthcare services; therefore, the results of its operations are included in nonoperating revenues (expenses), net, in the accompanying combined statements of revenues, expenses, and changes in net assets. All assets of the foundation, other than unconditional promises to give, are shown as part of assets limited as to use in the accompanying combined balance sheets.

The medical center follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14. As a result, the foundation is included in the accompanying combined financial statements as a discretely presented component unit of the medical center.

As required by accounting principles generally accepted in the United States of America, these combined financial statements present both Williamson

Medical Center and its discretely presented component unit (collectively referred to as the reporting entity).

B. Significant Accounting Policies

Basis of Accounting – The medical center utilizes the proprietary fund method of accounting, which recognizes revenues and expenses on the accrual basis. Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, the medical center has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board and predecessor standard setting organizations, including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Cash and Cash Equivalents – The medical center considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of amounts maintained in bank deposits and overnight repurchase agreements, which are insured by the Federal Deposit Insurance Corporation or are otherwise collateralized. The fair value approximates cost due to the nature of the assets.

Inventories – Inventories consist principally of medical and pharmaceutical supplies and are stated at the lower of cost (first-in, first-out method) or fair market value.

Assets Limited as to Use – Assets limited as to use include cash and investments designated by the Board of Trustees for future capital improvements and debt repayment, over which the board retains control and may at its discretion use for other purposes; cash and investments from county bond proceeds to be used for capital improvements; and restricted cash from donors through the foundation. Investments are reported at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

Property and Equipment – Property and equipment are stated on the basis of cost. Depreciation is computed by the straight-line method over the estimated useful life of the asset, generally 40 years for buildings, two to 25 years for land improvements, five to 20 years for capital equipment, and three to 20 years for major moveable equipment. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation expense and the allowance for depreciation, respectively. The medical center reviews the carrying values of long-lived assets if facts and circumstances indicate that recoverability may have been impaired. Costs of maintenance and repairs are expensed as incurred. Interest cost incurred on borrowed funds during the

period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Investment in Joint Ventures – Investment in joint ventures are accounted for under the equity method of accounting and the medical center recognizes its share in the results of the underlying activities in the ventures.

Bond Issuance Costs – Costs incurred in issuing the revenue bonds are amortized over the term of the related bond issues using the straight-line method.

Accrual for Compensated Absences – The medical center recognizes an expense and accrues a liability for compensated future employee absences in the period in which employees' rights to such compensated absences are earned. Compensated absences consist of paid days off, including holiday, vacation, sick, and bereavement days to qualifying employees.

Net Patient Service Revenue/Receivables – Net patient service revenue is reported on an accrual basis in the period in which services are provided at the estimated net realizable amounts, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Current operations are charged with an estimated provision for bad debts based upon management's evaluation of collectability. Such evaluation includes historical experience, aging of the receivables, and other factors that affect the collectability of the receivables. The estimated provision for bad debts is reported as a reduction in net patient service revenue.

The medical center's policy does not require collateral or other security for patient accounts receivable. The medical center routinely accepts assignment of, or is otherwise entitled to receive patient benefits payable under health insurance programs, plans, or policies such as those related to Medicare, TennCare, and various managed care and commercial insurance carriers.

Net Assets – Net assets of the medical center are classified in three components. Net assets invested in capital assets, net of related debt consist of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Restricted net assets are noncapital net assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the medical center, including amounts related to county contributions and bond indebtedness restricted for specific purposes. Unrestricted net assets are remaining net assets that do not meet the definition of invested in capital assets, net of related debt or restricted.

Operating Revenues and Expenses – The medical center's statement of revenues, expenses, and changes in net assets distinguishes between

operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing healthcare services – the medical center’s principal activity. Nonexchange revenues, including grants and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide healthcare services, other than financing costs.

Charity Care – The medical center accepts all patients, regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the medical center. In assessing a patient’s inability to pay, the medical center utilizes generally recognized poverty income levels. Because the medical center does not pursue collection of amounts determined to qualify as charity care, charges related to charity care are not included in net patient service revenue. In addition to these charity care services, the medical center provides a number of other services to benefit the underprivileged patients for which little or no payment is received, including providing services to TennCare and state indigent patients and providing various public health education, health evaluation, and screening programs.

Contributed Resources – The medical center receives grants from the county as well as contributions from individuals and private organizations through the foundation. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to specific operating purposes are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported as other increases in net assets.

Income Taxes – The medical center is classified as an organization exempt from federal income taxes as it is a political subdivision of Williamson County. The foundation is classified as an organization exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

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

Newly Adopted Accounting Pronouncements:

Fair Value Measurement - In September 2006, the FASB issued Statement No. 157, Fair Value Measurements (SFAS No. 157), which defines fair value, establishes a framework for measuring fair value under U.S. generally accepted accounting principles and expands disclosures about fair value measurements. SFAS No. 157 applies only to fair-value measurements that are already required or permitted by other accounting standards and is expected to increase the consistency of those measurements. The definition of fair value focuses on the exit price (i.e., the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date), not the entry price (i.e., the price that would be paid to acquire the asset or received to assume the liability at the measurement date). The statement emphasizes that fair value is a market-based measurement; not an entity-specific measurement. Therefore, the fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. The effective date for SFAS No. 157 was for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The medical center adopted SFAS No. 157 effective July 1, 2008. There was no significant impact on the financial statements from adopting this standard. At June 30, 2009, the medical center had no assets or liabilities meeting the criteria for disclosure, under guidance established in SFAS No. 157.

C. Net Patient Service Revenue and Patient Accounts Receivable

A significant portion of the amount of services provided by the medical center are to patients whose bills are paid by third-party payors such as Medicare, TennCare, and private insurance carriers.

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net assets is as follows:

Gross Patient Service Charges	\$ 358,676,653
Less:	
Medicare Contractual Adjustments	(94,432,862)
TennCare Contractual Adjustments	(19,206,995)
Other Contractual Adjustments	(95,336,351)
Bad Debt	(11,790,147)
Charity Care	(4,637,726)
	<hr/>
Net Patient Service Revenue	<u>\$ 133,272,572</u>

Net patient accounts receivable consist of the following:

Insurance Carriers Under Commercial Plans	\$ 9,424,285
Managed Care Plans	3,242,329
Medicare	3,603,940
TennCare	442,079
Patients, Including Self-Insured	12,044,032
Less: Allowance for Uncollectible Accounts	<u>(6,289,734)</u>
Total	<u>\$ 22,466,931</u>

D. Third-party Payor Agreements

The medical center renders services to patients under contractual arrangements with the Medicare and Medicaid programs. Effective January 1, 1994, the Medicaid program in Tennessee was replaced with TennCare, a managed care program designed to cover previous Medicaid-eligible enrollees, as well as other previously uninsured and uninsurable participants.

Amounts earned under these contractual arrangements are subject to review and final determination by fiscal intermediaries and other appropriate governmental authorities or their agents. Activity with respect to audits and reviews of governmental programs and reimbursement has increased and is expected to increase in the future. No additional reserves or allowances have been established with regard to these increased audits and reviews as management is not able to estimate such amounts. In the opinion of management, any adjustments, which may result from such audits and reviews will not have a material impact on the financial statements; however, due to the uncertainties involved, it is at least reasonably possible that management's estimates will change in the future. In addition, participation in these programs subjects the medical center to significant rules and regulations; failure to adhere to such could result in fines, penalties, or expulsion from the programs.

The Medicare program pays for inpatient services on a prospective basis. Payments are based upon diagnostic-related group assignments, which are determined by the patient's clinical diagnosis and medical procedures utilized.

The Medicare program reimburses for outpatient services under a prospective method utilizing an ambulatory payment classification system, which classifies outpatient services based upon medical procedures and diagnosis codes.

The medical center contracts with various managed care organizations under the TennCare program. TennCare reimbursement for both inpatient and

outpatient services is based upon prospectively determined rates and per diem amounts.

Net patient service revenue related to Medicare and TennCare was approximately \$41,944,000 and \$1,682,000, respectively, in 2009.

The medical center has also entered into reimbursement agreements with certain commercial insurance companies, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, per diem rates, case rates, and discounts from established charges.

E. Assets Limited as to Use

Assets limited as to use consist of the following:

By Board for Capital Improvements:	
Cash	\$ 33,473,620
By Board for Bond Principal and Interest Payments:	
Cash	2,652,536
By Donors:	
Cash	<u>622,882</u>
 Total Assets Limited as to Use	 <u><u>\$ 36,749,038</u></u>

Balances consist of bank deposits at June 30, 2009. Amounts are classified as noncurrent assets to the extent they are not expected to be used to satisfy current obligations.

Amounts classified as current assets will be used to pay bond principal and interest payments.

All cash assets limited as to use at June 30, 2009, are insured by the Federal Deposit Insurance Corporation, registered or otherwise collateralized by the financial institution through the State of Tennessee Collateral Bank Pool. See Note VI.N. for additional information related to the medical center's risks with respect to its investments.

F. Property and Equipment

A summary of property and equipment and schedule of activity is as follows:

	Balance 7-1-08	Additions	Retirements	Balance 6-30-09
Land	\$ 6,513,813	\$ 0	\$ 0	\$ 6,513,813
Land improvements	2,226,518	0	0	2,226,518
Building and improvements	106,566,266	12,373,971	0	118,940,237
Equipment	55,683,869	3,358,073	(46,300)	58,995,642
Equipment under capital leases	8,664,189	2,741,787	0	11,405,976
Subtotal	\$ 179,654,655	\$ 18,473,831	\$ (46,300)	\$ 198,082,186
Less: Accumulated depreciation and amortization	(69,817,273)	(9,213,043)	32,368	(78,997,948)
Add: Construction in progress	6,526,127	(5,655,758)	(571,439)	298,930
Total	\$ 116,363,509	\$ 3,605,030	\$ (585,371)	\$ 119,383,168

Construction in progress at June 30, 2009, consists primarily of construction on a new sleep center as well as continuing construction on a surgery suite. Estimated costs to complete these projects amounted to approximately \$621,000 at June 30, 2009.

G. Investments in Joint Ventures

During 2006, the medical center entered into a joint venture with physicians to own and operate Williamson Surgery Center, LLC, which began operations during the year ended June 30, 2006. The medical center transferred certain property and equipment to the joint venture in 2006 as a part of its initial investment of \$1,850,000. Prior to June 1, 2009, the medical center provided various administrative and other services and personnel to the surgery center. Other operating revenue for the year ended June 30, 2009, includes \$2,015,232 for the use of medical center personnel and administrative and other services provided, and other receivables at June 30, 2009, include \$1,288,925 due from the surgery center. During 2007, the amount due from the surgery center was restructured as a note receivable with required monthly payments of \$11,253, including interest at five percent through 2022. Effective June 1, 2009, the medical center sold 27 percent of its interest in the surgery center. Thus, the medical center's ownership interest decreased from approximately 75 percent as of June 30, 2008, to approximately 55 percent as of June 30, 2009. As part of this sale agreement, the Employee Leasing Agreement and Administrative Services Agreement between the medical center and the surgery center were terminated. Condensed financial information for the surgery center as of and for the year ended June 30, 2009, is as follows:

Assets	<u>\$ 1,941,563</u>
Liabilities	\$ 1,681,114
Member's Equity	<u>260,449</u>
Total	<u>\$ 1,941,563</u>

Liabilities include \$250,000 outstanding on a \$1,500,000 line of credit.

In December 2007, the medical center entered into a joint venture with Saint Thomas Network to own and operate Williamson Saint Thomas Community Health, LLC (WSTCH), which began operations during the year ended June 30, 2008. The joint venture is owned equally by the medical center and Saint Thomas Network and net income/loss of WSTCH is to be divided equally. The medical center contributed \$1,982 to the joint venture in 2009. The medical center recognized losses totaling \$31,168 for the year ended June 30, 2009 based on the medical center's ownership interest. The medical center provides administrative and other services and personnel to WSTCH.

In July 2008, the medical center entered into a joint venture with Saint Thomas Network to own and operate Williamson Saint Thomas Medical Group, LLC (WSTMG), which began operations during the year ended June 30, 2009. The medical center owns 80 percent and Saint Thomas Network owns 20 percent of WSTMG and net income/loss of WSTMG is to be allocated based on these ownership interests. The medical center contributed \$343,995 to the joint venture in 2009. The medical center recognized losses totaling \$315,380 for the year ended June 30, 2009 based on the medical center's ownership interest. The medical center provides administrative and other services and personnel to WSTMG.

Other operating revenues for the year ended June 30, 2009, include \$360,386 for administrative and other services and personnel provided to both WSTCH and WSTMG.

The medical center also has an investment in Shared Hospital Services, Inc. (S.H.S.), which provides laundry and linen services. This investment is in a joint venture in which the medical center owned approximately six percent at June 30, 2009. The medical center's equity in S.H.S. was approximately \$614,600 at June 30, 2009. Equity earnings are distributed based upon tons of laundry processed by S.H.S. The medical center paid S.H.S. approximately \$665,000 for laundry services for 2009.

H. Williamson County Ambulance Service

Pursuant to terms of an agreement with the county, which has been and may continue to be renewed annually upon agreement by both parties, the medical center controls and operates the Williamson County Ambulance Service. In accordance with this agreement, the county made unrestricted donations to

the medical center of \$1,943,629 in 2009, which is included in other revenue in the accompanying statements of revenues, expenses, and changes in net assets. The agreement also provides for the medical center to return all related assets (as defined) of the ambulance service to the county at the end of the contract period. The net book value of assets related to the ambulance service was approximately \$1,225,000 at June 30, 2009.

I. Bonds and Notes Payable

A schedule of changes in the medical center's bonds and notes payable is as follows:

	Balance 7-1-08	Additions	Reductions	Balance 6-30-09	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	\$ 13,425,000	\$ 0	\$ (600,000)	\$ 12,825,000	\$ 610,000
Hospital Revenue and Tax Bonds Series 2004A	12,880,000	0	(580,000)	12,300,000	600,000
Hospital Revenue and Refunding Tax Bonds Series 2008	7,100,000	0	(1,690,000)	5,410,000	1,750,000
2.41% Note Payable to Bank (LIBOR + 1.75%)	8,333,333	0	(500,000)	7,833,333	500,000
4.78% Equipment Loan	440,249	0	(259,935)	180,314	180,314
4.31% Note Payable to Bank	4,727,852	2,770,983	(144,457)	7,354,378	499,922
.97% Note Payable to Bank (LIBOR + 0.65%)	700,996	0	(247,410)	453,586	247,410
.97% Note Payable to Bank (LIBOR + 0.65%)	0	634,777	(52,899)	581,878	211,592
4.5% Note Payable to Bank	0	1,961,832	(52,449)	1,909,383	160,893
1.67% Note Payable to Bank (LIBOR + 1.35%)	0	1,184,339	(178,908)	1,005,431	306,700
Total	\$ 47,607,430	\$ 6,551,931	\$ (4,306,058)	\$ 49,853,303	\$ 5,066,831

On December 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004B (the Series 2004B Bonds) for the purpose of constructing improvements and renovations to and equipping of the medical

center. Specifically, the 2004B Bonds were used for the multi-phase facility expansion and renovation project, which extended over several years and was substantially completed in 2007. The remaining Series 2004B Bonds bear interest rates ranging from 3.25 percent to 4.375 percent and are due through May 1, 2025.

The Series 2004B Bonds maturing on or after May 1, 2016, are subject to redemption at the option of the county on or after May 1, 2015, at 100 percent of par value.

On June 1, 2004, the county issued \$15,110,000 in Hospital Revenue and Tax Bonds, Series 2004A (the Series 2004A Bonds) for the purpose of constructing improvements and renovations to and equipping of the medical center. Specifically, the 2004A Bonds were also used for the multi-phase facility expansion and renovation project. The remaining Series 2004A Bonds bear interest at rates ranging from 3.875 percent to 4.875 percent and are due through May 1, 2024.

The Series 2004A Bonds maturing on or after May 1, 2015, are subject to redemption at the option of the county on or after May 1, 2014, at 100 percent of par value.

The Hospital Revenue and Tax Refunding Bonds, Series 1997 (the Series 1997 Bonds) were issued for the purpose of advance refunding a portion of the previously outstanding Hospital Revenue and Tax Bonds, Series 1992 (the Series 1992 Bonds), which had been used to acquire medical center facilities.

The Series 1997 Bonds maturing on or after May 1, 2008, were subject to redemption at the option of the county on or after May 1, 2007, as a whole at any time or in part from time to time on any interest payment date at 101 percent of par value on May 1, 2007, through April 30, 2008, and at 100 percent of par value on May 1, 2008, and thereafter. The Series 1997 Bonds were redeemed as a whole on February 29, 2008, in conjunction with the issuance of the Series 2008 Bonds discussed below. There was no significant gain or loss related to this transaction.

On February 28, 2008, the county issued \$7,100,000 in Hospital Revenue and Tax Refunding Bonds, Series 2008 (the Series 2008 Bonds) for the purpose of refunding the Series 1997 Bonds. The Series 2008 Bonds bear interest at rates ranging from three percent to five percent and are due through May 1, 2012. The Series 2008 Bonds are not subject to optional redemption prior to maturity.

The Series 2004A, Series 2004B, and the Series 2008 Bonds are collateralized by a pledge of the net revenues of the medical center and security interests in accounts receivable and certain other assets. In the event of a deficiency, the bonds are payable from unlimited ad valorem taxes levied on all taxable property within the county. The trust indentures related to the bonds contain certain covenants and restrictions, involving the issuance of

additional debt and income available for debt service, with which the medical center was in compliance at June 30, 2009.

The medical center also issues notes payable to finance certain property and equipment additions. The 2.41 percent note payable to the bank represents amounts drawn under a \$10,000,000 line of credit, which converted to a term loan on March 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in March 2015. This loan bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.75 percent and is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 4.78 percent equipment loan is payable in monthly amounts of principal and interest of \$22,946 through February 2010 and is secured by equipment. The .97 percent note payable to the bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus .65 percent and is secured by equipment and ambulances, respectively. The 4.31 percent note payable to bank represents amounts drawn under a \$7,500,000 construction loan, which converted to a term loan on December 1, 2008, with monthly principal and interest payments based on a 15-year amortization, with all outstanding principal and interest due November 2013. This loan is secured by security interests in accounts receivable, excluding Medicare payments. The 4.5 percent note payable to bank is payable in monthly amounts of principal and interest of \$20,390 through February 2019 and is secured by the medical center's deposit accounts and security interests in accounts receivable, excluding Medicare payments. The 1.67 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.35 percent and is unsecured.

The debt service requirements at June 30, 2009, related to bonds and notes payable are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2010	\$ 5,066,831	\$ 1,878,240
2011	4,937,808	1,728,773
2012	4,796,365	1,577,692
2013	2,614,689	1,387,522
2014	7,447,720	1,293,482
2015-2019	14,184,890	3,710,978
2020-2024	9,755,000	1,609,466
2025	1,050,000	45,938
Total	<u>\$ 49,853,303</u>	<u>\$ 13,232,091</u>

During 2009, the medical center capitalized interest expense on construction projects totaling approximately \$149,000.

J. Leases

The medical center leases equipment and office space under capital and operating lease agreements. Future minimum lease payments under capital leases and noncancellable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2009, are as follows:

Year Ending June 30	Capital Leases	Operating Leases
2010	\$ 1,006,868	\$ 2,461,213
2011	972,462	1,474,597
2012	475,848	614,800
2013	0	518,060
2014	0	529,101
	<u>\$ 2,455,178</u>	<u>\$ 5,597,771</u>
Total future minimum lease payments	\$ 2,455,178	<u>\$ 5,597,771</u>
Less amounts representing interest of 7.88%	<u>(111,176)</u>	
Present value of net minimum lease payments	<u>\$ 2,344,002</u>	

A schedule of changes in the medical center's capital leases is as follows:

Balance 7-1-08	Additions	Reductions	Balance 6-30-09	Due Within One Year
\$ 74,538	\$2,741,787	\$ (472,323)	\$2,344,002	\$ 930,389

The medical center generates rental income primarily from operating leases of three medical office buildings. Rental revenue was \$2,926,928 in 2009 and is included in other revenue.

Future minimum rental revenue under noncancellable leases, including a lease with the surgery center currently for \$61,754 per month through September 2015, at June 30, 2009, is as follows:

Year Ending June 30	Amount
2010	\$ 2,487,348
2011	2,270,410
2012	2,064,135
2013	2,105,417
2014	2,147,527
Thereafter	<u>5,972,299</u>
Total	<u>\$ 17,047,136</u>

Future minimum rental payments generally include minor annual increases for inflation. Rental income in excess of rent expense was \$1,122,276 for 2009.

K. Capital Contributions

During 2003, Williamson County contributed \$20,000,000 in funds towards the medical center's facility expansion and renovation project pursuant to a resolution of the County Commission. These funds were raised from a county bond issue, which will be repaid, along with interest, from county revenues.

Other capital contributions for 2009 include amounts related primarily to the foundation.

L. Employees Retirement Plan

The medical center participates in a tax-sheltered annuity program for substantially all of its employees that have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately \$2,167,000 in 2009 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. Currently, the medical center's contribution percentage is five percent of covered wages for nonmanagement employees and nine percent for management employees. Employees may make voluntary contributions so long as the total amount contributed does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. The plan's investments at June 30, 2009, consist of various mutual fund and fixed income investments.

M. Other Receivables

Other current and long-term receivables at June 30, 2009, include \$404,077 in receivables from certain physicians, which were made as part of the medical center's recruitment program to attract physicians to the medical center's service area. Under terms of the related agreements, such

receivables will be forgiven over a period of time, generally three years, as long as the physician continues to practice in the area. The medical center is amortizing these loans over the physicians' service commitments.

N. Commitments and Contingencies

Medical malpractice liability is limited under provisions of the Tennessee Governmental Tort Liability Act (Section 29-20-403, et seq., Tennessee Code Annotated), which removed tort liability from governmental entities which, in the opinion of counsel for the medical center, includes the medical center. In addition to requiring claims to be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a provision requiring the governmental entity to purchase insurance or to be self-insured within certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act (\$300,000 for bodily injury or death of any one person and \$700,000 in the aggregate for all persons in any one accident, occurrence, or act) or the amount of insurance purchased by the governmental entity.

The medical center also maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are \$1,000,000 per claim and \$3,000,000 in the aggregate annually with a deductible of \$100,000 per claim. In addition, the medical center maintains a \$3,000,000 annual aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past five fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2009, that have resulted in the assertion of claims, although other claims may be asserted, arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse, and, most recently under the provisions of the Health Insurance Portability and Accountability Act of 1996, matters related to patient records, privacy, and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant

repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

The medical center is self-insured for medical and other healthcare benefits provided to its employees and their families. The medical center maintains reinsurance through a commercial excess coverage policy, which covers annual individual employee claims paid in excess of \$175,000 for the plan year. Contributions by the medical center and participating employees are based on actual claims experience. A provision for estimated incurred but not reported claims has been provided in the accompanying financial statements. Total expenses under this program amounted to approximately \$9,010,000 for the year ended June 30, 2009.

The medical center is exposed to risks related to its cash and investments, a portion of which is included in assets limited as to use, although certain risks such as credit risk are mitigated due to the medical center's practice of maintaining investments primarily in cash and cash equivalents. The medical center's investment policy includes certificates of deposit, bank demand and savings accounts, and investment vehicles of the United States government. The medical center is subject to investment rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment; however, the medical center's cash and investments are short-term in nature. The medical center's investment policy does not specifically address custodial credit risk, the risk that in the event of failure of a counterparty to a transaction, the medical center will not be able to recover the value of the investment of any collateral securities that are in the possession of an outside party, or concentration of credit risk, the risk that the amount of investments the medical center has with any one issuer exceeds five percent of its total investment. Substantially all of the medical center's cash and equivalents are with one financial institution.

