



**ANNUAL FINANCIAL REPORT
CAMPBELL COUNTY, TENNESSEE**



FOR THE YEAR ENDED JUNE 30, 2009



This page is left blank intentionally.

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

DEPARTMENT OF AUDIT
JUSTIN P. WILSON
Comptroller of the Treasury

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

JAMES R. ARNETTE
Director

BRYAN W. BURKLIN, CPA, CGFM
Audit Manager

ANDREW WAY, CPA
AMY HEMBREE, CPA
GARRETT RAIDEN
DOUG SANDIDGE, CISA, CFE
State Auditors

This financial report is available at www.tn.gov/comptroller

This page is left blank intentionally.

CAMPBELL COUNTY, TENNESSEE TABLE OF CONTENTS

	Exhibit	Page(s)
Audit Highlights		9
<u>INTRODUCTORY SECTION</u>		11
Campbell County Officials		13
<u>FINANCIAL SECTION</u>		15
Independent Auditor's Report		17-19
Management's Discussion and Analysis		21-27
BASIC FINANCIAL STATEMENTS:		29
Government-wide Financial Statements:		
Statement of Net Assets	A	31-32
Statement of Activities	B	33-34
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	35-36
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	C-2	37
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	38-39
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	40
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	D	41
Notes to the Financial Statements		43-74
REQUIRED SUPPLEMENTARY INFORMATION:		75
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	E-1	77-80
Solid Waste/Sanitation Fund	E-2	81
Highway/Public Works Fund	E-3	82
Schedule of Funding Progress – Pension Plan – Primary Government and Discretely Presented Campbell County School Department	E-4	83

	Exhibit	Page(s)
Schedule of Funding Progress – Other Postemployment Benefits Plans – Primary Government and Discretely Presented Campbell County School Department	E-5	84
Notes to the Required Supplementary Information		85
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		87
Nonmajor Governmental Funds:		89
Combining Balance Sheet	F-1	91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	F-2	92
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Ambulance Service Fund	F-3	93
Industrial/Economic Development Fund	F-4	94
Special Purpose Fund	F-5	95
Drug Control Fund	F-6	96
General Capital Projects Fund	F-7	97
Major Governmental Fund:		99
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	G	101
Fiduciary Funds:		103
Combining Statement of Fiduciary Assets and Liabilities	H-1	105
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	H-2	106
Component Unit:		
Discretely Presented Campbell County School Department:		107
Statement of Activities	I-1	109
Balance Sheet – Governmental Funds	I-2	110
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	I-3	111
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	I-4	112
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	I-5	113
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	I-6	114-116
School Federal Projects Fund	I-7	117
Central Cafeteria Fund	I-8	118
Miscellaneous Schedules:		119
Schedule of Changes in Long-term Notes, Bonds, and Other Loans	J-1	121
Schedule of Long-term Debt Requirements by Year	J-2	122-123

	Exhibit	Page(s)
Schedule of Transfers – Primary Government and Discretely Presented Campbell County School Department	J-3	124
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Campbell County School Department	J-4	125
Schedule of Detailed Revenues – All Governmental Fund Types	J-5	126-137
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Campbell County School Department	J-6	138-139
Schedule of Detailed Expenditures – All Governmental Fund Types	J-7	140-173
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Campbell County School Department	J-8	174-187
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balance – City Agency Fund	J-9	188
<u>SINGLE AUDIT SECTION</u>		189
Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>		191-193
Auditor’s Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With <u>OMB Circular A-133</u>		195-197
Schedule of Expenditures of Federal Awards and State Grants		199-200
Schedule of Audit Findings Not Corrected		201
Schedule of Findings and Questioned Costs		203-206
Auditee Reporting Responsibilities		207

This page is left blank intentionally.

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

Scope

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

Results

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

Our audit resulted in two findings and recommendations, which we have reviewed with Campbell County management. Detailed findings and recommendations are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF SHERIFF

- ◆ The office had accounting deficiencies.

OTHER FINDING

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

This page is left blank intentionally.

INTRODUCTORY SECTION

This page is left blank intentionally.

Campbell County Officials

June 30, 2009

Officials

William Baird, County Mayor
Dennis Potter, Road Superintendent