O. Fair Value of Financial Instruments

The following methods and assumptions were used by the medical center in estimating fair value of its financial instruments:

Cash and cash equivalents: The carrying amount reported in the balance sheet approximates their fair value.

Assets limited as to use: These assets consist primarily of cash and cash equivalents. The carrying amount reported in the balance sheet is fair value.

Patient accounts and other receivables: The carrying amount reported in the balance sheet approximates their fair value.

Accounts payable, accrued expenses, and other liabilities: The carrying amount reported in the balance sheet approximates their fair value.

Accrued payroll, compensated absences, and payroll-related liabilities: The carrying amount reported in the balance sheet approximates their fair value.

Estimated amounts due to third-party payors: The carrying amount reported in the balance sheet approximates their fair value.

Long-term debt: The fair value of the medical center's long-term debt is estimated based on the medical center's current incremental borrowing rates for similar types of borrowing arrangements. Based on the analyses, the fair value of the Series 2004A, Series 2004B, and the Series 2008 Bonds and other long-term debt at June 30, 2009, approximates carrying values.

VII. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the Williamson County Commission approved resolution number 3-88-7, which established a district for their county, the Williamson County Emergency Communications District. As provided by the act, the district operates as a governmental organization through the directives of a seven-member board of directors and provides enhanced 911 emergency telephone service for its service area. In February 2005, the Williamson County Commission added an eighth representative seat with the new director to be appointed from within the corporate limits of Franklin. The directors serve without compensation for terms of four years.

Financial Reporting Entity - Component Unit – As specified and described by Standard 14 of the Governmental Accounting Standards Board (GASB); the district is a component unit of the primary government of Williamson County, Tennessee. The district reports its financial information separately from Williamson County; however, the county in its financial report also discretely presents the district's financial information.

Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Williamson County Mayor and approved by the Williamson County Commission, the district cannot be a primary government. Instead, it qualifies as a component unit according to the directives of GASB.

GASB 14 specifies that component units must be legally separate organizations that have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the

government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. By Section 7-86-114, Tennessee Code Annotated, before issuing negotiable bonds, the district must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Williamson County Commission has the ability to adjust the district's service charges. Because the district is both a legal entity and financially accountable to the primary government of Williamson County as the County Commission approves all members of the governing board and by the nature of its fiscal dependence on Williamson County as described above, it is a component unit of Williamson County.

At June 30, 2009, there were no related receivables or payables between Williamson County and the district. The district did not engage in any activities that were subject to the approval of Williamson County.

Accounting Method – As a governmental entity, the district abides by the accounting rules and regulations issued by the Governmental Accounting Standards Board (GASB), as well as the Financial Accounting Standards Board (FASB) issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. After November 30, 1989, the district follows GASB guidance only and does not follow any FASB guidance issued after that date. Promulgations of that board require that the accrual method of accounting be used for governmental units that operate in a manner similar to a private business.

The district does not have the authority to levy or collect taxes but is supported instead by the fees collected from telephone subscribers who benefit from the availability of its service. It recovers the cost of providing its services from its customers. Consequently, the district functions in a manner similar to a private business enterprise and utilizes the accrual method of accounting. 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.

The accounts of the district are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the district's assets, liabilities, net assets, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenue; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included in the statement of net assets. Net assets (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt, restricted for debt services, and unrestricted components. As of June 30, 2009, the district had no debt, other than accounts payable.

Budgetary Law and Practice – The treasurer of the district files an annual budget with the county mayor of Williamson County in accordance with Tennessee Code Annotated, Title 7, Chapter 86, Part 1. In March of each year, the treasurer presents to the board of directors a preliminary budget, which is then discussed and amended as necessary for board approval.

The budget for operations is prepared on the cash receipts and disbursements basis by line-item accounts. Revenues are budgeted in the year receipt is expected, and disbursements are budgeted in the year that the disbursement is expected to occur. The board has determined to maintain an investment of \$125,000 in cash and cash equivalents as a resource for future purchases of property and equipment.

Equipment – Equipment is stated at cost or estimated historical cost if actual cost is not available and depreciated from two to ten years by the straight-line method of depreciation. The district defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Maintenance and repairs are charged to operations when incurred. Major renewals and betterments are capitalized. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included as non-operating revenue or loss.

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingencies at the date of the financial statements and the reported amounts of the revenues and expenses during the reported period. Actual results could differ from these estimates.

Cash Flow - Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, cash in the local government investment pool, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2009, the district did not hold any certificates of deposits.

Use of Facilities – The district conducts its operations in the Williamson County government's office building at no cost to the district. The measurement of the contribution from Williamson County is not considered

material for disclosure as in-kind support and as an expense in the accompanying statements of revenue, expenses, and changes in net assets.

Operating Revenues and Expenses – The district’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its system. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities. When an expense is incurred for purposes for which there are both restricted and unrestricted net assets available, it is the district’s policy to apply those expenses to restricted net assets to the extent such are available and then to unrestricted net assets.

B. Cash and Cash Equivalents

The district is authorized to make investments in bonds, notes, or treasury bills of the United States; Federal Land Bank bonds; Federal Home Loan Bank notes and bonds; Federal National Mortgage Association notes and debentures; banks for cooperative debentures; or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year; or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2009, the board of directors chose to limit the investment of funds to deposits at banks and the local government investment pool.

Cash – At June 30, 2009, the carrying amount of cash deposits was \$775,976, and the bank balance was \$947,818. At June 30, 2009, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool. The pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

<u>Cash Accounts</u>	Interest Rate	<u>June 30, 2009</u>	
		Carrying Amount	Bank Balance
First Tennessee Bank Checking	variable	\$ 27,940	\$ 199,782
Local Government Investment Pool	variable	748,036	748,036
Total		\$ 775,976	\$ 947,818

C. Accounts Receivable

The district receives the majority of its revenue from the telephone subscribers residing within Williamson County. As provided in the act, telephone companies collect the 911 fees from the subscribers and remit the funds on a not longer than bi-monthly basis to the district. The policy of the telephone companies has been to remit based upon their billings rather than on their collections. Accordingly, the financial statements do not include a provision for bad debts. Also included in accounts receivable are amounts from the communities and organizations that have contracted with the district for 911 dispatch services.

The following is the detail of the receivables at June 30, 2009:

AT&T	\$ 43,396
Fairview	36,000
NUVOX	14,898
NUVOX - adjustment 2004-2006	49,157
USLEC	8,786
Others	<u>31,921</u>
Total	<u><u>\$ 184,158</u></u>

D. Capital Assets

Capital assets are summarized as follows:

	Balance			Balance
	7-1-08	Additions	Deductions	6-30-09
Communications equipment	\$ 1,609,906	\$ 215,353	\$ 0	\$ 1,825,259
Office furniture and equipment	64,163	0	0	64,163
Subtotal	<u>\$ 1,674,069</u>	<u>\$ 215,353</u>	<u>\$ 0</u>	<u>\$ 1,889,422</u>
Less: Accumulated depreciation	(772,214)	(262,127)	0	(1,034,341)
Add: Construction in progress	127,227	0	(127,227)	0
Total	<u><u>\$ 1,029,082</u></u>	<u><u>\$ (46,774)</u></u>	<u><u>\$ (127,227)</u></u>	<u><u>\$ 855,081</u></u>

E. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district is covered under insurance policies maintained by Williamson County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

F. Accounts Payable

Accounts payable include administration fess of \$2,035 and reimbursements for training expenses of \$21,769 at June 30, 2009.

G. Related-party Transactions

Williamson County provides dispatch employees and certain services to the district. The district and Williamson County signed an interlocal contract effective from July 1, 1998, to June 30, 1999, that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the district quarterly. Amounts paid to Williamson County for the fiscal year 2009 totaled \$972,055.

**REQUIRED SUPPLEMENTARY
INFORMATION**

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Exhibit F-1

Williamson 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	
Revenues							
Local Taxes	\$ 39,352,133	\$ 0	\$ 0	\$ 39,352,133	\$ 35,962,107	\$ 35,962,107	\$ 3,390,026
Licenses and Permits	1,075,190	0	0	1,075,190	1,225,000	1,225,000	(149,810)
Fines, Forfeitures, and Penalties	680,847	0	0	680,847	456,500	456,500	224,347
Charges for Current Services	5,376,615	0	0	5,376,615	6,263,100	6,263,100	(886,485)
Other Local Revenues	1,340,465	0	0	1,340,465	2,330,000	2,353,520	(1,013,055)
Fees Received from County Officials	10,270,262	0	0	10,270,262	10,360,000	10,336,480	(66,218)
State of Tennessee	4,184,630	0	0	4,184,630	3,044,220	3,329,533	855,097
Federal Government	1,581,728	0	0	1,581,728	1,262,128	2,265,662	(683,934)
Other Governments and Citizens Groups	372,604	0	0	372,604	210,000	397,715	(25,111)
Total Revenues	\$ 64,234,474	\$ 0	\$ 0	\$ 64,234,474	\$ 61,113,055	\$ 62,589,617	\$ 1,644,857
Expenditures							
General Government							
County Commission	\$ 613,626	(3,050)	17,400	\$ 627,976	\$ 690,139	\$ 750,139	\$ 122,163
Board of Equalization	1,465	0	0	1,465	5,000	5,000	3,535
Beer Board	1,200	0	0	1,200	3,000	3,000	1,800
Other Boards and Committees	1,050	0	0	1,050	3,675	3,675	2,625
County Mayor/Executive	348,439	(23,120)	20,800	346,119	476,842	476,842	130,723
Personnel Office	176,835	0	0	176,835	262,382	262,382	85,547
County Attorney	575,784	0	0	575,784	584,450	584,450	8,666
Election Commission	726,682	(32,105)	370	694,947	703,052	763,077	68,130
Register of Deeds	608,904	0	0	608,904	571,385	705,390	96,486
Development	2,141,219	(151,835)	85,727	2,075,111	2,103,338	2,148,638	73,527
Planning	9,740	(8,815)	3,568	4,493	26,505	26,505	22,012
Building	14,605	0	0	14,605	21,246	21,246	6,641

(Continued)

Exhibit F-1

Williamson 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	
Expenditures (Cont.)							
General Government (Cont.)							
Engineering	\$ 13,400	\$ (2,511)	\$ 7,452	\$ 18,341	\$ 53,330	\$ 53,330	\$ 34,989
Codes Compliance	8,928	(9,030)	22,818	22,716	55,979	55,979	33,263
Geographical Information Systems	1,219,308	(9,313)	2,930	1,213,425	1,253,737	1,253,737	40,312
County Buildings	2,441,565	(104,052)	149,856	2,487,369	3,113,932	3,115,245	627,876
Other Facilities	119,504	0	0	119,504	128,861	131,861	12,357
Preservation of Records	181,560	(15,463)	8,297	174,394	249,286	249,286	74,892
Risk Management	155,591	(15)	0	155,576	190,320	190,320	34,744
Other Risk Management	245,313	0	0	245,313	255,464	255,464	10,151
Finance							
Accounting and Budgeting	596,171	(4,420)	1,905	593,656	633,184	633,184	39,528
Property Assessor's Office	1,428,050	(60,530)	69,922	1,437,442	1,503,305	1,503,305	65,863
County Trustee's Office	462,766	(18,093)	18,700	463,373	545,998	545,998	82,625
County Clerk's Office	837,814	(2,542)	138	835,410	909,781	924,781	89,371
Administration of Justice							
Circuit Court	1,344,033	(28,168)	550	1,316,415	1,422,328	1,432,328	115,913
General Sessions Court	638,485	(1,213)	1,962	639,234	658,958	658,958	19,724
Drug Court	102,391	0	0	102,391	0	102,391	0
Chancery Court	394,242	0	0	394,242	391,566	399,066	4,824
Juvenile Court	388,184	(350)	4,700	392,534	404,988	404,988	12,454
Other Administration of Justice	142,740	0	0	142,740	154,615	155,415	12,675
Victims Assistance Programs	93,003	0	0	93,003	0	93,003	0
Public Safety							
Sheriff's Department	5,729,081	(36,109)	18,968	5,711,940	6,542,266	6,547,168	835,228
Traffic Control	62,839	(188)	0	62,651	96,273	96,273	33,622

(Continued)

Exhibit F-1

Williamson 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	
Expenditures (Cont.)							
Public Safety (Cont.)							
Administration of the Sexual Offender Registry	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,845	\$ 6,845
Jail	4,838,048	(27,743)	52,965	4,863,270	4,918,839	5,212,839	349,569
Workhouse	186,726	(360)	1,303	187,669	222,147	205,073	17,404
Juvenile Services	1,612,872	(969)	5,680	1,617,583	1,624,415	1,645,915	28,332
Fire Prevention and Control	547,415	(6,207)	8,316	549,524	555,731	555,731	6,207
Civil Defense	888,214	(3,576)	2,567	887,205	934,645	1,154,857	267,652
Rescue Squad	177,447	(3,282)	7,752	181,917	295,436	434,782	252,865
County Coroner/Medical Examiner	174,141	0	0	174,141	120,540	184,535	10,394
Public Health and Welfare							
Local Health Center	943,875	(8,517)	11,584	946,942	1,347,332	1,384,332	437,390
Rabies and Animal Control	880,354	(55,322)	65,474	890,506	1,039,550	1,089,675	199,169
Ambulance/Emergency Medical Services	1,943,624	0	0	1,943,624	1,943,624	1,943,624	0
Other Local Health Services	10,640	0	0	10,640	10,640	10,640	0
Regional Mental Health Center	24,220	0	0	24,220	24,220	24,220	0
Appropriation to State	115,351	0	0	115,351	115,351	115,351	0
General Welfare Assistance	19,574	0	0	19,574	19,574	19,574	0
Aid to Dependent Children	12,121	0	0	12,121	12,267	12,267	146
Other Public Health and Welfare	75,919	(18,887)	0	57,032	98,369	98,369	41,337
Social, Cultural, and Recreational Services							
Adult Activities	50,515	0	0	50,515	50,515	50,515	0
Senior Citizens Assistance	95,102	0	1,150	96,252	97,513	97,513	1,261
Libraries	2,050,299	(65,055)	5,615	1,990,859	1,947,389	2,099,585	108,726
Parks and Fair Boards	8,549,906	(81,218)	156,004	8,624,692	9,254,168	9,260,073	635,381
Other Social, Cultural, and Recreational	1,105,097	(21,475)	5,000	1,088,622	1,219,322	1,221,697	133,075

(Continued)

Exhibit F-1

Williamson 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	
Expenditures (Cont.)							
Agriculture and Natural Resources							
Agriculture Extension Service	\$ 320,966	\$ (410)	\$ 141	\$ 320,697	\$ 350,395	\$ 350,395	\$ 29,698
Soil Conservation	45,466	0	0	45,466	45,468	45,468	2
Other Operations							
Other Economic and Community Development	258,608	(5,734)	0	252,874	306,930	306,930	54,056
Public Transportation	482,441	0	0	482,441	239,150	992,360	509,919
Veterans' Services	14,307	0	0	14,307	13,491	14,863	556
Other Charges	3,162,019	(1,130)	17,712	3,168,601	2,538,418	3,538,418	369,817
Employee Benefits	10,519,524	0	0	10,519,524	10,642,000	10,642,000	122,476
Miscellaneous	805,661	0	0	805,661	878,603	861,238	55,577
Total Expenditures	\$ 61,725,469	\$ (810,807)	\$ 777,326	\$ 61,691,988	\$ 64,878,039	\$ 68,132,108	\$ 6,440,120
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,509,005	\$ 810,807	\$ (777,326)	\$ 2,542,486	\$ (3,764,984)	\$ (5,542,491)	\$ 8,084,977
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	\$ 100,800	\$ 0	\$ 0	\$ 100,800	\$ 0	\$ 0	\$ 100,800
Insurance Recovery	0	0	0	0	0	1,000,000	(1,000,000)
Transfers In	93,270	0	0	93,270	0	30,800	62,470
Transfers Out	(1,364,843)	0	0	(1,364,843)	(500,000)	(1,364,843)	0
Total Other Financing Sources (Uses)	\$ (1,170,773)	\$ 0	\$ 0	\$ (1,170,773)	\$ (500,000)	\$ (334,043)	\$ (836,730)
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 1,338,232	\$ 810,807	\$ (777,326)	\$ 1,371,713	\$ (4,264,984)	\$ (5,876,534)	\$ 7,248,247
Fund Balance, July 1, 2008	32,144,673	(810,807)	0	31,333,866	29,707,119	29,707,119	1,626,747
Fund Balance, June 30, 2009	\$ 33,482,905	\$ 0	\$ (777,326)	\$ 32,705,579	\$ 25,442,135	\$ 23,830,585	\$ 8,874,994

Exhibit F-2

Williamson 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	
Revenues							
Local Taxes	\$ 7,571,253	\$ 0	\$ 0	\$ 7,571,253	\$ 7,268,466	\$ 7,268,466	\$ 302,787
Other Local Revenues	213,109	0	0	213,109	35,000	35,000	178,109
State of Tennessee	3,238,685	0	0	3,238,685	2,750,000	2,750,000	488,685
Other Governments and Citizens Groups	33,773	0	0	33,773	50,000	50,000	(16,227)
Total Revenues	\$ 11,056,820	\$ 0	\$ 0	\$ 11,056,820	\$ 10,103,466	\$ 10,103,466	\$ 953,354
Expenditures							
<u>Highways</u>							
Administration	\$ 683,484	(725)	12,030	\$ 694,789	\$ 749,050	\$ 749,050	\$ 54,261
Highway and Bridge Maintenance	5,522,643	(605,440)	240,519	5,157,722	5,404,644	5,404,644	246,922
Operation and Maintenance of Equipment	1,457,124	(81,112)	81,422	1,457,434	1,885,981	1,885,981	428,547
Quarry Operations	621,424	(2,000)	0	619,424	761,458	761,458	142,034
Other Charges	455,212	0	0	455,212	725,000	725,000	269,788
Employee Benefits	1,121,276	0	0	1,121,276	1,126,950	1,126,950	5,674
Capital Outlay	989,183	(600,280)	98,273	487,176	592,000	592,000	104,824
Total Expenditures	\$ 10,850,346	(1,289,557)	\$ 432,244	\$ 9,993,033	\$ 11,245,083	\$ 11,245,083	\$ 1,252,050
Excess (Deficiency) of Revenues Over Expenditures	\$ 206,474	\$ 1,289,557	\$ (432,244)	\$ 1,063,787	\$ (1,141,617)	\$ (1,141,617)	\$ 2,205,404
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 299,683	0	0	\$ 299,683	\$ 300,000	\$ 300,000	\$ (317)
Transfers Out	(1,705,770)	0	0	(1,705,770)	0	(1,705,770)	0
Total Other Financing Sources (Uses)	\$ (1,406,087)	\$ 0	\$ 0	\$ (1,406,087)	\$ 300,000	\$ (1,405,770)	\$ (317)
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (1,199,613)	\$ 1,289,557	\$ (432,244)	\$ (342,300)	\$ (841,617)	\$ (2,547,387)	\$ 2,205,087
Fund Balance, July 1, 2008	10,535,605	(1,289,557)	0	9,246,048	9,233,988	9,233,988	12,060
Fund Balance, June 30, 2009	\$ 9,335,992	\$ 0	\$ (432,244)	\$ 8,903,748	\$ 8,392,371	\$ 6,686,601	\$ 2,217,147

Exhibit F-3

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

(Dollar amounts in thousands)

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-09	6-30-07	\$ 81,676	\$ 95,034	\$ 13,358	85.94 %	\$ 49,964	26.74 %
6-30-08	6-30-07	81,676	95,034	13,358	85.94	49,964	26.74

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, data is only presented for two years.

Exhibit F-4

Williamson County, Tennessee
Schedule of Funding Progress - Other Postemployment Benefits Plan
Primary Government and Discretely Presented Williamson 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 (UAAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-09	7-1-08	\$ 0	\$ 182,850	\$ 182,850	0 %	\$ 162,765	0 %
6-30-08	7-1-07	0	1,946	1,946	0	0	0
6-30-09	7-1-07	0	1,946	1,946	0	0	0

* Data only available for one year.
 ** Date only available for two years.

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

A. BUDGETARY INFORMATION

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

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

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

B. CASH SHORTAGES

As noted in the Annual Financial Report for the year ended June 30, 2006, in the Schedule of Findings and Questioned Costs as item 06.01, collections of at least \$45,037.43 were not accounted for at the Fairview Recreation Center. In October 2008 the defendant pled guilty to the theft, was sentenced to four years probation, and ordered to pay restitution to Williamson County. She also signed a promissory note that provides for her to pay a minimum of \$300 per month and provides that she will pay the principal amount in full no later than 48 months from November 1, 2008. The debtor recognizes that payments over and above the \$300 per month will be necessary to ensure that the principal of \$45,037.43 is paid within 48 months from November 1, 2008. The defendant paid \$1,581.50 toward liquidating the cash shortage during the current audit period.

The Office of County Clerk had a cash shortage of \$3,386.18 as of December 31, 2008. On April 13, 2009, a former employee was indicted and charged with two counts of theft over \$1,000, one count of theft over \$500, and one count of forgery. This case is still pending. Details of this cash shortage are discussed in the Schedule of Findings and Questioned Costs section of this report.

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

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Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of Williamson County’s recycling and solid waste collection.

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 restricted revenue held in trust 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.

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

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	Constitu- tional Officers - Fees	
\$	575 \$	0 \$	150 \$	900 \$	1,625
	3,013,468	91,514	214,424	0	3,319,406
	27,507	0	0	0	27,507
	44,013	0	0	0	44,013
	2,884,868	0	0	0	2,884,868
	(37,683)	0	0	0	(37,683)
	<u>\$ 5,932,748 \$</u>	<u>91,514 \$</u>	<u>214,574 \$</u>	<u>900 \$</u>	<u>6,239,736</u>

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

<u>Liabilities</u>	
Accounts Payable	
Claims and Judgments Payable	
Due to Litigants, Heirs, and Others	
Deferred Revenue - Current Property Taxes	
Deferred Revenue - Delinquent Property Taxes	
Other Deferred Revenues	
Total Liabilities	
<u>Fund Balances</u>	
Reserved for Encumbrances	
Unreserved	
Total Fund Balances	
Total Liabilities and Fund Balances	

Exhibit G-2

Williamson 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 Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney General	
<u>Revenues</u>				
Local Taxes	\$ 2,676,646	\$ 0	\$ 0	\$ 2,676,646
Fines, Forfeitures, and Penalties	0	44,423	92,543	136,966
Charges for Current Services	683,730	0	0	683,730
Other Local Revenues	166,652	613	0	167,265
State of Tennessee	132,221	427	0	132,648
Federal Government	38,342	0	0	38,342
Other Governments and Citizens Groups	0	1,800	0	1,800
Total Revenues	<u>\$ 3,697,591</u>	<u>\$ 47,263</u>	<u>\$ 92,543</u>	<u>\$ 3,837,397</u>
<u>Expenditures</u>				
Current:				
Administration of Justice	\$ 0	\$ 0	\$ 82,616	\$ 82,616
Public Safety	0	147,565	0	147,565
Public Health and Welfare	3,244,517	0	0	3,244,517
Other Operations	695,168	0	0	695,168
Total Expenditures	<u>\$ 3,939,685</u>	<u>\$ 147,565</u>	<u>\$ 82,616</u>	<u>\$ 4,169,866</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (242,094)</u>	<u>\$ (100,302)</u>	<u>\$ 9,927</u>	<u>\$ (332,469)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 500,000	\$ 0	\$ 0	\$ 500,000
Transfers Out	(638,000)	0	0	(638,000)
Total Other Financing Sources (Uses)	<u>\$ (138,000)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (138,000)</u>
Net Change in Fund Balances	\$ (380,094)	\$ (100,302)	\$ 9,927	\$ (470,469)
Fund Balance, July 1, 2008	<u>3,371,055</u>	<u>191,816</u>	<u>198,792</u>	<u>3,761,663</u>
Fund Balance, June 30, 2009	<u>\$ 2,990,961</u>	<u>\$ 91,514</u>	<u>\$ 208,719</u>	<u>\$ 3,291,194</u>

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 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	
Revenues							
Local Taxes	\$ 2,676,646	\$ 0	\$ 0	\$ 2,676,646	\$ 2,496,893	\$ 2,496,893	\$ 179,753
Charges for Current Services	683,730	0	0	683,730	815,000	815,000	(131,270)
Other Local Revenues	166,652	0	0	166,652	119,000	121,716	44,936
State of Tennessee	132,221	0	0	132,221	100,000	100,000	32,221
Federal Government	38,342	0	0	38,342	0	0	38,342
Total Revenues	\$ 3,697,591	\$ 0	\$ 0	\$ 3,697,591	\$ 3,530,893	\$ 3,533,609	\$ 163,982
Expenditures							
Public Health and Welfare	\$ 3,244,517	(121,592)	123,355	3,246,280	3,771,335	3,774,051	527,771
Sanitation Management							
Other Operations	278,296	0	0	278,296	370,000	370,000	91,704
Other Charges	416,872	0	0	416,872	412,650	422,650	5,778
Employee Benefits							
Total Expenditures	\$ 3,939,685	(121,592)	123,355	3,941,448	4,553,985	4,566,701	625,253
Excess (Deficiency) of Revenues Over Expenditures	\$ (242,094)	121,592	(123,355)	(243,857)	(1,023,092)	(1,033,092)	789,235
Other Financing Sources (Uses)							
Transfers In	\$ 500,000	0	0	500,000	500,000	500,000	0
Transfers Out	(638,000)	0	0	(638,000)	0	(638,000)	0
Total Other Financing Sources (Uses)	\$ (138,000)	0	0	(138,000)	500,000	(138,000)	0
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (380,094)	121,592	(123,355)	(381,857)	(523,092)	(1,171,092)	789,235
Fund Balance, July 1, 2008	3,371,055	(121,592)	0	3,249,463	3,185,381	3,185,381	64,082
Fund Balance, June 30, 2009	\$ 2,990,961	\$ 0	(123,355)	\$ 2,867,606	\$ 2,662,289	\$ 2,014,289	\$ 853,317

Exhibit G-4

Williamson County, Tennessee
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Actual (Budgetary Basis) and Budget
 Drug Control Fund
 For the Year Ended June 30, 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	
Revenues							
Fines, Forfeitures, and Penalties	\$ 44,423	\$ 0	\$ 0	\$ 44,423	\$ 36,000	\$ 36,000	\$ 8,423
Other Local Revenues	613	0	0	613	0	0	613
State of Tennessee	427	0	0	427	0	0	427
Other Governments and Citizens Groups	1,800	0	0	1,800	0	0	1,800
Total Revenues	\$ 47,263	\$ 0	\$ 0	\$ 47,263	\$ 36,000	\$ 36,000	\$ 11,263
Expenditures							
Public Safety							
Drug Enforcement	\$ 147,565	(5,670)	80	\$ 141,975	\$ 220,371	\$ 220,371	\$ 78,396
Total Expenditures	\$ 147,565	(5,670)	80	\$ 141,975	\$ 220,371	\$ 220,371	\$ 78,396
Excess (Deficiency) of Revenues Over Expenditures	\$ (100,302)	5,670	(80)	(94,712)	(184,371)	(184,371)	89,659
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (100,302)	5,670	(80)	(94,712)	(184,371)	(184,371)	89,659
	191,816	(5,670)	0	186,146	200,749	200,749	(14,603)
Fund Balance, June 30, 2009	\$ 91,514	0	(80)	91,434	16,378	16,378	75,056

Major Governmental Funds

Debt Service Funds

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

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

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs specifically issued for schools outside the territorial boundaries of the Franklin Special School District.

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Exhibit H-1

Williamson 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	\$ 24,008,870	\$ 22,168,095	\$ 22,168,095	\$ 1,840,775
Other Local Revenues	1,059,322	1,720,000	1,720,000	(660,678)
Other Governments and Citizens Groups	5,591,494	0	5,591,498	(4)
Total Revenues	\$ 30,659,686	\$ 23,888,095	\$ 29,479,593	\$ 1,180,093
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 7,040,306	\$ 9,910,500	\$ 7,040,500	\$ 194
Highways and Streets	147,600	147,600	147,600	0
Education	7,484,094	7,484,250	7,484,250	156
<u>Interest on Debt</u>				
General Government	5,618,849	7,218,000	5,860,123	241,274
Highways and Streets	60,072	60,250	60,250	178
Education	5,429,892	5,458,000	5,459,000	29,108
<u>Other Debt Service</u>				
General Government	528,981	620,000	620,000	91,019
Total Expenditures	\$ 26,309,794	\$ 30,898,600	\$ 26,671,723	\$ 361,929
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,349,892	\$ (7,010,505)	\$ 2,807,870	\$ 1,542,022
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 9,393,759	\$ 0	\$ 9,393,759	\$ 0
Premiums on Debt Issued	36,069	0	36,069	0
Payments to Refunded Debt Escrow Agent	(9,429,828)	0	(9,429,828)	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 4,349,892	\$ (7,010,505)	\$ 2,807,870	\$ 1,542,022
Fund Balance, July 1, 2008	21,318,355	21,111,992	21,111,992	206,363
Fund Balance, June 30, 2009	\$ 25,668,247	\$ 14,101,487	\$ 23,919,862	\$ 1,748,385

Exhibit H-2

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Rural 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	\$ 10,306,714	\$ 9,697,089	\$ 9,697,089	\$ 609,625
Other Local Revenues	723,680	300,000	300,000	423,680
Other Governments and Citizens Groups	2,135,000	0	2,135,000	0
Total Revenues	\$ 13,165,394	\$ 9,997,089	\$ 12,132,089	\$ 1,033,305
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 3,530,000	\$ 8,785,000	\$ 10,830,000	\$ 7,300,000
<u>Interest on Debt</u>				
Education	7,371,004	7,259,250	7,371,449	445
<u>Other Debt Service</u>				
Education	232,837	235,000	235,000	2,163
Total Expenditures	\$ 11,133,841	\$ 16,279,250	\$ 18,436,449	\$ 7,302,608
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,031,553	\$ (6,282,161)	\$ (6,304,360)	\$ 8,335,913
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 10,034,678	\$ 0	\$ 10,034,678	\$ 0
Transfers In	1,250,000	5,000,000	5,000,000	(3,750,000)
Payments to Refunded Debt Escrow Agent	(10,034,678)	0	(10,034,678)	0
Total Other Financing Sources (Uses)	\$ 1,250,000	\$ 5,000,000	\$ 5,000,000	\$ (3,750,000)
Net Change in Fund Balance	\$ 3,281,553	\$ (1,282,161)	\$ (1,304,360)	\$ 4,585,913
Fund Balance, July 1, 2008	3,257,376	3,278,508	3,278,508	(21,132)
Fund Balance, June 30, 2009	\$ 6,538,929	\$ 1,996,347	\$ 1,974,148	\$ 4,564,781

Fiduciary Funds

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

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

Cities Property Tax Fund – The Cities Property Tax Fund is used to account for the property taxes of the City of Nolensville and Town of Thompson’s Station. These collections are remitted to each city monthly.

Cities Adequate Facilities Tax Fund – The Cities Adequate Facilities Tax Fund is used to account for various cities’ share of adequate facilities tax collected by the county. These collections are remitted to the cities on a monthly basis.

Special School District Fund – The Special School District Fund is used to account for the Franklin Special School District’s share of education revenues collected by the county that must be apportioned between the county and special school district on an average daily attendance basis and property taxes assessed on parcels that lie within the Franklin Special School District. These collections are remitted to the special school district on a monthly basis.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues that are held in trust for the benefit of the judicial district drug task force.

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, juvenile court clerk, clerk and master, register, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Other Agency Fund – The Other Agency Fund is used to account for a special litigation tax levied by Chapter 9, Private Acts of 1957, as amended. Proceeds of the tax must be expended for the benefit of the county’s law library under the control of the Williamson County Governmental Library Commission.

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Exhibit I-1

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

	Agency Funds						Total
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	Constitu- tional Officers - Agency	Other Agency	
ASSETS							
Cash	\$ 0	\$ 0	\$ 0	\$ 8,895	\$ 9,010,410	\$ 0	\$ 9,019,305
Equity in Pooled Cash and Investments	0	1,002	411,681	2,180,671	0	26,595	2,619,949
Investments	0	0	0	0	9,874	0	9,874
Accounts Receivable	0	0	0	0	25,624	0	25,624
Due from Other Governments	5,241,280	0	578,954	0	0	0	5,820,234
Taxes Receivable	0	0	9,614,882	0	0	0	9,614,882
Allowance for Uncollectible Taxes	0	0	(100,096)	0	0	0	(100,096)
Total Assets	\$ 5,241,280	\$ 1,002	\$ 10,505,421	\$ 2,189,566	\$ 9,045,908	\$ 26,595	\$ 27,009,772
LIABILITIES							
Due to Other Taxing Units	\$ 5,241,280	\$ 1,002	\$ 10,505,421	\$ 0	\$ 0	\$ 0	\$ 15,747,703
Due to Joint Venture	0	0	0	1,624,497	0	0	1,624,497
Due to Litigants, Heirs, and Others	0	0	0	565,069	9,045,908	26,595	9,637,572
Total Liabilities	\$ 5,241,280	\$ 1,002	\$ 10,505,421	\$ 2,189,566	\$ 9,045,908	\$ 26,595	\$ 27,009,772

Exhibit I-2

Williamson 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	\$ 34,183,305	\$ 34,183,305	\$ 0
Due from Other Governments	5,876,426	5,241,280	5,876,426	5,241,280
Total Assets	\$ 5,876,426	\$ 39,424,585	\$ 40,059,731	\$ 5,241,280
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,876,426	\$ 39,424,585	\$ 40,059,731	\$ 5,241,280
Total Liabilities	\$ 5,876,426	\$ 39,424,585	\$ 40,059,731	\$ 5,241,280
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 778	\$ 156,610	\$ 156,386	\$ 1,002
Total Assets	\$ 778	\$ 156,610	\$ 156,386	\$ 1,002
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 778	\$ 156,610	\$ 156,386	\$ 1,002
Total Liabilities	\$ 778	\$ 156,610	\$ 156,386	\$ 1,002
<u>Cities Adequate Facilities Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 625,459	\$ 625,459	\$ 0
Total Assets	\$ 0	\$ 625,459	\$ 625,459	\$ 0
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 625,459	\$ 625,459	\$ 0
Total Liabilities	\$ 0	\$ 625,459	\$ 625,459	\$ 0
<u>Special School District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 455,005	\$ 29,658,987	\$ 29,702,311	\$ 411,681
Due from Other Governments	669,404	578,954	669,404	578,954
Taxes Receivable	9,510,185	9,614,882	9,510,185	9,614,882
Allowance for Uncollectible Taxes	(84,206)	(100,096)	(84,206)	(100,096)
Total Assets	\$ 10,550,388	\$ 39,752,727	\$ 39,797,694	\$ 10,505,421
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 10,550,388	\$ 39,752,727	\$ 39,797,694	\$ 10,505,421
Total Liabilities	\$ 10,550,388	\$ 39,752,727	\$ 39,797,694	\$ 10,505,421

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Judicial District Drug Fund				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 2,240,360	\$ 1,277,182	\$ 1,336,871	\$ 2,180,671
Cash	10,739	8,895	10,739	8,895
Total Assets	\$ 2,251,099	\$ 1,286,077	\$ 1,347,610	\$ 2,189,566
<u>Liabilities</u>				
Due to Joint Venture	\$ 1,572,901	\$ 257,976	\$ 206,380	\$ 1,624,497
Due to Litigants, Heirs, and Others	678,198	1,028,101	1,141,230	565,069
Total Liabilities	\$ 2,251,099	\$ 1,286,077	\$ 1,347,610	\$ 2,189,566
Constitutional Officers - Agency Fund				
<u>Assets</u>				
Cash	\$ 13,535,940	\$ 51,082,652	\$ 55,608,182	\$ 9,010,410
Investments	12,788	9,874	12,788	9,874
Accounts Receivable	15,368	25,624	15,368	25,624
Total Assets	\$ 13,564,096	\$ 51,118,150	\$ 55,636,338	\$ 9,045,908
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 13,564,096	\$ 51,118,150	\$ 55,636,338	\$ 9,045,908
Total Liabilities	\$ 13,564,096	\$ 51,118,150	\$ 55,636,338	\$ 9,045,908
Other Agency Fund				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 19,084	\$ 25,803	\$ 18,292	\$ 26,595
Total Assets	\$ 19,084	\$ 25,803	\$ 18,292	\$ 26,595
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 19,084	\$ 25,803	\$ 18,292	\$ 26,595
Total Liabilities	\$ 19,084	\$ 25,803	\$ 18,292	\$ 26,595
Totals - All Agency Funds				
<u>Assets</u>				
Cash	\$ 13,546,679	\$ 51,091,547	\$ 55,618,921	\$ 9,019,305
Equity in Pooled Cash and Investments	2,715,227	65,927,346	66,022,624	2,619,949
Investments	12,788	9,874	12,788	9,874
Due from Other Governments	6,545,830	5,820,234	6,545,830	5,820,234
Accounts Receivable	15,368	25,624	15,368	25,624
Taxes Receivable	9,510,185	9,614,882	9,510,185	9,614,882
Allowance for Uncollectible Taxes	(84,206)	(100,096)	(84,206)	(100,096)
Total Assets	\$ 32,261,871	\$ 132,389,411	\$ 137,641,510	\$ 27,009,772
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 16,427,592	\$ 79,959,381	\$ 80,639,270	\$ 15,747,703
Due to Joint Venture	1,572,901	257,976	206,380	1,624,497
Due to Litigants, Heirs, and Others	14,261,378	52,172,054	56,795,860	9,637,572
Total Liabilities	\$ 32,261,871	\$ 132,389,411	\$ 137,641,510	\$ 27,009,772

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Williamson County School Department

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

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

School Federal Projects Funds – 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.

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the after-school programs in the individual 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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 155,835,268	\$ 654,425	\$ 9,308,766	\$ 0	\$ (145,872,077)
Support Services	89,259,432	75,168	337,681	24,743,303	(64,103,280)
Operation of Non-Instructional Services	10,712,469	8,028,032	2,052,831	0	(631,606)
Total Governmental Activities	\$ 255,807,169	\$ 8,757,625	\$ 11,699,278	\$ 24,743,303	\$ (210,606,963)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 75,434,783
Local Option Sales Tax					30,398,910
Other Local Taxes					14,407
Grants and Contributions Not Restricted to Specific Programs					91,829,402
Unrestricted Investment Income					548,306
Gain on Disposal of Capital Assets					274,696
Miscellaneous					160,427
Total General Revenues					\$ 198,660,931
Change in Net Assets					\$ (11,946,032)
Net Assets, July 1, 2008					345,318,738
Prior-period Adjustment					(236,799)
Net Assets, June 30, 2009					\$ 333,135,907

Exhibit J-2

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

	Major Funds		Nonmajor	Total
	General	Education	Funds	
	Purpose	Capital	Other	
	School	Projects	Governmental	Governmental
			Funds	Funds
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 92,405	\$ 92,705
Equity in Pooled Cash and Investments	12,224,290	31,086,467	2,404,872	45,715,629
Accounts Receivable	93,545	0	11,456	105,001
Due from Other Governments	4,931,258	0	379,160	5,310,418
Property Taxes Receivable	80,471,323	0	0	80,471,323
Allowance for Uncollectible Property Taxes	(837,749)	0	0	(837,749)
Total Assets	\$ 96,882,967	\$ 31,086,467	\$ 2,887,893	\$ 130,857,327
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 12,645	\$ 0	\$ 1,967	\$ 14,612
Accrued Payroll	25,384	0	0	25,384
Payroll Deductions Payable	250	0	0	250
Contracts Payable	0	3,068,829	0	3,068,829
Retainage Payable	0	247,943	0	247,943
Claims and Judgments Payable	412,461	0	0	412,461
Deferred Revenue - Current Property Taxes	77,464,568	0	0	77,464,568
Deferred Revenue - Delinquent Property Taxes	1,953,006	0	0	1,953,006
Other Deferred Revenues	2,404,683	0	0	2,404,683
Other Long-term Liabilities	34,232	0	0	34,232
Total Liabilities	\$ 82,307,229	\$ 3,316,772	\$ 1,967	\$ 85,625,968
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 1,068,381	\$ 35,819,943	\$ 473,973	\$ 37,362,297
Reserved for Career Ladder - Extended Contract	90,737	0	0	90,737
Reserved for Career Ladder Program	17,408	0	0	17,408
Reserved for Basic Education Program	175,882	0	0	175,882
Reserved for Title I Grants to Local Education Agencies	0	0	10,438	10,438
Reserved for Special Education - Grants to States	0	0	93,006	93,006
Other Federal Reserves	0	0	24,138	24,138
Unreserved, Reported In:				
General Fund	13,223,330	0	0	13,223,330
Special Revenue Funds	0	0	2,284,371	2,284,371
Capital Projects Funds (Deficit)	0	(8,050,248)	0	(8,050,248)
Total Fund Balances	\$ 14,575,738	\$ 27,769,695	\$ 2,885,926	\$ 45,231,359
Total Liabilities and Fund Balances	\$ 96,882,967	\$ 31,086,467	\$ 2,887,893	\$ 130,857,327

Exhibit J-3

Williamson County, Tennessee

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

Discretely Presented Williamson 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)		\$ 45,231,359	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$ 26,366,595		
Add: construction in progress	16,291,107		
Add: buildings and improvements net of accumulated depreciation	242,688,161		
Add: other capital assets net of accumulated depreciation	<u>14,874,444</u>	300,220,307	
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$ (955,500)		
Less: other postemployment benefits liability - state Medicare plan	(476,234)		
Less: other postemployment benefits liability - self-insurance plan	<u>(15,241,714)</u>	(16,673,448)	
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			
		<u>4,357,689</u>	
Net assets of governmental activities (Exhibit A)			<u>\$ 333,135,907</u>

Exhibit J-4

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
			<u>Other</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>
			<u>Funds</u>	<u>Funds</u>
<u>Revenues</u>				
Local Taxes	\$ 105,507,112	\$ 0	\$ 0	\$ 105,507,112
Licenses and Permits	8,656	0	0	8,656
Charges for Current Services	724,845	0	7,611,689	8,336,534
Other Local Revenues	3,344,798	0	30,731	3,375,529
State of Tennessee	94,145,685	0	98,097	94,243,782
Federal Government	1,537,556	0	7,230,834	8,768,390
Other Governments and Citizens Groups	0	24,481,050	0	24,481,050
Total Revenues	\$ 205,268,652	\$ 24,481,050	\$ 14,971,351	\$ 244,721,053
<u>Expenditures</u>				
Current:				
Instruction	\$ 136,471,668	\$ 0	\$ 3,865,255	\$ 140,336,923
Support Services	68,933,642	0	1,523,505	70,457,147
Operation of Non-Instructional Services	1,557,299	0	8,492,889	10,050,188
Capital Projects	2,135,000	27,547,399	0	29,682,399
Total Expenditures	\$ 209,097,609	\$ 27,547,399	\$ 13,881,649	\$ 250,526,657
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,828,957)	\$ (3,066,349)	\$ 1,089,702	\$ (5,805,604)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 173,214	\$ 668,237	\$ 0	\$ 841,451
Transfers Out	(668,237)	0	(173,214)	(841,451)
Total Other Financing Sources (Uses)	\$ (495,023)	\$ 668,237	\$ (173,214)	\$ 0
Net Change in Fund Balances	\$ (4,323,980)	\$ (2,398,112)	\$ 916,488	\$ (5,805,604)
Fund Balance, July 1, 2008	18,899,718	30,167,807	1,969,438	51,036,963
Fund Balance, June 30, 2009	\$ 14,575,738	\$ 27,769,695	\$ 2,885,926	\$ 45,231,359

Exhibit J-5

Williamson County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Williamson 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)		\$ (5,805,604)
(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	\$ 20,803,537	
Less: current year depreciation expense	<u>(9,967,088)</u>	10,836,449
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: proceeds from the sale of capital assets	\$ (2,153,671)	
Add: gain on disposal of capital assets	<u>274,696</u>	(1,878,975)
(3) 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	\$ (3,911,403)	
Add: deferred delinquent property taxes and other deferred June 30, 2009	<u>4,357,689</u>	446,286
(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 the governmental funds.		
Change in compensated absences payable	\$ (63,039)	
Change in other postemployment benefits liability	<u>(15,481,149)</u>	<u>(15,544,188)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ (11,946,032)</u>

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
\$	0 \$	100 \$	92,305 \$	92,405
	223,240	1,961,206	220,426	2,404,872
	0	0	11,456	11,456
	262,253	116,907	0	379,160
\$	485,493 \$	2,078,213 \$	324,187 \$	2,887,893

ASSETS

Cash
 Equity in Pooled Cash and Investments
 Accounts Receivable
 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

\$	1,967 \$	0 \$	0 \$	1,967
\$	1,967 \$	0 \$	0 \$	1,967
\$	355,944 \$	114,583 \$	3,446 \$	473,973
	10,438	0	0	10,438
	93,006	0	0	93,006
	24,138	0	0	24,138
	0	1,963,630	320,741	2,284,371
\$	483,526 \$	2,078,213 \$	324,187 \$	2,885,926
\$	485,493 \$	2,078,213 \$	324,187 \$	2,887,893

Exhibit J-7

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

	<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Extended School Program</u>	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 6,952,537	\$ 659,152	\$ 7,611,689
Other Local Revenues	0	29,224	1,507	30,731
State of Tennessee	0	98,097	0	98,097
Federal Government	5,778,179	1,452,655	0	7,230,834
Total Revenues	\$ 5,778,179	\$ 8,532,513	\$ 660,659	\$ 14,971,351
<u>Expenditures</u>				
Current:				
Instruction	\$ 3,865,255	\$ 0	\$ 0	\$ 3,865,255
Support Services	1,523,505	0	0	1,523,505
Operation of Non-Instructional Services	0	7,887,178	605,711	8,492,889
Total Expenditures	\$ 5,388,760	\$ 7,887,178	\$ 605,711	\$ 13,881,649
Excess (Deficiency) of Revenues Over Expenditures	\$ 389,419	\$ 645,335	\$ 54,948	\$ 1,089,702
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (153,725)	\$ 0	\$ (19,489)	\$ (173,214)
Total Other Financing Sources (Uses)	\$ (153,725)	\$ 0	\$ (19,489)	\$ (173,214)
Net Change in Fund Balances	\$ 235,694	\$ 645,335	\$ 35,459	\$ 916,488
Fund Balance, July 1, 2008	247,832	1,432,878	288,728	1,969,438
Fund Balance, June 30, 2009	\$ 483,526	\$ 2,078,213	\$ 324,187	\$ 2,885,926

Exhibit J-8

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson 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	
Revenues							
Local Taxes	\$ 105,507,112	\$ 0	\$ 0	\$ 105,507,112	\$ 105,063,161	\$ 105,063,161	\$ 443,951
Licenses and Permits	8,656	0	0	8,656	8,500	8,500	156
Charges for Current Services	724,845	0	0	724,845	750,600	785,260	(60,415)
Other Local Revenues	3,344,798	0	0	3,344,798	2,216,175	4,425,614	(1,080,816)
State of Tennessee	94,145,685	0	0	94,145,685	93,418,627	94,190,421	(44,736)
Federal Government	1,537,556	0	0	1,537,556	1,310,432	1,462,946	74,610
Total Revenues	\$ 205,268,652	\$ 0	\$ 0	\$ 205,268,652	\$ 202,767,495	\$ 205,935,902	\$ (667,250)
Expenditures							
Instruction							
Regular Instruction Program	\$ 106,814,919	\$ (70,985)	\$ 97,500	\$ 106,841,434	\$ 107,668,454	\$ 108,787,689	\$ 1,946,255
Alternative Instruction Program	406,174	(380)	0	405,794	432,097	432,097	26,303
Special Education Program	22,822,337	(13,158)	11,582	22,820,761	23,369,585	23,414,450	593,689
Vocational Education Program	4,578,647	(52,041)	20,344	4,546,950	4,713,877	4,708,877	161,927
Student Body Education Program	1,436,744	(92,359)	56,076	1,400,461	2,024,522	2,031,522	631,061
Adult Education Program	412,847	(5,356)	10,858	418,349	454,181	464,199	45,850
Support Services							
Attendance	119,819	0	0	119,819	124,220	124,220	4,401
Health Services	2,384,198	(19,900)	2,550	2,366,848	2,473,329	2,473,329	106,481
Other Student Support	6,365,317	(92,051)	73,852	6,347,118	6,519,382	6,567,121	220,003
Regular Instruction Program	6,033,317	(66,870)	36,200	6,002,647	6,246,792	6,450,382	447,735
Special Education Program	2,250,129	(8,716)	2,862	2,244,275	2,400,769	2,450,769	206,494
Vocational Education Program	241,129	0	415	241,544	258,570	258,570	17,026
Adult Programs	144,829	0	0	144,829	146,561	146,561	1,732

(Continued)

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson 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	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Other Programs	\$ 14,582	\$ 0	\$ 0	\$ 14,582	\$ 0	\$ 14,582	\$ 0
Board of Education	3,635,519	(42,071)	58,478	3,651,926	3,898,216	3,973,216	321,290
Director of Schools	1,177,867	(1,667)	756	1,176,956	1,318,617	1,318,406	141,450
Office of the Principal	12,936,829	0	0	12,936,829	13,147,251	13,147,251	210,422
Fiscal Services	1,037,045	(29,206)	2,150	1,009,989	1,066,999	1,063,179	53,190
Human Services/Personnel	617,351	(13,654)	600	604,297	755,826	749,826	145,529
Operation of Plant	12,408,277	(64,699)	46,687	12,390,265	11,945,468	12,821,228	430,963
Maintenance of Plant	4,842,362	(311,361)	520,105	5,051,106	5,126,079	5,126,079	74,973
Transportation	12,010,628	(2,062,376)	36,531	9,984,783	10,978,479	10,977,979	993,196
Central and Other	2,714,444	(4,136)	89,596	2,799,904	2,912,447	2,908,187	108,283
<u>Operation of Non-Instructional Services</u>							
Community Services	551,550	(7,432)	513	544,631	596,714	594,714	50,083
Early Childhood Education	1,005,749	(6,032)	726	1,000,443	982,710	1,023,276	22,833
<u>Capital Projects</u>							
Education Capital Projects	2,135,000	0	0	2,135,000	0	2,135,000	0
Total Expenditures	\$ 209,097,609	\$ (2,964,450)	\$ 1,068,381	\$ 207,201,540	\$ 209,561,145	\$ 214,162,709	\$ 6,961,169
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ (3,828,957)	\$ 2,964,450	\$ (1,068,381)	\$ (1,932,888)	\$ (6,793,650)	\$ (8,226,807)	\$ 6,293,919
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 173,214	\$ 0	\$ 0	\$ 173,214	\$ 85,000	\$ 85,000	\$ 88,214
Transfers Out	(668,237)	0	0	(668,237)	(11,534)	(679,771)	11,534
Total Other Financing Sources (Uses)	\$ (495,023)	\$ 0	\$ 0	\$ (495,023)	\$ 73,466	\$ (594,771)	\$ 99,748
Net Change in Fund Balance	\$ (4,323,980)	\$ 2,964,450	\$ (1,068,381)	\$ (2,427,911)	\$ (6,720,184)	\$ (8,821,578)	\$ 6,393,667
Fund Balance, July 1, 2008	18,899,718	(2,964,450)	0	15,935,268	15,603,380	15,603,380	331,888
Fund Balance, June 30, 2009	\$ 14,575,738	\$ 0	\$ (1,068,381)	\$ 13,507,357	\$ 8,883,196	\$ 6,781,802	\$ 6,725,555

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson 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	
Revenues							
Federal Government	\$ 5,778,179	\$ 0	\$ 0	\$ 5,778,179	\$ 5,722,781	\$ 7,055,283	\$ (1,277,104)
Total Revenues	\$ 5,778,179	\$ 0	\$ 0	\$ 5,778,179	\$ 5,722,781	\$ 7,055,283	\$ (1,277,104)
Expenditures							
<u>Instruction</u>							
Regular Instruction Program	\$ 529,927	\$ 0	\$ 0	\$ 529,927	\$ 561,504	\$ 622,336	\$ 92,409
Special Education Program	3,163,409	0	0	3,163,409	3,253,560	3,950,471	787,062
Vocational Education Program	171,919	(34,722)	33,206	170,403	156,795	170,479	76
<u>Support Services</u>							
Health Services	532,167	0	0	532,167	590,878	681,583	149,416
Other Student Support	108,449	0	99	108,548	153,500	114,227	5,679
Regular Instruction Program	561,435	(92,684)	60,386	529,137	475,963	714,140	185,003
Special Education Program	312,143	0	0	312,143	336,832	410,397	98,254
Vocational Education Program	9,311	(1,608)	0	7,703	16,302	9,311	1,608
Transportation	0	0	262,253	262,253	0	300,000	37,747
Total Expenditures	\$ 5,388,760	\$ (129,014)	\$ 355,944	\$ 5,615,690	\$ 5,545,334	\$ 6,972,944	\$ 1,357,254
Excess (Deficiency) of Revenues Over Expenditures	\$ 389,419	\$ 129,014	\$ (355,944)	\$ 162,489	\$ 177,447	\$ 82,339	\$ 80,150
Other Financing Sources (Uses)							
Transfers Out	\$ (153,725)	\$ 0	\$ 0	\$ (153,725)	\$ (177,447)	\$ (196,064)	\$ 42,339
Total Other Financing Sources (Uses)	\$ (153,725)	\$ 0	\$ 0	\$ (153,725)	\$ (177,447)	\$ (196,064)	\$ 42,339
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 235,694	\$ 129,014	\$ (355,944)	\$ 8,764	\$ 0	\$ (113,725)	\$ 122,489
	247,832	(129,014)	0	118,818	0	113,725	5,093
Fund Balance, June 30, 2009	\$ 483,526	\$ 0	\$ (355,944)	\$ 127,582	\$ 0	\$ 0	\$ 127,582

Exhibit J-10

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson County School Department
Central Cafeteria 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>							
Charges for Current Services	\$ 6,952,537	\$ 0	\$ 0	\$ 6,952,537	\$ 7,877,524	\$ 7,877,524	\$ (924,987)
Other Local Revenues	29,224	0	0	29,224	37,500	37,500	(8,276)
State of Tennessee	98,097	0	0	98,097	95,807	95,807	2,290
Federal Government	1,452,655	0	0	1,452,655	1,298,513	1,298,513	154,142
Total Revenues	\$ 8,532,513	\$ 0	\$ 0	\$ 8,532,513	\$ 9,309,344	\$ 9,309,344	\$ (776,831)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 7,887,178	(6,390)	114,583	\$ 7,995,371	\$ 9,230,351	\$ 9,230,351	\$ 1,234,980
Total Expenditures	\$ 7,887,178	(6,390)	114,583	\$ 7,995,371	\$ 9,230,351	\$ 9,230,351	\$ 1,234,980
Excess (Deficiency) of Revenues Over Expenditures	\$ 645,335	\$ 6,390	(114,583)	\$ 537,142	\$ 78,993	\$ 78,993	\$ 458,149
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 645,335	\$ 6,390	(114,583)	\$ 537,142	\$ 78,993	\$ 78,993	\$ 458,149
	1,432,878	(6,390)	0	1,426,488	1,445,769	1,445,769	(19,281)
Fund Balance, June 30, 2009	\$ 2,078,213	\$ 0	(114,583)	\$ 1,963,630	\$ 1,524,762	\$ 1,524,762	\$ 438,868

Exhibit J-11

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson County School Department
Extended School Program 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>							
Charges for Current Services	\$ 659,152	\$ 0	\$ 0	\$ 659,152	\$ 610,000	\$ 610,000	\$ 49,152
Other Local Revenues	1,507	0	0	1,507	2,700	2,700	(1,193)
Total Revenues	\$ 660,659	\$ 0	\$ 0	\$ 660,659	\$ 612,700	\$ 612,700	\$ 47,959
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 605,711	(4,674)	3,446	\$ 604,483	\$ 612,700	\$ 625,506	\$ 21,023
Total Expenditures	\$ 605,711	(4,674)	3,446	\$ 604,483	\$ 612,700	\$ 625,506	\$ 21,023
Excess (Deficiency) of Revenues Over Expenditures	\$ 54,948	4,674	(3,446)	\$ 56,176	\$ 0	\$ (12,806)	\$ 68,982
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (19,489)	0	0	(19,489)	0	(19,489)	0
Total Other Financing Sources (Uses)	\$ (19,489)	0	0	(19,489)	0	(19,489)	0
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 35,459	4,674	(3,446)	\$ 36,687	0	(32,295)	\$ 68,982
Fund Balance, June 30, 2009	288,728	(4,674)	0	284,054	259,780	259,780	24,274
	\$ 324,187	0	(3,446)	\$ 320,741	\$ 259,780	\$ 227,485	\$ 93,256

MISCELLANEOUS SCHEDULES

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Exhibit K-1

Williamson County, Tennessee
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds
 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
NOTES PAYABLE									
<u>Payable through General Debt Service Fund</u>									
School Energy Management System	\$ 1,635,000	2 to 3.5	3-15-03	5-1-10	\$ 500,000	0	\$ 245,000	0	\$ 255,000
Parks and Recreation Projects	(1)	2.65	4-17-08	2-24-09	1,000,000	1,000,000	0	2,000,000	0
General Obligation Bond Anticipation Note, Series 2008A	7,300,000	3.38	11-14-08	2-24-09	0	7,300,000	0	7,300,000	0
<u>Payable through Rural Debt Service Fund</u>									
Rural School Energy Management System	2,760,000	2 to 3.5	3-15-03	5-1-10	845,000	0	0	415,000	430,000
County District Bond Anticipation Note, Series 2008	2,700,000	3	11-14-08	2-24-09	0	2,700,000	0	2,700,000	0
Total Notes Payable					\$ 2,345,000	\$ 11,000,000	\$ 245,000	\$ 12,415,000	\$ 685,000
OTHER LOANS PAYABLE									
<u>Payable through General Debt Service Fund</u>									
Various Projects	8,490,000	Variable	8-24-98	8-24-18	\$ 5,468,000	0	\$ 430,000	0	\$ 5,038,000
Recreational Facilities	4,095,000	Variable	4-21-03	5-25-23	3,308,000	0	174,000	0	3,134,000
Various Projects	2,015,000	Variable	5-31-05	5-25-20	1,683,000	0	118,000	0	1,565,000
Total Other Loans Payable					\$ 10,459,000	0	\$ 722,000	0	\$ 9,737,000
BONDS PAYABLE									
<u>Payable through General Debt Service Fund</u>									
General Obligation Refunding	34,110,000	4.5 to 5.5	8-1-1998	9-1-14	\$ 17,095,000	0	\$ 2,055,000	0	\$ 15,040,000
General Obligation	17,885,000	4.25 to 5.875	11-1-1999	3-1-10	1,930,000	0	940,000	0	990,000
Landfill Equipment, Transfer Station, and Closure	3,705,000	4.25 to 5.875	11-15-1999	3-1-10	400,000	0	195,000	0	205,000
General Obligation	11,480,000	4.4 to 5.4	11-1-00	3-1-10	1,210,000	0	535,000	0	675,000
School Construction	25,900,000	4.4 to 5.4	11-1-00	3-1-10	2,735,000	0	1,215,000	0	1,520,000
School Refunding	3,210,000	4 to 5	3-1-01	3-1-19	3,000,000	0	90,000	0	2,910,000
General Obligation Refunding	25,020,000	4 to 5	3-1-01	3-1-19	22,555,000	0	1,175,000	0	21,380,000
Landfill Refunding	2,625,000	4.4 to 5.4	3-1-01	3-1-19	2,560,000	0	15,000	0	2,545,000
General Obligation	21,490,000	3 to 4.75	11-1-01	4-1-12	4,625,000	0	980,000	0	3,645,000
School Improvements	31,880,000	3 to 4.75	11-1-01	4-1-12	6,870,000	0	1,460,000	0	5,410,000
Landfill Equipment and Repairs	1,290,000	3 to 4.75	11-14-01	4-1-12	280,000	0	60,000	0	220,000

Exhibit K-1

Williamson County, Tennessee
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds (Cont.)

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
BONDS PAYABLE (CONT.)									
Payable through General Debt Service Fund (Cont.)									
General Obligation Refunding	\$ 9,220,000	3 to 5	7-1-02	3-1-20	\$ 9,030,000	\$ 0	\$ 0	\$ 0	\$ 9,030,000
General Obligation Refunding - Schools	20,805,000	3 to 5	7-1-02	3-1-20	20,375,000	0	0	0	20,375,000
General Obligation	25,595,000	3 to 5	12-1-02	4-1-12	4,975,000	0	1,180,000	0	3,795,000
Landfill Equipment and Closure	735,000	3.5 to 4	12-1-02	4-1-12	135,000	0	30,000	0	105,000
General Obligation Refunding	3,125,000	2 to 4	2-1-03	4-1-09	550,000	0	550,000	0	0
General Obligation	4,450,000	2.25 to 4.4	12-1-03	4-1-23	3,730,000	0	200,000	0	3,530,000
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	6,030,000	0	520,000	0	5,510,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-24	9,000,000	0	405,000	0	8,595,000
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	14,505,000	0	0	0	14,505,000
General Obligation Refunding - Schools	23,605,000	2 to 5	11-15-04	4-1-21	21,515,000	0	0	0	21,515,000
Landfill Refunding	955,000	2 to 5	11-15-04	4-1-21	865,000	0	0	0	865,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-25	18,815,000	0	800,000	0	18,015,000
General Obligation	16,075,000	4 to 4.75	7-1-06	4-1-26	16,035,000	0	110,000	0	15,925,000
School Improvements	8,300,000	4 to 4.75	7-1-06	4-1-26	7,500,000	0	870,000	0	6,630,000
Landfill Public Improvement	1,360,000	4 to 4.75	7-1-06	4-1-26	1,350,000	0	20,000	0	1,330,000
General Obligation Refunding	16,170,000	5	12-20-06	4-1-22	16,170,000	0	0	0	16,170,000
General Obligation Refunding - Schools	145,000	5	12-20-06	4-1-22	145,000	0	0	0	145,000
Landfill Refunding	440,000	5	12-20-06	4-1-22	440,000	0	0	0	440,000
General Obligation	3,565,000	4 to 5	2-22-07	4-1-27	3,520,000	0	95,000	0	3,425,000
School Improvements	4,070,000	4 to 5	2-22-07	4-1-27	4,015,000	0	105,000	0	3,910,000
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	5-1-28	7,465,000	0	70,000	0	7,395,000
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	5-1-28	3,635,000	0	30,000	0	3,605,000
General Obligation Refunding	26,450,000	2.5 to 4.4	2-24-09	4-1-29	0	26,450,000	0	0	26,450,000
Total Payable through General Debt Service Fund					\$ 233,060,000	\$ 26,450,000	\$ 13,705,000	\$ 0	\$ 245,805,000
Payable through Rural Debt Service Fund									
Rural School Refunding	22,015,000	4.5 to 5.5	8-1-1998	9-1-15	\$ 10,225,000	\$ 0	\$ 1,485,000	\$ 0	\$ 8,740,000
Rural School	21,760,000	4.25 to 5.875	11-1-1999	6-2-09	2,350,000	0	1,205,000	1,145,000	0
Rural School	15,000,000	4.4 to 5.4	11-1-00	6-2-09	1,590,000	0	840,000	750,000	0
Rural School Refunding	15,660,000	4 to 5	3-1-01	3-1-19	15,405,000	0	0	115,000	15,290,000
Rural School	3,720,000	4 to 4.75	11-1-01	4-1-21	2,885,000	0	0	170,000	2,715,000
Rural School Refunding	11,745,000	3 to 5	7-1-02	3-1-20	11,375,000	0	0	25,000	11,350,000

(Continued)

Exhibit K-1

Williamson County, Tennessee
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds (Cont.)

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
Payable through Rural Debt Service Fund (Cont.)									
Rural School	\$ 9,525,000	3 to 5	12-1-02	4-1-22	\$ 8,085,000	\$ 0	\$ 0	\$ 455,000	\$ 7,630,000
Rural School Refunding	10,205,000	2 to 4	2-1-03	2-24-09	1,475,000	0	0	1,475,000	0
Rural School	1,365,000	2 to 4.4	12-1-03	4-1-23	1,265,000	0	0	50,000	1,215,000
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	11,525,000	0	0	925,000	10,600,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-24	8,330,000	0	0	375,000	7,955,000
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-25	19,770,000	0	0	850,000	18,920,000
Rural School	20,045,000	4 to 4.75	7-1-06	4-1-26	19,845,000	0	0	250,000	19,595,000
Rural School	27,560,000	4 to 4.5	2-22-07	4-1-27	27,460,000	0	0	200,000	27,260,000
Rural School	19,250,000	3.5 to 4.25	2-28-08	5-1-28	19,250,000	0	0	100,000	19,150,000
Rural School Refunding	23,660,000	2.5 to 5	2-24-09	4-1-29	0	23,660,000	0	0	23,660,000
Total Payable through Rural Debt Service Fund					\$ 160,835,000	\$ 23,660,000	\$ 3,530,000	\$ 6,885,000	\$ 174,080,000
Total Bonds Payable					\$ 393,895,000	\$ 50,110,000	\$ 17,235,000	\$ 6,885,000	\$ 419,885,000

(1) Total amount authorized was \$4,000,000, of which \$2,000,000 remains available for draws as of June 30, 2009.

Exhibit K-2

Williamson County, Tennessee

Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Note Principal	Note Interest	Total Note Requirements
2010	\$ 685,000	\$ 23,972	\$ 708,972
Total	\$ 685,000	\$ 23,972	\$ 708,972

Year Ending June 30	Other Loan Principal	Other Loan Interest	Other Loan Fees	Total Other Loan Requirements
2010	\$ 753,000	\$ 42,509	\$ 38,177	\$ 833,686
2011	787,000	39,166	35,676	861,842
2012	823,000	35,667	33,066	891,733
2013	859,000	32,006	30,336	921,342
2014	896,000	28,183	27,489	951,672
2015	937,000	24,188	24,523	985,711
2016	979,000	20,009	21,420	1,020,429
2017	1,023,000	15,636	18,183	1,056,819
2018	1,069,000	11,065	14,714	1,094,779
2019	400,000	6,283	8,000	414,283
2020	413,000	4,722	6,475	424,197
2021	257,000	3,112	4,052	264,164
2022	266,000	2,110	3,079	271,189
2023	275,000	1,073	1,977	278,050
Total	\$ 9,737,000	\$ 265,729	\$ 267,167	\$ 10,269,896

Year Ending June 30	Bond Principal	Bond Interest	Total Bond Requirements
2010	\$ 20,110,000	\$ 18,086,702	\$ 38,196,702
2011	24,710,000	17,098,315	41,808,315
2012	27,215,000	16,036,672	43,251,672
2013	28,980,000	14,837,110	43,817,110
2014	29,615,000	13,566,754	43,181,754
2015	31,050,000	12,231,325	43,281,325
2016	28,885,000	10,945,329	39,830,329
2017	30,190,000	9,655,822	39,845,822
2018	29,665,000	8,302,155	37,967,155
2019	28,770,000	6,985,994	35,755,994

(Continued)

Exhibit K-2

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

Year Ending June 30 (Cont.)	Bond Principal	Bond Interest	Total Bond Requirements
2020	\$ 25,890,000	\$ 5,687,436	\$ 31,577,436
2021	21,885,000	4,513,010	26,398,010
2022	17,430,000	4,192,516	21,622,516
2023	15,140,000	3,372,944	18,512,944
2024	15,350,000	2,666,744	18,016,744
2025	14,390,000	1,964,144	16,354,144
2026	11,750,000	1,324,038	13,074,038
2027	8,640,000	809,100	9,449,100
2028	6,320,000	444,950	6,764,950
2029	3,900,000	171,580	4,071,580
Total	\$ 419,885,000	\$ 152,892,640	\$ 572,777,640

Exhibit K-3

Williamson County, Tennessee
Schedule of Investments
June 30, 2009

<u>Fund and Type</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Amount</u>
<u>Constitutional Officers - Agency Fund</u> <u>Clerk and Master</u> <u>Putnam Fund for Growth & Income</u>	April 2001	various	varies	<u>\$ 9,874</u>

Exhibit K-4

Williamson County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Williamson 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>			
General	Solid Waste/Sanitation	Operations	\$ 500,000
General	General Capital Projects	Various projects	659,975
General	General Capital Projects	Digitized photography services	87,820
General	Judicial District Drug	Salaries	67,365
General	Highway/Public Works	Condemnation fees	49,683
Solid Waste/Sanitation	General Capital Projects	Provide equipment and repairs to convenience centers	638,000
Highway/Public Works	General Capital Projects	Construction of new Highway Department facility	1,500,000
Highway/Public Works	General Capital Projects	Removal and disposal of debris from tornado	205,770
General Capital Projects	General	Close projects	5,825
General Capital Projects	General	Matching funds for Southwest Mobility study	30,000
General Capital Projects	Highway/Public Works	Purchase highway equipment	250,000
General Capital Projects	Rural Debt Service	Allocation of school privilege tax	1,250,000
General Capital Projects	Cities Adequate Facilities Tax	Allocation of cities share of privilege tax	625,459
General Capital Projects	Special School District	Allocation of ADA share of privilege tax	351,608
Judicial District Drug	General	Salaries	57,445
<u>Total Transfers Primary Government</u>			<u>\$ 6,278,950</u>
<u>DISCRETELY PRESENTED WILLIAMSON</u> <u>COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Various projects	\$ 668,237
School Federal Projects	General Purpose School	Indirect costs	153,725
Extended School Program	General Purpose School	Indirect costs	19,489
<u>Total Transfers Discretely Presented Williamson County School Department</u>			<u>\$ 841,451</u>

Williamson County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Williamson 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, TCA	\$ 130,354	\$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, TCA	107,869	100,000	"
Director of Schools				
Rebecca Sharber (7-1-08 through 12-31-08)	State Board of Education and Williamson County Board of Education	150,489 (2)	100,000	(1)
David Heath (1-1-09 through 6-30-09)	State Board of Education and Williamson County Board of Education	78,678 (3)	100,000	(1)
Trustee	Section 8-24-102, TCA	98,093	5,000,000	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, TCA	98,093	2,430,000	Travelers Casualty & Surety Company of America
County Clerk	Section 8-24-102, TCA	98,093	10,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	98,093	50,000	"
Clerk and Master	Section 8-24-102, TCA	98,093	50,000	"
Juvenile Court Clerk	Section 8-24-102, TCA	98,093	50,000	"
Register	Section 8-24-102, TCA	98,093	25,000	"
Sheriff				
Robert Rhoades (7-1-08 through 8-17-08)	Section 8-24-102, TCA	18,673	25,000	"
Jeff Long (8-18-08 through 6-30-09)	Section 8-24-102, TCA	89,216	25,000	"
Director of Accounts and Budgets	County Commission	105,165	15,000	"
Employee Blanket Bonds - All County and School Department Employees:				
Public Employee Dishonesty			100,000	Self-Insured
Public Employee Dishonesty			100,001 to 5,000,000	Princeton Surplus Insurance Company

(1) Covered under county's employee blanket bond.
(2) Includes \$56,737 to buy-out remainder of contract, \$14,410 in vacation days paid, and a career ladder supplement of \$1,000.
(3) Includes a PHD supplement of \$625.

Exhibit K-6

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

	Special Revenue Funds							Debt Service Funds			Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	General	Rural Debt Service	General Debt Service	Rural Debt Service	Fund		
										General	Capital Projects	
Local Taxes												
County Property Taxes												
Current Property Tax	\$ 33,411,254	\$ 2,607,199	\$ 0	\$ 0	\$ 754,682	\$ 23,182,102	\$ 9,154,133	\$ 0	\$ 69,109,370	0	\$ 0	853,978
Trustee's Collections - Prior Year	404,997	41,166	0	0	13,871	281,039	112,905	0	853,978	0	0	340,984
Circuit/Clerk & Master Collections - Prior Years	162,887	14,999	0	0	5,494	113,023	44,581	0	340,984	0	0	185,828
Interest and Penalty	89,680	7,530	0	0	2,672	62,227	23,719	0	185,828	0	0	103,603
Payments in-Lieu-of Taxes - Other	46,976	5,752	0	0	1,981	32,596	16,298	0	103,603	0	0	955,078
County Local Option Taxes												
Local Option Sales Tax	0	0	0	0	0	0	955,078	0	955,078	0	0	2,406,683
Hotel/Motel Tax	2,406,683	0	0	0	0	0	0	0	2,406,683	0	0	3,574,991
Wheel Tax	74,991	0	0	0	3,500,000	0	0	0	3,574,991	0	0	10,221
Litigation Tax - General	10,221	0	0	0	0	0	0	0	10,221	0	0	112,268
Litigation Tax - Special Purpose	112,268	0	0	0	0	0	0	0	112,268	0	0	341,143
Litigation Tax - Jail, Workhouse, or Courthouse	3,260	0	0	0	0	337,883	0	0	341,143	0	0	212,339
Litigation Tax - Courtroom Security	212,339	0	0	0	0	0	0	0	212,339	0	0	3,742,927
Business Tax	642,927	0	0	0	3,100,000	0	0	0	3,742,927	0	0	192,553
Mineral Severance Tax	0	0	0	0	192,563	0	0	0	192,553	0	0	4,261,071
Other County Local Option Taxes	0	0	0	0	0	0	0	0	4,261,071	0	0	1,318,887
Statutory Local Taxes												
Bank Excise Tax	1,318,887	0	0	0	0	0	0	0	1,318,887	0	0	452,026
Wholesale Beer Tax	452,026	0	0	0	0	0	0	0	452,026	0	0	2,090
Beer Privilege Tax	2,090	0	0	0	0	0	0	0	2,090	0	0	647
Interstate Telecommunications Tax	647	0	0	0	0	0	0	0	647	0	0	
Total Local Taxes	\$ 39,352,133	\$ 2,676,646	\$ 0	\$ 0	\$ 7,571,253	\$ 24,008,870	\$ 10,306,714	\$ 4,261,071	\$ 88,176,687	\$ 0	\$ 0	1,318,887
Licenses and Permits												
Licenses												
Animal Vaccination	\$ 135,860	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 135,860	\$ 0	\$ 0	615,232
Cable TV Franchise	615,232	0	0	0	0	0	0	0	615,232	0	0	1,425
Permits												
Beer Permits	1,425	0	0	0	0	0	0	0	1,425	0	0	302,823
Building Permits	302,823	0	0	0	0	0	0	0	302,823	0	0	

(Continued)

Exhibit K-6

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

	Special Revenue Funds						Debt Service Funds			Capital Projects Fund
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	Rural Debt Service	General Debt Service	Rural Debt Service	General Capital Projects	Total
Licenses and Permits (Cont.)										
Permits (Cont.)										
Other Permits	\$ 19,850	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,850
Total Licenses and Permits	\$ 1,075,190	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,075,190
Fines, Forfeitures, and Penalties										
Circuit Court										
Fines	\$ 22,237	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,237
Officers Costs	35,227	0	0	0	0	0	0	0	0	35,227
Drug Control Fines	0	0	11,989	0	0	0	0	0	0	11,989
Jail Fees	6,190	0	0	0	0	0	0	0	0	6,190
District Attorney General Fees	0	0	0	31,450	0	0	0	0	0	31,450
Judicial Commissioner Fees	2,155	0	0	0	0	0	0	0	0	2,155
DUI Treatment Fines	11,771	0	0	0	0	0	0	0	0	11,771
Data Entry Fee - Circuit Court	3,958	0	0	0	0	0	0	0	0	3,958
Courtroom Security Fee	1,189	0	0	0	0	0	0	0	0	1,189
Victims Assistance Assessments	43	0	0	0	0	0	0	0	0	43
Criminal Court										
Drug Control Fines	11,999	0	0	0	0	0	0	0	0	11,999
Drug Court Fees	3,713	0	0	0	0	0	0	0	0	3,713
District Attorney General Fees	0	0	0	44,885	0	0	0	0	0	44,885
Data Entry Fee - Criminal Court	13,359	0	0	0	0	0	0	0	0	13,359
Courtroom Security Fee	5,260	0	0	0	0	0	0	0	0	5,260
Victims Assistance Assessments	10,796	0	0	0	0	0	0	0	0	10,796
General Sessions Court										
Fines	88,923	0	0	0	0	0	0	0	0	88,923
Officers Costs	184,002	0	0	0	0	0	0	0	0	184,002
Game and Fish Fines	1,122	0	0	0	0	0	0	0	0	1,122
Drug Control Fines	0	0	30,772	0	0	0	0	0	0	30,772
Drug Court Fees	31,004	0	0	0	0	0	0	0	0	31,004
Jail Fees	25,153	0	0	0	0	0	0	0	0	25,153
Judicial Commissioner Fees	15,045	0	0	0	0	0	0	0	0	15,045

(Continued)

Exhibit K-6

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

	Special Revenue Funds						Debt Service Funds			Capital Projects Fund		
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works		General	Debt Service	Rural Debt Service	General	Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>												
<u>General Sessions Court (Cont.)</u>												
DUI Treatment Fines	\$ 34,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,442
Data Entry Fee - General Sessions Court	8,956	0	0	0	0	0	0	0	0	0	0	8,956
Victims Assistance Assessments	93,408	0	0	0	0	0	0	0	0	0	0	93,408
<u>Juvenile Court</u>												
Fines	47,124	0	0	0	0	0	0	0	0	0	0	47,124
Data Entry Fee - Juvenile Court	1,492	0	0	0	0	0	0	0	0	0	0	1,492
<u>Chancery Court</u>												
Officers Costs	12,001	0	0	0	0	0	0	0	0	0	0	12,001
Data Entry Fee - Chancery Court	6,046	0	0	0	0	0	0	0	0	0	0	6,046
<u>Other Courts - In-county</u>												
Drug Court Fees	1,609	0	0	0	0	0	0	0	0	0	0	1,609
District Attorney General Fees	0	0	0	7,135	0	0	0	0	0	0	0	7,135
DUI Treatment Fines	1,292	0	0	0	0	0	0	0	0	0	0	1,292
<u>Courts in Other District Counties</u>												
District Attorney General Fees	0	0	0	9,073	0	0	0	0	0	0	0	9,073
<u>Judicial District Drug Program</u>												
Other Fines, Forfeitures, and Penalties	1,331	0	0	0	0	0	0	0	0	0	0	1,331
Victims Assistance Assessments												
Proceeds from Confiscated Property	0	0	1,662	0	0	0	0	0	0	0	0	1,662
<u>Total Fines, Forfeitures, and Penalties</u>	\$ 680,847	\$ 0	\$ 44,423	\$ 92,543	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 817,813
<u>Charges for Current Services</u>												
<u>General Service Charges</u>												
Tipping Fees	\$ 0	\$ 683,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 683,730
Other General Service Charges	23,039	0	0	0	0	0	0	0	0	0	0	23,039
Service Charges	97,494	0	0	0	0	0	0	0	0	0	0	97,494
<u>Fees</u>												
Engineer Review Fees	4,000	0	0	0	0	0	0	0	0	0	0	4,000
Recreation Fees	4,190,715	0	0	0	0	0	0	0	0	0	0	4,190,715
Copy Fees	37,715	0	0	0	0	0	0	0	0	0	0	37,715

(Continued)

Exhibit K-6

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

	Special Revenue Funds							Debt Service Funds			Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	General	Debt Service	Rural Debt Service	General	Capital Projects	Fund	
											General	Capital Projects
Charges for Current Services (Cont.)												
Fees (Cont.)												
Library Fees	\$ 68,996	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 68,996
Telephone Commissions	99,089	0	0	0	0	0	0	0	0	0	0	99,089
Data Processing Fee - Register	102,082	0	0	0	0	0	0	0	0	0	0	102,082
Probation Fees	546,457	0	0	0	0	0	0	0	0	0	0	546,457
Data Processing Fee - Sheriff	27,064	0	0	0	0	0	0	0	0	0	0	27,064
Sexual Offender Registration Fees - Sheriff	1,855	0	0	0	0	0	0	0	0	0	0	1,855
Data Processing Fee - County Clerk	19,064	0	0	0	0	0	0	0	0	0	0	19,064
Education Charges												
Transportation from Individuals	39,405	0	0	0	0	0	0	0	0	0	0	39,405
Other Charges for Services												
Other Charges for Services	119,640	0	0	0	0	0	0	0	0	0	0	119,640
Total Charges for Current Services	\$ 5,376,615	\$ 683,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,060,345
Other Local Revenues												
Recurring Items												
Investment Income	\$ 619,743	\$ 68,596	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 878,962	\$ 723,535	\$ 91,123	\$ 0	\$ 2,381,959
Lease/Rentals	484,917	0	0	0	0	0	0	180,354	0	0	0	665,271
Sale of Materials and Supplies	1,709	37,668	0	0	8,067	0	0	0	0	0	0	47,444
Commissary Sales	22	0	0	0	0	0	0	0	0	0	0	22
Sale of Gasoline	0	0	0	0	61,716	0	0	0	0	0	0	61,716
Sale of Maps	65,886	0	0	0	0	0	0	0	0	0	0	65,886
Sale of Recycled Materials	0	131	0	0	0	0	0	0	0	0	0	131
Miscellaneous Refunds	4,040	0	0	0	108,209	0	6	0	145	0	0	112,400
Nonrecurring Items												
Sale of Equipment	7,455	53,632	613	0	31,457	0	0	0	0	0	0	93,157
Damages Recovered from Individuals	1,582	0	0	0	0	0	0	0	0	0	0	1,582
Other Local Revenues												
Other Local Revenues	155,111	6,625	0	0	3,660	0	0	1,059,322	723,680	91,123	0	165,396
Total Other Local Revenues	\$ 1,340,465	\$ 166,652	\$ 613	\$ 0	\$ 213,109	\$ 1,059,322	\$ 723,680	\$ 91,123	\$ 3,594,964	\$ 0	\$ 0	\$ 3,594,964

(Continued)

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

	Special Revenue Funds							Debt Service Funds			Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	General	Rural Debt Service	General Debt Service	Rural Debt Service	Capital Projects Fund		
										General	Capital Projects	
Fees Received from County Officials												
Fees in-Lieu-of Salary												
County Clerk	\$ 1,929,829	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,929,829
Circuit Court Clerk	1,255,722	0	0	0	0	0	0	0	0	0	0	1,255,722
Clerk and Master	561,155	0	0	0	0	0	0	0	0	0	0	561,155
Juvenile Court Clerk	43,139	0	0	0	0	0	0	0	0	0	0	43,139
Register	1,711,033	0	0	0	0	0	0	0	0	0	0	1,711,033
Sheriff	107,260	0	0	0	0	0	0	0	0	0	0	107,260
Trustee	4,662,124	0	0	0	0	0	0	0	0	0	0	4,662,124
Total Fees Received from County Officials	\$ 10,270,262	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,270,262
State of Tennessee												
General Government Grants												
Juvenile Services Program	\$ 11,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,250
State Reappraisal Grant	43,700	0	0	0	0	0	0	0	0	0	0	43,700
Solid Waste Grants	0	115,630	0	0	0	0	0	0	0	0	0	115,630
Public Safety Grants												
Law Enforcement Training Programs	112,800	0	0	0	0	0	0	0	0	0	0	112,800
Public Works Grants												
Bridge Program	0	0	0	0	205,185	0	0	0	0	0	0	205,185
State Aid Program	0	0	0	0	311,270	0	0	0	0	0	0	311,270
Litter Program	65,007	0	0	0	0	0	0	0	0	0	0	65,007
Other State Revenues												
Income Tax	2,119,722	0	0	0	0	0	0	0	0	0	0	2,119,722
Beer Tax	18,701	0	0	0	0	0	0	0	0	0	0	18,701
Alcoholic Beverage Tax	74,340	0	0	0	74,340	0	0	0	0	0	0	148,680
Mixed Drink Tax	26,948	0	0	0	0	0	0	0	0	0	0	26,948
Contracted Prisoner Boarding	800,415	0	0	0	0	0	0	0	0	0	0	800,415
Gasoline and Motor Fuel Tax	0	0	0	0	2,546,186	0	0	0	0	0	0	2,546,186
Petroleum Special Tax	0	0	0	0	101,704	0	0	0	0	0	0	101,704
T.B.I. - Equipment Reimbursement	434	0	0	0	0	0	0	0	0	0	0	434
Registrar's Salary Supplement	10,817	0	0	0	0	0	0	0	0	0	0	10,817

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Funds			Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	District Attorney General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects		
State of Tennessee (Cont.)										
Other State Revenues (Cont.)										
Other State Grants	\$ 845,279	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,801	\$ 878,080
Other State Revenues	55,217	16,591	427	0	0	0	0	0	0	72,235
Total State of Tennessee	\$ 4,184,630	\$ 132,221	\$ 427	\$ 0	\$ 3,238,685	\$ 0	\$ 0	\$ 0	\$ 32,801	\$ 7,588,764
Federal Government										
Federal Through State										
Civil Defense Reimbursement	\$ 972,055	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 972,055
Disaster Relief	26,215	38,342	0	0	0	0	0	0	0	64,557
Homeland Security Grants	50,795	0	0	0	0	0	0	0	926,837	977,632
Other Federal through State	523,289	0	0	0	0	0	0	0	612,321	1,135,610
Direct Federal Revenue	9,374	0	0	0	0	0	0	0	0	9,374
Asset Forfeiture Funds	1,581,728	38,342	0	0	0	0	0	0	1,539,158	3,159,228
Total Federal Government										
Other Governments and Citizens Groups										
Other Governments										
Prisoner Board	\$ 2,931	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,931
Paving and Maintenance	0	0	0	0	33,773	0	0	0	0	33,773
Contributions	0	0	0	0	0	5,591,494	2,135,000	2,257,871	0	9,984,365
Contracted Services	200,688	0	0	0	0	0	0	0	0	200,688
Citizens Groups	168,985	0	1,800	0	0	0	0	0	5,000	175,785
Donations	372,604	0	1,800	0	33,773	5,591,494	2,135,000	2,262,871	10,397,542	
Total Other Governments and Citizens Groups	\$ 64,234,474	\$ 3,697,591	\$ 47,263	\$ 92,543	\$ 11,056,820	\$ 30,659,686	\$ 13,165,394	\$ 8,187,024	\$ 131,140,795	
Total										

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

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 73,100,943	\$ 0	\$ 0	\$ 0	\$ 0	\$ 73,100,943
Trustee's Collections - Prior Year	799,981	0	0	0	0	799,981
Circuit/Clerk & Master Collections - Prior Years	363,255	0	0	0	0	363,255
Interest and Penalty	199,001	0	0	0	0	199,001
Payments in-Lieu-of Taxes - T.V.A.	2,381	0	0	0	0	2,381
Payments in-Lieu-of Taxes - Local Utilities	100,384	0	0	0	0	100,384
<u>County Local Option Taxes</u>						
Local Option Sales Tax	30,926,760	0	0	0	0	30,926,760
<u>Statutory Local Taxes</u>						
Interstate Telecommunications Tax	14,407	0	0	0	0	14,407
Total Local Taxes	\$ 105,507,112	\$ 0	\$ 0	\$ 0	\$ 0	\$ 105,507,112
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	8,656	0	0	0	0	8,656
Total Licenses and Permits	\$ 8,656	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,656
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Regular Day Students	94,020	0	0	0	0	94,020
Tuition - Summer School	52,860	0	0	0	0	52,860
Lunch Payments - Children	0	0	4,978,611	0	0	4,978,611
Lunch Payments - Adults	0	0	311,848	0	0	311,848
Income from Breakfast	0	0	56,571	0	0	56,571
A la carte Sales	0	0	1,605,507	0	0	1,605,507
Contract for Instructional Services with Other LEAs	72,953	0	0	0	0	72,953
Receipts from Individual Schools	138,650	0	0	0	0	138,650
Community Service Fees - Children	0	0	0	659,152	0	659,152
<u>Other Charges for Services</u>						
Other Charges for Services	366,362	0	0	0	0	366,362
Total Charges for Current Services	\$ 724,845	\$ 0	\$ 6,952,537	\$ 659,152	\$ 0	\$ 8,336,534

(Continued)

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

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 528,547	\$ 0	\$ 18,752	\$ 1,007	\$ 0	\$ 548,306
Lease/Rentals	416,343	0	0	0	0	416,343
Refund of Telecommunication & Internet Fees (E-Rate)	33,350	0	0	0	0	33,350
Miscellaneous Refunds	3,105	0	10,472	500	0	14,077
<u>Nonrecurring Items</u>						
Sale of Equipment	24,754	0	0	0	0	24,754
Sale of Property	2,135,000	0	0	0	0	2,135,000
Damages Recovered from Individuals	26,641	0	0	0	0	26,641
Contributions and Gifts	19,367	0	0	0	0	19,367
<u>Other Local Revenues</u>						
Other Local Revenues	157,691	0	0	0	0	157,691
Total Other Local Revenues	\$ 3,344,798	\$ 0	\$ 29,224	\$ 1,507	\$ 0	\$ 3,375,529
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-Behalf Contributions for OPEB	\$ 14,582	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,582
<u>State Education Funds</u>						
Basic Education Program	87,997,604	0	0	0	0	87,997,604
Basic Education Program - ARRA	1,461,400	0	0	0	0	1,461,400
Early Childhood Education	502,399	0	0	0	0	502,399
School Food Service	0	0	93,097	0	0	93,097
Driver Education	15,414	0	0	0	0	15,414
Other State Education Funds	1,055,411	0	5,000	0	0	1,060,411
Career Ladder Program	961,816	0	0	0	0	961,816
Career Ladder - Extended Contract	292,900	0	0	0	0	292,900
Other Vocational	7,944	0	0	0	0	7,944
<u>Other State Revenues</u>						
Mixed Drink Tax	512,037	0	0	0	0	512,037
State Revenue Sharing - T.V.A.	1,213,988	0	0	0	0	1,213,988
Other State Grants	85,000	0	0	0	0	85,000
Other State Revenues	24,690	0	0	0	0	24,690
Total State of Tennessee	\$ 94,145,685	\$ 0	\$ 98,097	\$ 0	\$ 0	\$ 94,243,782

(Continued)

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

	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
Federal Government						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,360,056	\$ 0	\$ 0	\$ 1,360,056
Breakfast	0	0	92,599	0	0	92,599
Adult Education State Grant Program	177,875	0	0	0	0	177,875
Vocational Education - Basic Grants to States	0	234,260	0	0	0	234,260
Other Vocational	34,584	0	0	0	0	34,584
Title I Grants to Local Education Agencies	0	532,952	0	0	0	532,952
Special Education - Grants to States	599,364	4,103,000	0	0	0	4,702,364
Special Education Preschool Grants	15,318	63,722	0	0	0	79,040
English Language Acquisition Grants	0	81,255	0	0	0	81,255
Safe and Drug-Free Schools - State Grants	0	58,885	0	0	0	58,885
Eisenhower Professional Development State Grants	0	440,452	0	0	0	440,452
ARRA Grant # 1	0	262,253	0	0	0	262,253
Other Federal through State	0	1,400	0	0	0	1,400
<u>Direct Federal Revenue</u>	362,100	0	0	0	0	362,100
ROTC Reimbursement	348,315	0	0	0	0	348,315
Other Direct Federal Revenue						
Total Federal Government	\$ 1,537,556	\$ 5,778,179	\$ 1,452,655	\$ 0	\$ 0	\$ 8,768,390
Other Governments and Citizens Groups						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,481,050	\$ 24,481,050
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,481,050	\$ 24,481,050
Total	\$ 205,268,652	\$ 5,778,179	\$ 8,532,513	\$ 660,659	\$ 24,481,050	\$ 244,721,053

Exhibit K-8

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

General Fund

General Government

County Commission

County Official/Administrative Officer	\$	144,364	
Other Per Diem and Fees		3,750	
Audit Services		73,892	
Legal Notices, Recording, and Court Costs		306	
Maintenance and Repair Services - Office Equipment		7,479	
Postal Charges		2,000	
Printing, Stationery, and Forms		228	
Travel		2,781	
Refunds		28,000	
Tax Relief Program		349,492	
Other Charges		1,334	
Total County Commission			\$ 613,626

Board of Equalization

Board and Committee Members Fees	\$	1,465	
Total Board of Equalization			1,465

Beer Board

Board and Committee Members Fees	\$	1,200	
Total Beer Board			1,200

Other Boards and Committees

Board and Committee Members Fees	\$	1,050	
Total Other Boards and Committees			1,050

County Mayor/Executive

County Official/Administrative Officer	\$	130,354	
Supervisor/Director		70,637	
Salary Supplements		4,000	
Secretary(ies)		100,610	
Longevity Pay		1,800	
Advertising		97	
Communication		3,823	
Consultants		20,000	
Dues and Memberships		1,104	
Operating Lease Payments		1,665	
Maintenance and Repair Services - Office Equipment		250	
Postal Charges		4,000	
Printing, Stationery, and Forms		2,734	
Travel		1,204	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Office Supplies	\$	1,766	
Other Supplies and Materials		726	
Premiums on Corporate Surety Bonds		113	
Other Charges		3,300	
Office Equipment		256	
Total County Mayor/Executive			\$ 348,439

Personnel Office

Assistant(s)	\$	79,539	
Supervisor/Director		89,107	
Longevity Pay		1,000	
Communication		1,118	
Data Processing Services		619	
Dues and Memberships		305	
Postal Charges		250	
Printing, Stationery, and Forms		3,029	
Office Supplies		855	
Periodicals		515	
Furniture and Fixtures		498	
Total Personnel Office			176,835

County Attorney

Legal Services	\$	575,784	
Total County Attorney			575,784

Election Commission

County Official/Administrative Officer	\$	88,254	
Assistant(s)		129,584	
Temporary Personnel		130,290	
Part-time Personnel		15,944	
Longevity Pay		2,050	
Overtime Pay		26,386	
Election Commission		5,100	
Election Workers		96,476	
Advertising		7,275	
Communication		8,296	
Dues and Memberships		2,100	
Freight Expenses		15,805	
Operating Lease Payments		59,042	
Licenses		20,450	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Maintenance and Repair Services - Equipment	\$	18,636	
Maintenance and Repair Services - Office Equipment		40,740	
Postal Charges		15,584	
Printing, Stationery, and Forms		20,121	
Travel		1,797	
Office Supplies		10,485	
Periodicals		200	
Other Charges		2,099	
Office Equipment		9,968	
Total Election Commission			\$ 726,682

Register of Deeds

County Official/Administrative Officer	\$	98,093	
Deputy(ies)		367,201	
Part-time Personnel		11,830	
Longevity Pay		6,500	
Overtime Pay		19,026	
Communication		3,488	
Dues and Memberships		716	
Operating Lease Payments		12,756	
Maintenance and Repair Services - Office Equipment		49,144	
Postal Charges		8,106	
Printing, Stationery, and Forms		25,844	
Premiums on Corporate Surety Bonds		75	
Other Charges		74	
Data Processing Equipment		6,051	
Total Register of Deeds			608,904

Development

Assistant(s)	\$	1,138,365	
Supervisor/Director		95,472	
Deputy(ies)		348,338	
Secretary(ies)		307,795	
Temporary Personnel		4,844	
Longevity Pay		19,300	
Board and Committee Members Fees		13,837	
Communication		11,092	
Consultants		178,525	
Dues and Memberships		590	
Operating Lease Payments		3,674	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Maintenance and Repair Services - Office Equipment	\$	1,676	
Postal Charges		4,075	
Travel		100	
Office Supplies		11,920	
In Service/Staff Development		195	
Other Charges		1,043	
Office Equipment		378	
Total Development			\$ 2,141,219

Planning

Advertising	\$	583	
Dues and Memberships		459	
Evaluation and Testing		4,995	
Maintenance and Repair Services - Vehicles		125	
Gasoline		579	
Instructional Supplies and Materials		1,260	
In Service/Staff Development		1,739	
Total Planning			9,740

Building

Communication	\$	1,811	
Dues and Memberships		380	
Maintenance and Repair Services - Vehicles		2,186	
Gasoline		6,713	
Uniforms		525	
In Service/Staff Development		2,990	
Total Building			14,605

Engineering

Board and Committee Members Fees	\$	2,625	
Dues and Memberships		850	
Maintenance and Repair Services - Vehicles		1,312	
Permits		2,500	
Gasoline		3,920	
Instructional Supplies and Materials		1,593	
In Service/Staff Development		600	
Total Engineering			13,400

Codes Compliance

Advertising	\$	476	
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(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

Communication	\$	1,041	
Consultants		2,500	
Maintenance and Repair Services - Vehicles		2,003	
Travel		721	
Gasoline		1,412	
Periodicals		280	
Uniforms		495	
Total Codes Compliance			\$ 8,928

Geographical Information Systems

Supervisor/Director	\$	89,357	
Data Processing Personnel		518,668	
Secretary(ies)		29,682	
Part-time Personnel		16,686	
Longevity Pay		4,750	
Communication		95,743	
Consultants		9,990	
Dues and Memberships		1,313	
Licenses		231,612	
Maintenance and Repair Services - Office Equipment		101,940	
Maintenance and Repair Services - Vehicles		822	
Travel		488	
Other Contracted Services		15,532	
Gasoline		2,248	
Instructional Supplies and Materials		692	
Office Supplies		6,317	
Uniforms		3,095	
In Service/Staff Development		12,820	
Other Charges		403	
Furniture and Fixtures		215	
Other Capital Outlay		77,435	
Total Geographical Information Systems			1,219,808

County Buildings

Supervisor/Director	\$	97,906
Deputy(ies)		63,523
Foremen		53,228
Mechanic(s)		566,756
Nightwatchmen		24,357
Clerical Personnel		35,256

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Custodial Personnel	\$	267,155	
Part-time Personnel		161,608	
Longevity Pay		11,950	
Overtime Pay		23,012	
Communication		48,668	
Contracts with Private Agencies		58,102	
Operating Lease Payments		466	
Maintenance and Repair Services - Buildings		279,409	
Maintenance and Repair Services - Vehicles		10,138	
Rentals		1,368	
Custodial Supplies		54,809	
Electricity		529,477	
Gasoline		29,147	
Natural Gas		56,523	
Office Supplies		889	
Uniforms		7,959	
Water and Sewer		33,477	
Other Supplies and Materials		1,150	
In Service/Staff Development		1,333	
Other Charges		68	
Other Equipment		23,831	
Total County Buildings			\$ 2,441,565

Other Facilities

Assistant(s)	\$	29,994	
Supervisor/Director		46,342	
Part-time Personnel		14,035	
Longevity Pay		250	
Communication		318	
Maintenance and Repair Services - Office Equipment		500	
Maintenance and Repair Services - Vehicles		889	
Travel		533	
Gasoline		669	
Office Supplies		948	
Other Supplies and Materials		2,988	
Communication Equipment		7,597	
Data Processing Equipment		301	
Other Equipment		14,140	
Total Other Facilities			119,504

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records

County Official/Administrative Officer	\$	51,044	
Assistant(s)		91,790	
Temporary Personnel		630	
Longevity Pay		2,400	
Communication		1,100	
Operating Lease Payments		2,589	
Licenses		1,220	
Maintenance and Repair Services - Office Equipment		2,685	
Postal Charges		158	
Other Contracted Services		285	
Office Supplies		3,794	
Other Supplies and Materials		23,750	
Office Equipment		115	
Total Preservation of Records			\$ 181,560

Risk Management

County Official/Administrative Officer	\$	78,208	
Assistant(s)		71,531	
Longevity Pay		500	
Communication		2,381	
Dues and Memberships		133	
Postal Charges		500	
Travel		560	
Instructional Supplies and Materials		575	
Office Supplies		1,203	
Total Risk Management			155,591

Other Risk Management

Paraprofessionals	\$	67,538	
Clerical Personnel		153,058	
Longevity Pay		1,000	
Communication		3,582	
Dues and Memberships		20	
Operating Lease Payments		1,809	
Postal Charges		8,111	
Printing, Stationery, and Forms		3,606	
Travel		268	
Office Supplies		874	
In Service/Staff Development		363	
Data Processing Equipment		2,256	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Other Risk Management (Cont.)

Furniture and Fixtures	\$ 2,828	
Total Other Risk Management		\$ 245,313

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$ 105,165	
Assistant(s)	68,952	
Accountants/Bookkeepers	293,304	
Purchasing Personnel	83,788	
Longevity Pay	3,750	
Communication	3,435	
Operating Lease Payments	1,470	
Maintenance and Repair Services - Office Equipment	10,594	
Postal Charges	5,596	
Printing, Stationery, and Forms	5,901	
Travel	86	
Office Supplies	9,307	
Premiums on Corporate Surety Bonds	125	
In Service/Staff Development	3,867	
Other Charges	435	
Office Equipment	396	
Total Accounting and Budgeting		596,171

Property Assessor's Office

County Official/Administrative Officer	\$ 98,093
Deputy(ies)	994,478
Salary Supplements	7,188
Part-time Personnel	37,514
Longevity Pay	9,450
Overtime Pay	31,608
Advertising	242
Communication	13,926
Consultants	143,898
Data Processing Services	9,752
Dues and Memberships	2,262
Operating Lease Payments	3,994
Licenses	6,250
Maintenance and Repair Services - Office Equipment	7,102
Maintenance and Repair Services - Vehicles	514
Postal Charges	11,220

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Printing, Stationery, and Forms	\$	3,956	
Travel		3,515	
Gasoline		2,985	
Office Supplies		8,565	
Periodicals		774	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		3,613	
Other Charges		9,723	
Data Processing Equipment		4,940	
Office Equipment		12,413	
Total Property Assessor's Office			\$ 1,428,050

County Trustee's Office

County Official/Administrative Officer	\$	98,093	
Assistant(s)		245,435	
Part-time Personnel		35,266	
Longevity Pay		1,850	
Overtime Pay		1,516	
Advertising		1,340	
Communication		3,752	
Data Processing Services		4,544	
Dues and Memberships		926	
Maintenance and Repair Services - Office Equipment		15,519	
Postal Charges		28,646	
Printing, Stationery, and Forms		8,881	
Travel		1,204	
Premiums on Corporate Surety Bonds		5,481	
In Service/Staff Development		2,810	
Other Charges		241	
Data Processing Equipment		6,976	
Other Capital Outlay		286	
Total County Trustee's Office			462,766

County Clerk's Office

County Official/Administrative Officer	\$	98,093
Assistant(s)		612,894
Part-time Personnel		35,090
Longevity Pay		6,250
Advertising		956
Communication		3,316

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Dues and Memberships	\$	766	
Operating Lease Payments		4,547	
Maintenance and Repair Services - Office Equipment		14,281	
Postal Charges		44,870	
Printing, Stationery, and Forms		8,445	
Travel		539	
Other Supplies and Materials		4,595	
Premiums on Corporate Surety Bonds		113	
Office Equipment		3,059	
Total County Clerk's Office			\$ 837,814

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	98,093	
Deputy(ies)		970,439	
Part-time Personnel		53,722	
Longevity Pay		17,450	
Jury and Witness Fees		28,290	
Communication		6,042	
Contracts with Private Agencies		35,700	
Dues and Memberships		732	
Operating Lease Payments		43,596	
Legal Notices, Recording, and Court Costs		12,207	
Maintenance and Repair Services - Office Equipment		503	
Postal Charges		16,627	
Printing, Stationery, and Forms		13,223	
Food Supplies		1,160	
Office Supplies		12,169	
Premiums on Corporate Surety Bonds		163	
Other Charges		96	
Office Equipment		33,821	
Total Circuit Court			1,344,033

General Sessions Court

Judge(s)	\$	281,299
Assistant(s)		151,029
Probation Officer(s)		111,113
Secretary(ies)		41,787
Clerical Personnel		26,125
Temporary Personnel		2,620

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Longevity Pay	\$	2,600	
Communication		2,897	
Dues and Memberships		490	
Evaluation and Testing		2,176	
Operating Lease Payments		2,203	
Maintenance and Repair Services - Office Equipment		295	
Postal Charges		2,067	
Printing, Stationery, and Forms		244	
Travel		2,221	
Office Supplies		4,122	
Periodicals		1,960	
In Service/Staff Development		50	
Other Charges		162	
Office Equipment		3,025	
Total General Sessions Court			\$ 638,485

Drug Court

Drug Treatment	\$	102,391	
Total Drug Court			102,391

Chancery Court

County Official/Administrative Officer	\$	98,093	
Assistant(s)		245,149	
Part-time Personnel		3,239	
Longevity Pay		2,800	
Communication		2,396	
Dues and Memberships		836	
Maintenance and Repair Services - Office Equipment		10,884	
Postal Charges		11,303	
Printing, Stationery, and Forms		7,664	
Office Supplies		3,231	
Periodicals		608	
Other Supplies and Materials		921	
Premiums on Corporate Surety Bonds		210	
In Service/Staff Development		557	
Other Charges		78	
Office Equipment		6,273	
Total Chancery Court			394,242

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

County Official/Administrative Officer	\$	98,093	
Assistant(s)		222,342	
Part-time Personnel		15,131	
Longevity Pay		4,250	
Overtime Pay		921	
Communication		4,624	
Dues and Memberships		701	
Operating Lease Payments		5,054	
Maintenance and Repair Services - Office Equipment		4,936	
Postal Charges		6,400	
Printing, Stationery, and Forms		5,757	
Travel		2,121	
Other Contracted Services		8,750	
Office Supplies		1,645	
Premiums on Corporate Surety Bonds		113	
Other Charges		135	
Data Processing Equipment		6,112	
Furniture and Fixtures		1,099	
Total Juvenile Court			\$ 388,184

Other Administration of Justice

County Official/Administrative Officer	\$	56,428	
Assistant(s)		75,873	
Part-time Personnel		10,439	
Total Other Administration of Justice			142,740

Victims Assitance Programs

Contributions	\$	93,003	
Total Victims Assitance Programs			93,003

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	107,889	
Deputy(ies)		4,010,245	
Accountants/Bookkeepers		52,770	
Salary Supplements		55,200	
Clerical Personnel		373,629	
Longevity Pay		41,650	
Overtime Pay		219,251	
Communication		30,369	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Contracts with Private Agencies	\$	62,147	
Evaluation and Testing		2,150	
Operating Lease Payments		7,788	
Maintenance and Repair Services - Vehicles		63,574	
Postal Charges		8,030	
Transportation - Other than Students		37,864	
Travel		18	
Data Processing Supplies		14,285	
Gasoline		265,166	
Law Enforcement Supplies		10,756	
Office Supplies		17,135	
Periodicals		1,901	
Tires and Tubes		30,061	
Uniforms		71,590	
Other Supplies and Materials		4,026	
Premiums on Corporate Surety Bonds		75	
In Service/Staff Development		65,609	
Other Charges		24,707	
Data Processing Equipment		36,737	
Law Enforcement Equipment		109,980	
Office Equipment		4,479	
Total Sheriff's Department			\$ 5,729,081

Traffic Control

Guards	\$	61,080	
Advertising		100	
Uniforms		1,659	
Total Traffic Control			62,839

Jail

Guards	\$	2,766,047	
Longevity Pay		10,100	
Overtime Pay		67,590	
Communication		25,269	
Evaluation and Testing		6,270	
Laundry Service		49,866	
Operating Lease Payments		5,589	
Maintenance and Repair Services - Buildings		78,467	
Maintenance and Repair Services - Equipment		13,903	
Maintenance and Repair Services - Vehicles		7,273	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Medical and Dental Services	\$	765,243	
Postal Charges		882	
Drugs and Medical Supplies		8,171	
Electricity		249,181	
Food Supplies		359,811	
Gasoline		11,351	
Natural Gas		111,355	
Office Supplies		18,373	
Periodicals		237	
Prisoners Clothing		12,411	
Uniforms		25,011	
Water and Sewer		145,331	
Other Supplies and Materials		25,393	
In Service/Staff Development		12,953	
Data Processing Equipment		10,999	
Other Capital Outlay		50,972	
Total Jail			\$ 4,838,048

Workhouse

Deputy(ies)	\$	133,145	
Longevity Pay		2,050	
Maintenance and Repair Services - Vehicles		5,304	
Gasoline		9,427	
Instructional Supplies and Materials		19,554	
Office Supplies		1,856	
Other Road Supplies		6,768	
Small Tools		2,438	
Uniforms		2,072	
Other Supplies and Materials		4,112	
Total Workhouse			186,726

Juvenile Services

Judge(s)	\$	94,598	
Assistant(s)		1,096,815	
Teachers		126,090	
Part-time Personnel		74,566	
Longevity Pay		13,100	
Overtime Pay		537	
Communication		9,778	
Contracts with Private Agencies		4,350	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Dues and Memberships	\$	1,095	
Operating Lease Payments		9,696	
Legal Services		35,663	
Maintenance and Repair Services - Office Equipment		6,758	
Medical and Dental Services		1,046	
Postal Charges		3,491	
Printing, Stationery, and Forms		3,716	
Transportation - Other than Students		3,168	
Travel		7,481	
Food Supplies		16,884	
Instructional Supplies and Materials		581	
Office Supplies		16,693	
Other Supplies and Materials		31,939	
In Service/Staff Development		6,549	
Other Charges		421	
Data Processing Equipment		19,983	
Furniture and Fixtures		2,874	
Other Capital Outlay		25,000	
Total Juvenile Services			\$ 1,612,872

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Contributions		545,415	
Total Fire Prevention and Control			547,415

Civil Defense

Supervisor/Director	\$	71,802	
Dispatchers/Radio Operators		628,131	
Secretary(ies)		29,590	
Longevity Pay		4,350	
Overtime Pay		53,741	
Communication		12,735	
Contracts with Government Agencies		7,407	
Dues and Memberships		400	
Evaluation and Testing		350	
Operating Lease Payments		7,418	
Maintenance and Repair Services - Equipment		7,739	
Maintenance and Repair Services - Vehicles		2,920	
Postal Charges		170	
Travel		7,901	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Other Contracted Services	\$	8,452	
Electricity		5,953	
Gasoline		2,827	
Office Supplies		3,333	
Uniforms		1,825	
In Service/Staff Development		16,730	
Other Charges		144	
Other Capital Outlay		14,296	
Total Civil Defense			\$ 888,214

Rescue Squad

Assistant(s)	\$	35,963	
Supervisor/Director		74,111	
Secretary(ies)		32,425	
Longevity Pay		1,600	
Advertising		14	
Communication		4,562	
Dues and Memberships		299	
Operating Lease Payments		2,659	
Maintenance Agreements		20,512	
Maintenance and Repair Services - Office Equipment		871	
Maintenance and Repair Services - Vehicles		846	
Rentals		600	
Gasoline		1,545	
Office Supplies		1,294	
Uniforms		88	
Other Charges		58	
Total Rescue Squad			177,447

County Coroner/Medical Examiner

Part-time Personnel	\$	1,055	
Communication		86	
Contracts with Private Agencies		66,000	
Medical and Dental Services		30,000	
Other Contracted Services		41,250	
Drugs and Medical Supplies		35,750	
Total County Coroner/Medical Examiner			174,141

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Medical Personnel	\$	158,611	
Secretary(ies)		29,786	
Clerical Personnel		25,106	
Custodial Personnel		22,963	
Part-time Personnel		13,770	
Longevity Pay		1,000	
Board and Committee Members Fees		3,894	
Communication		8,838	
Contracts with Government Agencies		606,951	
Laundry Service		316	
Maintenance and Repair Services - Buildings		3,179	
Travel		2,159	
Drugs and Medical Supplies		28,857	
Office Supplies		7,643	
Utilities		28,613	
Liability Insurance		1,436	
In Service/Staff Development		16	
Other Charges		737	
Total Local Health Center			\$ 943,875

Rabies and Animal Control

Assistant(s)	\$	49,670
Supervisor/Director		65,374
Paraprofessionals		85,082
Attendants		265,432
Custodial Personnel		26,027
Part-time Personnel		66,148
Longevity Pay		2,050
Overtime Pay		21,464
Advertising		458
Communication		5,802
Contracts with Private Agencies		4,774
Operating Lease Payments		2,052
Maintenance and Repair Services - Buildings		38,138
Maintenance and Repair Services - Office Equipment		558
Maintenance and Repair Services - Vehicles		5,745
Postal Charges		692
Printing, Stationery, and Forms		331
Veterinary Services		5,717
Other Contracted Services		5,142

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Animal Food and Supplies	\$	27,514	
Custodial Supplies		8,127	
Drugs and Medical Supplies		45,142	
Electricity		19,738	
Equipment Parts - Light		29	
Gasoline		14,282	
Instructional Supplies and Materials		422	
Natural Gas		11,528	
Office Supplies		2,291	
Periodicals		78	
Uniforms		2,422	
Water and Sewer		6,866	
Other Supplies and Materials		52,498	
Refunds		221	
In Service/Staff Development		8,528	
Motor Vehicles		23,730	
Office Equipment		110	
Other Capital Outlay		6,172	
Total Rabies and Animal Control			\$ 880,354

Ambulance/Emergency Medical Services

Contracts with Government Agencies	\$	1,943,624	
Total Ambulance/Emergency Medical Services			1,943,624

Other Local Health Services

Contributions	\$	10,640	
Total Other Local Health Services			10,640

Regional Mental Health Center

Contributions	\$	24,220	
Total Regional Mental Health Center			24,220

Appropriation to State

Contributions	\$	115,351	
Total Appropriation to State			115,351

General Welfare Assistance

Contributions	\$	19,574	
Total General Welfare Assistance			19,574

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Aid to Dependent Children

Contributions	\$ 12,121	
Total Aid to Dependent Children		\$ 12,121

Other Public Health and Welfare

Advertising	\$ 31	
Communication	7,820	
Dues and Memberships	862	
Operating Lease Payments	6,714	
Maintenance and Repair Services - Vehicles	2,314	
Postal Charges	545	
Printing, Stationery, and Forms	852	
Travel	7,692	
Data Processing Supplies	1,239	
Gasoline	8,586	
Office Supplies	4,941	
Periodicals	23	
Uniforms	3,293	
Other Supplies and Materials	3,272	
Premiums on Corporate Surety Bonds	65	
In Service/Staff Development	2,260	
Data Processing Equipment	464	
Motor Vehicles	13,841	
Other Equipment	11,105	
Total Other Public Health and Welfare		75,919

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$ 50,515	
Total Adult Activities		50,515

Senior Citizens Assistance

Contributions	\$ 95,102	
Total Senior Citizens Assistance		95,102

Libraries

County Official/Administrative Officer	\$ 66,664
Librarians	1,032,080
Temporary Personnel	12,566
Part-time Personnel	191,224
Longevity Pay	10,500

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Communication	\$	6,941	
Contributions		109,015	
Dues and Memberships		923	
Operating Lease Payments		11,202	
Maintenance and Repair Services - Office Equipment		2,378	
Postal Charges		5,314	
Printing, Stationery, and Forms		181	
Travel		351	
Other Contracted Services		25,648	
Data Processing Supplies		80,997	
Library Books/Media		199,444	
Office Supplies		11,925	
Periodicals		7,500	
Utilities		149,929	
Other Supplies and Materials		16,843	
In Service/Staff Development		1,376	
Data Processing Equipment		12,100	
Office Equipment		6,769	
Other Capital Outlay		88,429	
Total Libraries			\$ 2,050,299

Parks and Fair Boards

County Official/Administrative Officer	\$	98,051
Assistant(s)		1,402,745
Supervisor/Director		388,586
Mechanic(s)		32,260
Clerical Personnel		197,155
Custodial Personnel		218,952
Maintenance Personnel		342,383
Temporary Personnel		542,621
Part-time Personnel		1,810,948
Longevity Pay		23,250
Overtime Pay		24,200
Other Per Diem and Fees		4,050
Advertising		31,292
Communication		72,274
Contracts with Other Public Agencies		223,456
Contracts with Private Agencies		685,211
Dues and Memberships		5,587
Maintenance and Repair Services - Buildings		172,174

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Maintenance and Repair Services - Equipment	\$	55,394	
Maintenance and Repair Services - Office Equipment		21,421	
Maintenance and Repair Services - Vehicles		15,087	
Pest Control		7,049	
Postal Charges		14,540	
Printing, Stationery, and Forms		97,725	
Rentals		5,612	
Disposal Fees		28,062	
Permits		2,900	
Other Contracted Services		25,281	
Custodial Supplies		133,728	
Drugs and Medical Supplies		5,141	
Electricity		888,677	
Fertilizer, Lime, and Seed		35,711	
Food Supplies		16,656	
Fuel Oil		1,876	
Gasoline		65,139	
Instructional Supplies and Materials		70,125	
Natural Gas		240,039	
Office Supplies		18,002	
Periodicals		1,172	
Sand		739	
Uniforms		45,640	
Water and Sewer		142,670	
Clay		3,815	
Chemicals		52,777	
Other Supplies and Materials		114,072	
Refunds		39,267	
Surcharge		12,557	
In Service/Staff Development		92	
Other Charges		113,745	
Total Parks and Fair Boards			\$ 8,549,906

Other Social, Cultural, and Recreational

Supervisor/Director	\$	63,731
Foremen		40,061
Clerical Personnel		67,808
Cafeteria Personnel		32,968
Maintenance Personnel		222,227
Temporary Personnel		64,108

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational (Cont.)

Longevity Pay	\$	2,300	
Overtime Pay		11,795	
Advertising		2,179	
Communication		11,872	
Dues and Memberships		1,404	
Operating Lease Payments		2,796	
Maintenance and Repair Services - Buildings		12,362	
Maintenance and Repair Services - Equipment		6,841	
Maintenance and Repair Services - Vehicles		267	
Postal Charges		999	
Printing, Stationery, and Forms		284	
Rentals		27,772	
Travel		786	
Disposal Fees		115,886	
Other Contracted Services		10,287	
Custodial Supplies		17,907	
Electricity		173,952	
Fertilizer, Lime, and Seed		3,436	
Food Supplies		75,355	
Gasoline		7,600	
Natural Gas		39,844	
Office Supplies		1,560	
Periodicals		249	
Small Tools		3,483	
Tires and Tubes		680	
Uniforms		5,492	
Water and Sewer		19,607	
Other Supplies and Materials		36,321	
Other Charges		63	
Other Capital Outlay		20,815	
Total Other Social, Cultural, and Recreational			\$ 1,105,097

Agriculture and Natural Resources

Agriculture Extension Service

Assistant(s)	\$	76,898
Salary Supplements		163,286
Secretary(ies)		29,217
Longevity Pay		1,050
Board and Committee Members Fees		825
Social Security		4,094

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Extension Service Medicare	\$	1,942	
State Retirement		16,403	
Communication		2,123	
Dues and Memberships		620	
Janitorial Services		10,358	
Operating Lease Payments		2,348	
Maintenance and Repair Services - Equipment		2,131	
Maintenance and Repair Services - Vehicles		56	
Postal Charges		492	
Travel		3,569	
Gasoline		1,012	
Office Equipment		1,227	
Other Capital Outlay		3,315	
Total Agriculture Extension Service			\$ 320,966

Soil Conservation

Secretary(ies)	\$	38,418	
Longevity Pay		1,200	
Other Charges		5,848	
Total Soil Conservation			45,466

Other Operations

Other Economic and Community Development

Supervisor/Director	\$	82,534	
Secretary(ies)		38,709	
Part-time Personnel		41,047	
Advertising		15,435	
Communication		2,871	
Dues and Memberships		3,792	
Operating Lease Payments		4,473	
Maintenance and Repair Services - Office Equipment		2,985	
Postal Charges		286	
Printing, Stationery, and Forms		1,982	
Travel		13,968	
Other Contracted Services		47,758	
Office Supplies		1,480	
Periodicals		788	
In Service/Staff Development		500	
Total Other Economic and Community Development			258,608

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Public Transportation

Other Contracted Services	\$ 482,441	
Total Public Transportation		\$ 482,441

Veterans' Services

Supervisor/Director	\$ 12,782	
Communication	239	
Dues and Memberships	25	
Office Supplies	109	
Other Supplies and Materials	1,152	
Total Veterans' Services		14,307

Other Charges

Dues and Memberships	\$ 38,417	
Building and Contents Insurance	97,288	
Excess Risk Insurance	617,135	
Trustee's Commission	884,090	
Vehicle and Equipment Insurance	1,089,360	
Workers' Compensation Insurance	425,729	
Total Other Charges		3,152,019

Employee Benefits

Social Security	\$ 1,838,849	
State Retirement	2,016,853	
Life Insurance	33,197	
Medical Insurance	6,060,000	
Disability Insurance	31,655	
Unemployment Compensation	30,701	
Local Retirement	76,789	
Employer Medicare	431,480	
Total Employee Benefits		10,519,524

Miscellaneous

Consultants	\$ 6,295	
Contracts with Government Agencies	969	
Contracts with Private Agencies	83,410	
Contributions	685,159	
Duplicating Supplies	29,828	
Total Miscellaneous		805,661

Total General Fund		\$ 61,725,469
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(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	91,998	
Deputy(ies)		137,530	
Laborers		545,580	
Guards		429,876	
Clerical Personnel		95,784	
Longevity Pay		9,300	
Overtime Pay		86,008	
Advertising		6,029	
Communication		12,696	
Dues and Memberships		1,342	
Evaluation and Testing		870	
Maintenance and Repair Services - Buildings		9,944	
Maintenance and Repair Services - Equipment		140,559	
Maintenance and Repair Services - Office Equipment		2,091	
Maintenance and Repair Services - Vehicles		51,050	
Postal Charges		910	
Printing, Stationery, and Forms		5,792	
Rentals		5,851	
Travel		3,996	
Other Contracted Services		807,206	
Diesel Fuel		250,824	
Electricity		30,029	
Gasoline		14,250	
Lubricants		6,405	
Natural Gas		4,142	
Office Supplies		3,477	
Periodicals		200	
Tires and Tubes		57,540	
Uniforms		11,695	
Water and Sewer		2,077	
Other Supplies and Materials		17,158	
In Service/Staff Development		1,911	
Other Charges		65,265	
Office Equipment		5,132	
Site Development		330,000	
Total Sanitation Management			\$ 3,244,517

Other Operations

Other Charges

Building and Contents Insurance	\$	7,194
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(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund (Cont.)

Other Operations (Cont.)

Other Charges (Cont.)

Excess Risk Insurance	\$	101,488	
Trustee's Commission		61,813	
Vehicle and Equipment Insurance		45,750	
Workers' Compensation Insurance		62,051	
Total Other Charges			\$ 278,296

Employee Benefits

Social Security	\$	84,156	
State Retirement		71,931	
Life Insurance		1,100	
Medical Insurance		240,000	
Employer Medicare		19,685	
Total Employee Benefits			416,872

Total Solid Waste/Sanitation Fund \$ 3,939,685

Drug Control Fund

Public Safety

Drug Enforcement

Maintenance and Repair Services - Vehicles	\$	1,056	
Tow-in Services		700	
Office Supplies		3,173	
Trustee's Commission		428	
In Service/Staff Development		709	
Other Capital Outlay		141,499	
Total Drug Enforcement			\$ 147,565

Total Drug Control Fund 147,565

District Attorney General Fund

Administration of Justice

District Attorney General

Salary Supplements	\$	5,752	
Other Salaries and Wages		26,115	
Jury and Witness Fees		1,472	
Advertising		244	
Communication		10,780	
Dues and Memberships		695	
Pest Control		507	
Postal Charges		742	

(Continued)

Exhibit K-8

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

District Attorney General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General (Cont.)

Rentals	\$	2,352	
Travel		13,317	
Other Contracted Services		1,605	
Law Enforcement Supplies		42	
Office Supplies		3,372	
Water and Sewer		442	
Other Supplies and Materials		495	
Trustee's Commission		925	
In Service/Staff Development		8,500	
Other Charges		3,545	
Building Improvements		1,120	
Data Processing Equipment		154	
Furniture and Fixtures		420	
Office Equipment		20	
Total District Attorney General			\$ 82,616

Total District Attorney General Fund

\$ 82,616

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	107,869
Accountants/Bookkeepers		55,744
Dispatchers/Radio Operators		48,672
Secretary(ies)		40,310
Longevity Pay		41,550
Board and Committee Members Fees		6,900
Advertising		90
Communication		9,693
Engineering Services		288,395
Evaluation and Testing		2,760
Operating Lease Payments		1,314
Legal Services		26,090
Maintenance and Repair Services - Office Equipment		62
Postal Charges		1,300
Electricity		25,315
Natural Gas		10,917
Office Supplies		1,834
Water and Sewer		7,033
Other Charges		5,505

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Office Equipment	\$	2,131	
Total Administration			\$ 683,484

Highway and Bridge Maintenance

Foremen	\$	158,101	
Equipment Operators		1,899,853	
Part-time Personnel		86,815	
Overtime Pay		57,773	
Contracts with Private Agencies		56,658	
Rentals		57,989	
Other Contracted Services		71,717	
Asphalt - Cold Mix		22,275	
Asphalt - Hot Mix		2,656,957	
Asphalt - Liquid		249,224	
Other Road Supplies		52,281	
Pipe		73,522	
Road Signs		47,453	
Salt		7,860	
Uniforms		19,234	
Wood Products		623	
Other Charges		4,308	
Total Highway and Bridge Maintenance			5,522,643

Operation and Maintenance of Equipment

Foremen	\$	52,957	
Mechanic(s)		127,750	
Nightwatchmen		100,776	
Part-time Personnel		7,374	
Diesel Fuel		302,108	
Equipment Parts - Heavy		551,882	
Equipment and Machinery Parts		1,299	
Garage Supplies		16,243	
Gasoline		169,267	
Lubricants		26,894	
Tires and Tubes		100,574	
Total Operation and Maintenance of Equipment			1,457,124

Quarry Operations

Equipment Operators	\$	256,026	
Overtime Pay		8,873	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations (Cont.)

Explosive and Drilling Services	\$	106,432	
Maintenance and Repair Services - Vehicles		188,640	
Electricity		57,596	
Other Supplies and Materials		3,857	
Total Quarry Operations			\$ 621,424

Other Charges

Building and Contents Insurance	\$	1,356	
Excess Risk Insurance		64,396	
Trustee's Commission		111,706	
Vehicle and Equipment Insurance		5,866	
Workers' Compensation Insurance		271,888	
Total Other Charges			455,212

Employee Benefits

Social Security	\$	183,362	
State Retirement		222,566	
Life Insurance		3,637	
Medical Insurance		659,000	
Disability Insurance		9,795	
Employer Medicare		42,916	
Total Employee Benefits			1,121,276

Capital Outlay

Bridge Construction	\$	606,382	
Building Construction		9	
Highway Construction		71,706	
Highway Equipment		305,429	
Site Development		5,657	
Total Capital Outlay			989,183

Total Highway/Public Works Fund \$ 10,850,346

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	6,462,400	
Principal on Other Loans		577,906	
Total General Government			\$ 7,040,306

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Highways and Streets

Principal on Bonds	\$ 147,600	
Total Highways and Streets		\$ 147,600

Education

Principal on Bonds	\$ 7,095,000	
Principal on Notes	245,000	
Principal on Other Loans	144,094	
Total Education		7,484,094

Interest on Debt

General Government

Interest on Bonds	\$ 5,460,412	
Interest on Notes	42,050	
Interest on Other Loans	116,387	
Total General Government		5,618,849

Highways and Streets

Interest on Bonds	\$ 60,072	
Total Highways and Streets		60,072

Education

Interest on Bonds	\$ 5,344,600	
Interest on Notes	57,374	
Interest on Other Loans	27,918	
Total Education		5,429,892

Other Debt Service

General Government

Fiscal Agent Charges	\$ 3,947	
Trustee's Commission	485,625	
Other Charges	39,409	
Total General Government		528,981

Total General Debt Service Fund		\$ 26,309,794
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Rural Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 3,530,000	
Total Education		\$ 3,530,000

(Continued)

Exhibit K-8

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

Rural Debt Service Fund (Cont.)

Interest on Debt

Education

Interest on Bonds	\$ 7,342,467	
Interest on Notes	28,537	
Total Education		\$ 7,371,004

Other Debt Service

Education

Fiscal Agent Charges	\$ 2,577	
Trustee's Commission	230,260	
Total Education		232,837

Total Rural Debt Service Fund \$ 11,133,841

General Capital Projects Fund

Capital Projects

General Administration Projects

Underwriter's Discount	\$ 61,978	
Other Debt Issuance Charges	46,300	
Building Improvements	203,246	
Heating and Air Conditioning Equipment	25,643	
Building Purchases	4,497,684	
Other Equipment	374,629	
Other Capital Outlay	49,092	
Total General Administration Projects		\$ 5,258,572

Administration of Justice Projects

Building Improvements	\$ 3,927,333	
Total Administration of Justice Projects		3,927,333

Public Safety Projects

Trustee's Commission	\$ 138	
Building Improvements	4,654	
Motor Vehicles	508,485	
Other Equipment	867,543	
Other Capital Outlay	125,145	
Total Public Safety Projects		1,505,965

Public Health and Welfare Projects

Landfill Closure/Postclosure Care Costs	\$ 605,419	
Data Processing Equipment	3,175	

(Continued)

Exhibit K-8

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

<u>General Capital Projects Fund (Cont.)</u>		
<u>Capital Projects (Cont.)</u>		
<u>Public Health and Welfare Projects (Cont.)</u>		
Solid Waste Equipment	\$ 411,756	
Other Equipment	258,041	
Other Construction	53,981	
Total Public Health and Welfare Projects		\$ 1,332,372
<u>Social, Cultural, and Recreation Projects</u>		
Other Contracted Services	\$ 1,110	
Trustee's Commission	1,750	
Building Construction	245,688	
Heating and Air Conditioning Equipment	162,249	
Site Development	3,416	
Other Equipment	467,521	
Other Construction	174,298	
Other Capital Outlay	1,377,022	
Total Social, Cultural, and Recreation Projects		2,433,054
<u>Public Utility Projects</u>		
Other Construction	\$ 26,378	
Total Public Utility Projects		26,378
<u>Other General Government Projects</u>		
Other Capital Outlay	\$ 411,166	
Total Other General Government Projects		411,166
<u>Highway and Street Capital Projects</u>		
Consultants	\$ 116,390	
Trustee's Commission	1,490	
Building Construction	4,887,001	
Highway Construction	81,978	
Total Highway and Street Capital Projects		5,086,859
<u>Education Capital Projects</u>		
Trustee's Commission	\$ 40,163	
Underwriter's Discount	99,186	
Other Debt Issuance Charges	106,700	
Total Education Capital Projects		246,049
<u>Capital Projects - Donated</u>		
<u>Capital Projects Donated to School Department</u>		
Contributions	\$ 24,481,050	
Total Capital Projects Donated to School Department		24,481,050
Total General Capital Projects Fund		\$ 44,708,798
Total Governmental Funds - Primary Government		\$ 158,898,114

Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 72,706,486	
Career Ladder Program	589,688	
Career Ladder Extended Contracts	314,707	
Homebound Teachers	107,869	
Educational Assistants	1,692,677	
Longevity Pay	26,575	
Certified Substitute Teachers	587,202	
Non-certified Substitute Teachers	1,317,769	
Social Security	4,637,678	
State Retirement	4,777,715	
Life Insurance	84,445	
Medical Insurance	13,315,237	
Dental Insurance	841,000	
Unemployment Compensation	37,342	
Employer Medicare	1,091,614	
Maintenance and Repair Services - Equipment	68,504	
Other Contracted Services	431,951	
Instructional Supplies and Materials	1,438,430	
Textbooks	2,436,882	
Fee Waivers	77,864	
Other Charges	68,634	
Regular Instruction Equipment	164,650	
Total Regular Instruction Program		\$ 106,814,919

Alternative Instruction Program

Teachers	\$ 239,254	
Career Ladder Program	2,000	
Educational Assistants	45,345	
Longevity Pay	250	
Social Security	17,518	
State Retirement	18,141	
Life Insurance	408	
Medical Insurance	67,500	
Dental Insurance	4,500	
Employer Medicare	4,097	
Other Supplies and Materials	6,255	
Other Equipment	906	
Total Alternative Instruction Program		406,174

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 10,324,448	
Career Ladder Program	84,000	
Educational Assistants	3,715,523	
Speech Pathologist	1,529,659	
Longevity Pay	29,600	
Other Salaries and Wages	70,048	
Social Security	940,242	
State Retirement	1,044,524	
Life Insurance	24,801	
Medical Insurance	3,862,500	
Dental Insurance	257,500	
Employer Medicare	220,445	
Contracts with Private Agencies	486,644	
Maintenance and Repair Services - Equipment	4,761	
Other Contracted Services	81,780	
Instructional Supplies and Materials	96,151	
Textbooks	7,517	
Special Education Equipment	42,194	
Total Special Education Program		\$ 22,822,337

Vocational Education Program

Teachers	\$ 2,759,385	
Career Ladder Program	22,500	
Clerical Personnel	21,965	
Educational Assistants	48,868	
Longevity Pay	2,900	
Other Salaries and Wages	66,602	
Social Security	186,434	
State Retirement	191,207	
Life Insurance	3,770	
Medical Insurance	607,500	
Dental Insurance	40,500	
Employer Medicare	43,601	
Maintenance and Repair Services - Equipment	3,589	
Other Contracted Services	72,598	
Instructional Supplies and Materials	135,612	
Other Charges	6,531	
Vocational Instruction Equipment	365,085	
Total Vocational Education Program		4,578,647

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Student Body Education Program

Certified Substitute Teachers	\$	18,696	
In-Service Training		37,560	
Other Contracted Services		9,076	
Instructional Supplies and Materials		447,910	
Library Books/Media		192,302	
Other Supplies and Materials		92,584	
In Service/Staff Development		112,968	
Other Charges		18,759	
Regular Instruction Equipment		506,889	
Total Student Body Education Program	\$		1,436,744

Adult Education Program

Teachers	\$	278,792	
Longevity Pay		350	
Other Salaries and Wages		17,691	
Social Security		18,078	
State Retirement		9,601	
Life Insurance		153	
Medical Insurance		37,500	
Dental Insurance		2,500	
Employer Medicare		4,228	
Instructional Supplies and Materials		21,861	
Other Supplies and Materials		4,315	
Other Charges		10,770	
Other Equipment		7,008	
Total Adult Education Program			412,847

Support Services

Attendance

Longevity Pay	\$	650	
Other Salaries and Wages		90,044	
Social Security		5,595	
State Retirement		6,119	
Life Insurance		102	
Medical Insurance		15,000	
Dental Insurance		1,000	
Employer Medicare		1,309	
Total Attendance			119,819

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

Medical Personnel	\$ 1,673,351	
Longevity Pay	7,400	
Social Security	99,094	
State Retirement	105,840	
Life Insurance	2,320	
Medical Insurance	390,000	
Dental Insurance	26,000	
Employer Medicare	23,175	
Travel	10,098	
Drugs and Medical Supplies	17,888	
Other Supplies and Materials	2,762	
In Service/Staff Development	405	
Health Equipment	25,865	
Total Health Services		\$ 2,384,198

Other Student Support

Career Ladder Program	\$ 27,846	
Guidance Personnel	3,726,399	
Social Workers	177,200	
Secretary(ies)	196,522	
Longevity Pay	2,300	
Other Salaries and Wages	98,700	
Social Security	251,786	
State Retirement	269,339	
Life Insurance	4,424	
Medical Insurance	675,000	
Dental Insurance	45,000	
Employer Medicare	60,031	
Contracts with Government Agencies	291,600	
Travel	732	
Other Contracted Services	380,242	
Other Supplies and Materials	133,120	
In Service/Staff Development	20	
Other Charges	25,056	
Total Other Student Support		6,365,317

Regular Instruction Program

Supervisor/Director	\$ 549,548
Career Ladder Program	36,645

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Librarians	\$ 2,042,133	
Secretary(ies)	259,469	
Clerical Personnel	536,670	
Longevity Pay	10,450	
Other Salaries and Wages	410,808	
In-Service Training	164,469	
Social Security	236,728	
State Retirement	263,306	
Life Insurance	4,914	
Medical Insurance	735,000	
Dental Insurance	49,000	
Employer Medicare	56,352	
Travel	23,739	
Other Contracted Services	127,633	
Other Supplies and Materials	72,095	
In Service/Staff Development	387,739	
Regular Instruction Equipment	64,120	
Other Equipment	2,499	
Total Regular Instruction Program		\$ 6,033,317

Special Education Program

Supervisor/Director	\$ 93,809	
Career Ladder Program	5,650	
Psychological Personnel	958,344	
Secretary(ies)	78,634	
Longevity Pay	1,950	
Other Salaries and Wages	311,830	
In-Service Training	66,089	
Social Security	91,698	
State Retirement	96,179	
Life Insurance	1,300	
Medical Insurance	210,000	
Dental Insurance	14,000	
Employer Medicare	21,466	
Travel	56,546	
Other Contracted Services	163,424	
Other Supplies and Materials	53,185	
In Service/Staff Development	23,563	
Other Equipment	2,462	
Total Special Education Program		2,250,129

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

Career Ladder Program	\$	1,000	
Secretary(ies)		38,824	
Longevity Pay		550	
Other Salaries and Wages		120,321	
In-Service Training		11,326	
Social Security		10,307	
State Retirement		11,374	
Life Insurance		153	
Medical Insurance		22,500	
Dental Insurance		1,500	
Employer Medicare		2,411	
Travel		4,246	
Other Contracted Services		6,004	
Other Supplies and Materials		2,141	
In Service/Staff Development		8,472	
Total Vocational Education Program			\$ 241,129

Adult Programs

Career Ladder Program	\$	3,000	
Secretary(ies)		24,198	
Longevity Pay		550	
Other Salaries and Wages		84,577	
Social Security		6,954	
State Retirement		7,489	
Life Insurance		102	
Medical Insurance		15,000	
Dental Insurance		1,000	
Employer Medicare		1,626	
Travel		333	
Total Adult Programs			144,829

Other Programs

On-Behalf Payments to OPEB	\$	14,582	
Total Other Programs			14,582

Board of Education

Other Salaries and Wages	\$	100,000	
Board and Committee Members Fees		71,600	
Social Security		9,303	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

State Retirement	\$	7,497	
Life Insurance		51	
Medical Insurance		7,500	
Dental Insurance		500	
Employer Medicare		2,176	
Audit Services		40,683	
Dues and Memberships		28,361	
Legal Services		13,663	
Travel		433	
Other Contracted Services		30,759	
Other Supplies and Materials		5,874	
Liability Insurance		548,864	
Trustee's Commission		1,935,506	
Workers' Compensation Insurance		790,809	
In Service/Staff Development		4,980	
Criminal Investigation of Applicants - TBI		36,960	
Total Board of Education			\$ 3,635,519

Director of Schools

County Official/Administrative Officer	\$	229,167	
Assistant(s)		53,898	
Secretary(ies)		151,312	
Longevity Pay		3,200	
Social Security		22,131	
State Retirement		28,930	
Life Insurance		306	
Medical Insurance		45,000	
Dental Insurance		3,000	
Employer Medicare		6,046	
Communication		546,442	
Travel		360	
Other Contracted Services		65,890	
Office Supplies		19,121	
In Service/Staff Development		3,064	
Total Director of Schools			1,177,867

Office of the Principal

Principals	\$	3,399,476	
Career Ladder Program		73,453	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Accountants/Bookkeepers	\$ 1,077,744	
Assistant Principals	3,717,361	
Secretary(ies)	1,341,287	
Longevity Pay	36,025	
Other Salaries and Wages	26,675	
Social Security	577,626	
State Retirement	640,217	
Life Insurance	9,086	
Medical Insurance	1,350,000	
Dental Insurance	90,000	
Employer Medicare	136,282	
Communication	4,587	
Other Contracted Services	457,010	
Total Office of the Principal		\$ 12,936,829

Fiscal Services

Supervisor/Director	\$ 98,550	
Accountants/Bookkeepers	415,909	
Purchasing Personnel	129,026	
Longevity Pay	6,800	
Other Salaries and Wages	78,844	
Social Security	43,505	
State Retirement	55,149	
Life Insurance	752	
Medical Insurance	112,500	
Dental Insurance	7,500	
Employer Medicare	10,231	
Travel	1,032	
Other Contracted Services	4,060	
In Service/Staff Development	6,665	
Administration Equipment	66,522	
Total Fiscal Services		1,037,045

Human Services/Personnel

Supervisor/Director	\$ 93,806
Secretary(ies)	240,453
Longevity Pay	1,300
Overtime Pay	1,249
Other Salaries and Wages	80,860

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel (Cont.)

Social Security	\$	24,885	
State Retirement		28,472	
Life Insurance		408	
Medical Insurance		67,500	
Dental Insurance		4,500	
Employer Medicare		5,895	
Travel		1,188	
Other Contracted Services		46,023	
Other Supplies and Materials		15,384	
In Service/Staff Development		2,951	
Administration Equipment		2,477	
Total Human Services/Personnel			\$ 617,351

Operation of Plant

Supervisor/Director	\$	95,527	
Secretary(ies)		29,483	
Custodial Personnel		151,420	
Longevity Pay		5,550	
Other Salaries and Wages		64,518	
Social Security		21,036	
State Retirement		25,974	
Life Insurance		408	
Medical Insurance		60,000	
Dental Insurance		4,000	
Employer Medicare		4,920	
Janitorial Services		4,500,982	
Travel		85	
Disposal Fees		74,056	
Other Contracted Services		232,722	
Electricity		5,452,831	
Natural Gas		602,924	
Water and Sewer		870,625	
Other Supplies and Materials		26,964	
Building and Contents Insurance		183,025	
Plant Operation Equipment		1,227	
Total Operation of Plant			12,408,277

Maintenance of Plant

Supervisor/Director	\$	77,250	
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(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Secretary(ies)	\$	68,633	
Maintenance Personnel		2,044,596	
Longevity Pay		16,050	
Overtime Pay		26,421	
Other Salaries and Wages		59,328	
Social Security		136,595	
State Retirement		171,892	
Life Insurance		3,366	
Medical Insurance		495,000	
Dental Insurance		33,000	
Employer Medicare		31,945	
Maintenance and Repair Services - Buildings		314,181	
Maintenance and Repair Services - Equipment		137,454	
Other Contracted Services		561,471	
General Construction Materials		573,720	
Other Supplies and Materials		8,645	
In Service/Staff Development		9,301	
Other Charges		50,632	
Plant Operation Equipment		22,882	
Total Maintenance of Plant			\$ 4,842,362

Transportation

Supervisor/Director	\$	74,563
Mechanic(s)		415,032
Bus Drivers		4,006,073
Clerical Personnel		29,822
Longevity Pay		90,050
Overtime Pay		9,454
Other Salaries and Wages		646,750
Social Security		307,331
State Retirement		390,940
Life Insurance		12,461
Medical Insurance		1,972,500
Dental Insurance		131,500
Employer Medicare		72,398
Contracts with Parents		128
Maintenance and Repair Services - Buildings		2,000
Maintenance and Repair Services - Vehicles		51,783
Other Contracted Services		24,996

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Gasoline	\$ 1,115,847	
Lubricants	42,164	
Tires and Tubes	177,994	
Vehicle Parts	211,997	
Other Supplies and Materials	14,107	
Vehicle and Equipment Insurance	151,803	
In Service/Staff Development	13,486	
Other Charges	20,189	
Transportation Equipment	2,025,260	
Total Transportation		\$ 12,010,628

Central and Other

Supervisor/Director	\$ 171,372	
Data Processing Personnel	1,437,448	
Longevity Pay	10,250	
Social Security	96,724	
State Retirement	121,022	
Life Insurance	1,632	
Medical Insurance	240,000	
Dental Insurance	16,000	
Employer Medicare	22,621	
Travel	20,121	
Other Contracted Services	416,077	
Other Supplies and Materials	64,891	
In Service/Staff Development	9,814	
Data Processing Equipment	86,472	
Total Central and Other		2,714,444

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$ 74,709
Clerical Personnel	39,275
Longevity Pay	1,350
Other Salaries and Wages	200,207
Social Security	20,498
State Retirement	24,804
Life Insurance	306
Medical Insurance	45,000
Dental Insurance	3,000

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Employer Medicare	\$	4,980	
Travel		3,775	
Other Contracted Services		118,137	
Other Supplies and Materials		6,718	
In Service/Staff Development		2,935	
Other Equipment		5,856	
Total Community Services			\$ 551,550

Early Childhood Education

Teachers	\$	527,740	
Career Ladder Program		3,954	
Educational Assistants		139,181	
Longevity Pay		600	
Social Security		39,867	
State Retirement		44,674	
Life Insurance		612	
Medical Insurance		165,000	
Dental Insurance		6,000	
Employer Medicare		9,324	
Travel		560	
Other Contracted Services		385	
Instructional Supplies and Materials		12,069	
Other Supplies and Materials		36,561	
In Service/Staff Development		1,893	
Regular Instruction Equipment		17,329	
Total Early Childhood Education			1,005,749

Capital Projects

Education Capital Projects

Contributions	\$	2,135,000	
Total Education Capital Projects			<u>2,135,000</u>

Total General Purpose School Fund \$ 209,097,609

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	338,136	
Educational Assistants		13,400	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	19,842	
Certified Substitute Teachers		8,360	
Non-certified Substitute Teachers		24,752	
Social Security		24,997	
State Retirement		23,993	
Life Insurance		332	
Medical Insurance		48,750	
Dental Insurance		3,250	
Employer Medicare		5,777	
Instructional Supplies and Materials		17,525	
Other Charges		813	
Total Regular Instruction Program			\$ 529,927

Special Education Program

Teachers	\$	43,030	
Educational Assistants		1,727,429	
Other Salaries and Wages		169,581	
Certified Substitute Teachers		3,360	
Non-certified Substitute Teachers		8,090	
Social Security		112,601	
State Retirement		128,876	
Life Insurance		5,686	
Medical Insurance		836,125	
Dental Insurance		55,746	
Employer Medicare		26,780	
Other Contracted Services		40,068	
Other Supplies and Materials		6,037	
Total Special Education Program			3,163,409

Vocational Education Program

Teachers	\$	37,881	
Social Security		2,343	
State Retirement		2,432	
Life Insurance		51	
Medical Insurance		7,500	
Dental Insurance		500	
Employer Medicare		548	
Instructional Supplies and Materials		1,644	
Vocational Instruction Equipment		119,020	
Total Vocational Education Program			171,919

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services

Health Services

Medical Personnel	\$	418,249	
Social Security		25,393	
State Retirement		21,336	
Life Insurance		377	
Medical Insurance		55,375	
Dental Insurance		3,692	
Employer Medicare		5,939	
Travel		1,806	
Total Health Services			\$ 532,167

Other Student Support

Travel	\$	31,995	
Other Contracted Services		55,091	
In Service/Staff Development		21,363	
Total Other Student Support			108,449

Regular Instruction Program

Secretary(ies)	\$	13,918	
Other Salaries and Wages		102,170	
In-Service Training		47,680	
Social Security		9,971	
State Retirement		10,600	
Life Insurance		92	
Medical Insurance		13,500	
Dental Insurance		900	
Employer Medicare		2,332	
Travel		5,238	
Other Contracted Services		10,217	
Other Supplies and Materials		994	
In Service/Staff Development		336,658	
Other Charges		7,165	
Total Regular Instruction Program			561,435

Special Education Program

Psychological Personnel	\$	112,909	
Secretary(ies)		37,950	
Other Salaries and Wages		68,613	
Social Security		13,252	
State Retirement		14,515	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Life Insurance	\$	204	
Medical Insurance		30,000	
Dental Insurance		2,000	
Employer Medicare		3,099	
Travel		5,106	
Other Contracted Services		24,050	
In Service/Staff Development		445	
Total Special Education Program			\$ 312,143

Vocational Education Program

In-Service Training	\$	8,125	
Social Security		504	
State Retirement		517	
Employer Medicare		118	
Other Charges		47	
Total Vocational Education Program			9,311

Total School Federal Projects Fund \$ 5,388,760

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	72,646	
Clerical Personnel		66,378	
Cafeteria Personnel		2,540,287	
Longevity Pay		39,700	
Overtime Pay		8,273	
Other Salaries and Wages		198,054	
Social Security		173,442	
State Retirement		157,308	
Life Insurance		5,600	
Medical Insurance		768,000	
Dental Insurance		50,650	
Unemployment Compensation		321	
Employer Medicare		40,640	
Communication		25,485	
Maintenance and Repair Services - Equipment		7,005	
Transportation - Other than Students		70,556	
Travel		5,775	

(Continued)

Exhibit K-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Other Contracted Services	\$ 110,557	
Equipment and Machinery Parts	39,975	
Food Supplies	3,159,755	
Other Supplies and Materials	305,218	
In Service/Staff Development	85	
Other Charges	1,469	
Food Service Equipment	39,999	
Total Food Service		\$ 7,887,178

Total Central Cafeteria Fund \$ 7,887,178

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$ 36,123	
Accountants/Bookkeepers	29,420	
Attendants	313,312	
Longevity Pay	900	
Other Salaries and Wages	70,637	
Social Security	26,122	
State Retirement	15,901	
Life Insurance	255	
Medical Insurance	37,500	
Dental Insurance	2,500	
Unemployment Compensation	123	
Employer Medicare	6,109	
Communication	683	
Travel	2,996	
Other Contracted Services	25,805	
Food Supplies	21,140	
Other Supplies and Materials	10,867	
Refunds	489	
In Service/Staff Development	3,030	
Other Equipment	1,799	
Total Community Services		\$ 605,711

Total Extended School Program Fund 605,711

(Continued)

Exhibit K-9

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

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 1,555,650	
Engineering Services	34,281	
Legal Services	11,433	
Other Contracted Services	207,901	
T&I Construction Materials	538	
Utilities	3,445	
Building Construction	8,105,384	
Building Improvements	10,610,963	
Data Processing Equipment	3,358,945	
Furniture and Fixtures	95,929	
Land	2,176	
Maintenance Equipment	200,852	
Regular Instruction Equipment	2,633	
Site Development	820,660	
Other Equipment	162,332	
Other Capital Outlay	2,374,277	
Total Education Capital Projects		<u>\$ 27,547,399</u>

Total Education Capital Projects Fund \$ 27,547,399

Total Governmental Funds - Williamson County School Department \$ 250,526,657

Exhibit K-10

Williamson County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2009

	Governmental Activities - Internal Service Fund
	<u>Self - Insurance Fund</u>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Self-Insurance Premiums/Contributions	\$ 35,141,797
Other Employee Benefits Charges/Contributions	6,323,200
Total Charges for Current Services	<u>\$ 41,464,997</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Retirees' Insurance Payments	\$ 727,705
Cobra Insurance Payments	163,678
Total Other Local Revenues	<u>\$ 891,383</u>
<u>Federal Government</u>	
<u>Federal through State</u>	
On-Behalf Contributions for OPEB	\$ 143,205
Total Federal Government	<u>\$ 143,205</u>
Total Revenues	<u>\$ 42,499,585</u>
<u>Expenses</u>	
<u>Other Operations</u>	
<u>Employee Benefits</u>	
Handling Charges and Administrative Costs	\$ 2,116,489
Life Insurance	155,682
Dental Insurance	2,620,706
Medical Claims	41,744,893
Other Postemployment Benefits Claims	18,393,993
Total Other General Government	<u>\$ 65,031,763</u>
Total Expenses	<u>\$ 65,031,763</u>

Williamson County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balances - City Agency Funds
For the Year Ended June 30, 2009

	Cities - Sales Tax Fund	Cities - Property Tax Fund	Cities Adequate Facilities Tax Fund	Special School District Fund	Total
Cash Receipts					
<u>County Property Taxes</u>					
Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 8,708,446	\$ 8,708,446
Trustee's Collections - Prior Year	0	0	0	113,686	113,686
<u>Circuit/Clerk & Master Collections -</u>					
Prior Years	0	0	0	42,575	42,575
Interest and Penalty	0	0	0	23,124	23,124
Payments in-Lieu-of-Taxes - Other	0	0	0	12,279	12,279
Local Option Sales Tax	34,183,305	0	0	3,751,360	37,934,685
Interstate Telecommunications Tax	0	0	0	1,721	1,721
<u>City/School District Property Taxes</u>					
Current Property Taxes	0	152,494	0	16,267,351	16,419,845
Trustee's Collections - Prior Year	0	3,360	0	202,278	205,638
Interest and Penalty	0	756	0	43,755	44,511
Pick-up Taxes	0	0	0	79,560	79,560
Marriage Licenses	0	0	0	1,034	1,034
Other Local Revenues	0	0	0	205	205
Mixed Drink Tax	0	0	0	59,985	59,985
Transfers In	0	0	625,459	351,608	977,067
Total Cash Receipts	\$ 34,183,305	\$ 156,610	\$ 625,459	\$ 29,658,987	\$ 64,624,361
Cash Disbursements					
<u>Remittance of Revenues Collected</u>					
Trustee's Commission	\$ 33,841,472	\$ 152,052	\$ 625,459	\$ 29,154,817	\$ 63,773,800
Total Cash Disbursements	341,833	4,334	0	547,494	893,661
	\$ 34,183,305	\$ 156,386	\$ 625,459	\$ 29,702,311	\$ 64,667,461
Excess of Cash Receipts Over					
(Under) Cash Disbursements	\$ 0	\$ 224	\$ 0	\$ (43,324)	\$ (43,100)
Cash Balance, July 1, 2008	0	778	0	455,005	455,783
Cash Balance, June 30, 2009	\$ 0	\$ 1,002	\$ 0	\$ 411,681	\$ 412,683

SINGLE AUDIT SECTION

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

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

October 5, 2009

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Williamson County's basic financial statements and have issued our report thereon dated October 5, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the discretely presented Williamson County Hospital District and the discretely presented Williamson County Emergency Communications District as described in our report on Williamson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting: 09.01, 09.02, and 09.03.

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

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

Compliance and Other Matters

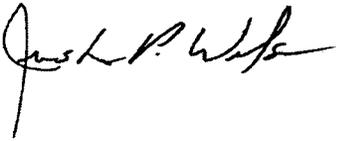
As part of obtaining reasonable assurance about whether Williamson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 did not disclose instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

Williamson County's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Williamson County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the county mayor, director of schools, highway superintendent, County Commission, Board of Education, Audit Committee, others within Williamson 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.

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

October 5, 2009

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

To the County Mayor and Board of County Commissioners:

Compliance

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

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

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

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

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

Schedule of Expenditures of Federal Awards

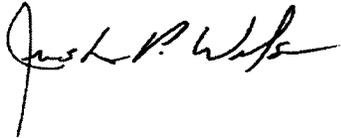
We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County as of and for the year ended June 30, 2009, and have issued our report thereon dated October 5, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Williamson 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.

Williamson County's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Williamson County's response and, accordingly, we express no opinion on it.

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

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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Williamson 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 Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 507,079 (9)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	92,599
National School Lunch Program	10.555	N/A	<u>1,360,056 (9)</u>
Total U.S. Department of Agriculture			<u>\$ 1,959,734</u>
U.S. Department of Commerce National Telecommunications and Information Administration:			
Passed-through State Department of Military:			
Public Safety Interoperable Communications Grant Program	11.555	GG-09-026337-00	<u>\$ 160,148</u>
Total U.S. Department of Commerce National Telecommunications and Information Administration			<u>\$ 160,148</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
HOME Investment Partnerships Program	14.239	HM-06-50	<u>\$ 452,173</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 452,173</u>
U.S. Department of Justice:			
Direct Program:			
Federal Asset Forfeiture Program	16.XXX	N/A	<u>\$ 143,805</u>
Total U.S. Department of Justice			<u>\$ 143,805</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(3)	\$ 459,636
State and Community Highway Safety	20.600	Z-09-214698-00	37,914
Alcohol Open Container Requirements	20.607	(4)	<u>20,238</u>
Total U.S. Department of Transportation			<u>\$ 517,788</u>
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	GG-09-027604-00	<u>\$ 7,500</u>
Total Institute of Museum and Library Services			<u>\$ 7,500</u>
U.S. Department of Education:			
Direct Program:			
Funds for the Improvement of Education	84.215	N/A	\$ 348,315
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(5)	177,875
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	551,223
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	4,662,633
Special Education - Preschool Grants	84.173	N/A	78,902
Career and Technical Education - Basic Grants to States	84.048	N/A	236,949
Safe and Drug Free Schools and Communities - State Grants	84.186	(2)	60,444
State Grants for Innovative Programs	84.298	N/A	495
Education Technology State Grants	84.318	(2)	5,654
English Language Acquisition Grants	84.365	N/A	84,946
Improving Teacher Quality State Grants	84.367	N/A	475,922
State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394	N/A	1,461,400
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	<u>34,584</u>
Total U.S. Department of Education			<u>\$ 8,179,342</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
Elections Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	Z-09-217204-00	\$ 43,500
Total Elections Assistance Commission			<u>\$ 43,500</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Public Safety Interoperable Communications Grant Program	97.001	GG-09-027342-00	\$ 13,202
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(6)	163,124
Hazard Mitigation Grant	97.039	GG-04-010878-00	10,795
Emergency Management Performance Grants	97.042	GG-08-025942-00	40,000
Homeland Security Grant Program	97.067	GG-07-020646-00	347,597
Total U.S. Department of Homeland Security			<u>\$ 574,718</u>
Total Expenditures of Federal Awards			<u>\$ 12,038,708</u>
		<u>Contract Number</u>	
State Grants			
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	\$ 115,630
Public Safety Interoperable Communications Grant Program - State Department of Military	N/A	GG-09-026337-00	32,801
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	43,700
Litter Program - State Department of Transportation	N/A	Z-09-212812-00	78,489
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	(7)	11,250
Tennessee Agricultural Enhancement Program Tree Planting Grant - State Department of Agriculture		GG-09-213885-00	1,286
High Schools That Work Competitive Grant - State Department of Education	N/A	(2)	7,944
Adult Education - State Department of Education	N/A	(8)	80,779
Early Childhood Education Lottery - State Department of Education	N/A	(2)	198,827
Early Childhood Education Expansion - State Department of Education	N/A	(2)	289,957
Economic Development Three Star Grant Program - State Department of Economic and Community Development	N/A	GG-08-023719-00	148
Development and Coordination of Rural Health Services - State Department of Health	N/A	Z-09-0213726-00	843,845
Discretionary Annual Yearly Performance Grant - State Department of Education	N/A	(2)	14,917
Coordinated School Health Program - State Department of Education	N/A	(2)	90,000
Safe Schools Act - State Department of Education	N/A	(2)	81,100
Touching the Lives of Children - State Department of Education	N/A	(2)	14,114
Family Resource Center - State Department of Education	N/A	(2)	<u>24,690</u>
Total State Grants			<u>\$ 1,929,477</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) CPD040144: \$12,066; CPD70163: \$368,536; CPD080197: \$79,034.
- (4) Z-09-214448-00: \$12,986; Z-08-024006-00: \$5,897; Z-08-023670-00: \$1,355.
- (5) Z-09-213523-00: \$140,553; Z-09-2132440-00: \$37,322.
- (6) Z-08-212864-00: \$38,342; GG-09-28882-00: \$98,568; Z-08-212863-00: \$26,214.
- (7) Z-08-022823-00: \$2,250; Z-09-022918-00: \$9,000.
- (8) Z-09-2172930-00: \$8,035; Z-09-213523-00: \$58,021; Z-09-2132440-00: \$14,723.
- (9) Total for CFDA No. 10.555 is \$1,867,135.

Williamson 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. Presented below are findings from the Annual Financial Report for Williamson County, Tennessee, for the year ended June 30, 2008, which have not been corrected.

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
08.08	235	Duties were not segregated adequately in the Offices of County Clerk and Juvenile Court Clerk

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WILLIAMSON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2009

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Williamson County is unqualified.
2. The audit of the financial statements of Williamson County disclosed significant deficiencies in internal control. None of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of Williamson 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), HOME Investment Partnerships Program (CFDA No. 14.239), Improving Teacher Quality State Grants (CFDA No. 84.367), and State Fiscal Stabilization Fund – Education State Grants, Recovery Act (CFDA No. 84.394) were determined to be major programs.
8. A \$361,161 threshold was used to distinguish between Type A and Type B federal programs.
9. Williamson County did qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The written response of the director of accounts and budgets is paraphrased in this report.

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 09.01 **THE SELF-INSURANCE FUND HAD A DEFICIT IN UNRESTRICTED NET ASSETS
(Internal Control – Significant Deficiency Under Government Auditing Standards)**

The Self-Insurance Fund had a deficit of \$19,893,711 in unrestricted net assets at June 30, 2009. This deficit resulted from the recognition of liabilities in the financial statements for claims and judgments (\$5,459,708) and other postemployment benefits (OPEB) (\$18,393,993) at year-end. This net assets deficit resulted from estimated/actual claims exceeding available resources and funding OPEB on a pay-as-you-go basis.

RECOMMENDATION

County officials should develop a plan to address the net assets deficit, and should closely review and monitor this fund.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The portion of this deficit relating to loss reserves for health benefits claims is equivalent to the accrual of the loss reserves of \$5,459,708 less the cash balance in the fund at June 30, 2009 of \$3,959,800, or a deficit of \$1,499,828. This portion of the deficit will be funded by current monthly appropriations to the Self-Insurance Fund and by adjustments to the annual budgeted amount per employee.

The remaining portion of this deficit relates to the accrual of OPEB, as reported by the county's actuarial firm, totaling \$18,393,993. GASB Statement No. 45 does not require that these anticipated costs have to be funded by the county. The county is exploring alternatives to providing postemployment benefits, which over time, will reduce OPEB liabilities.

OFFICE OF COUNTY CLERK

FINDING 09.02 A CASH SHORTAGE TOTALING \$3,386.18 EXISTED IN THE OFFICE AS OF DECEMBER 31, 2008
(Internal Control – Significant Deficiency Under Government Auditing Standards)

In December 2008, the county clerk discovered that collections from a title application transaction totaling \$1,877.68 had been diverted for an employee's personal use. On August 21, 2008, the employee collected cash from a customer and processed the transaction. The next day the employee advised the office bookkeeper that she had failed to collect the funds from the customer, so the bookkeeper deleted the transaction from the computer system and advised the employee to contact the customer; however, the employee failed to contact the customer. On December 20, 2008, the customer returned to the office to see why he had not received the title to his vehicle. The employee stated that she was waiting on some information from a lien-holder before it could be processed, but had recently received that information and would process the paperwork. However, upon an examination by the county clerk, it was discovered that the necessary lien-holder information was dated August 21, 2008. The employee immediately processed the transaction, but substituted a check from another customer to cover the transaction. Subsequently, the bookkeeper questioned this second transaction and spoke with the customer to verify that a substitution of funds had occurred. The initial diversion of funds was caused in part by the bookkeeper's failure to adequately verify the employee's request to delete the transaction. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds in the original transaction, and the county clerk terminated the employee for the mishandling of funds. Subsequently, the county clerk's bookkeeper and auditors reviewed the audit logs for the period July 1, 2007, through the employee's termination in December 2008, and discovered two additional title applications totaling \$1,508.50 had been stolen. Therefore the total funds diverted from the office totaled \$3,386.18 (\$1,877.68 plus \$1,508.50). The theft of the two additional transactions was caused in part from the failure to regularly review the computer audit logs.

The county clerk contacted the district attorney general, who requested the Tennessee Bureau of Investigation conduct an investigation. On April 13, 2009, the Williamson County Grand Jury indicted the former employee on two counts of theft over \$1,000, one count of theft over \$500, and one count of forgery. This case is pending as of the date of this report.

RECOMMENDATION

The county clerk should ensure that the cash shortage of \$3,386.18 is liquidated. Supervisory personnel should verify all documentation prior to deleting transactions from the computer system and should routinely review the audit logs generated by the computer system to determine the propriety of voided transactions.

OTHER FINDING AND RECOMMENDATION

**FINDING 09.03 DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF COUNTY CLERK AND JUVENILE COURT CLERK
(Internal Control – Significant Deficiency Under Government Auditing Standards)**

Duties were not segregated adequately among the official and employees in the Offices of County Clerk and Juvenile Court Clerk. Employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide reasonable assurance to provide reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions. Also, this deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

Officials should segregate duties to the extent possible using available resources.

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

There were no findings and questioned costs for federal awards.

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**WILLIAMSON 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.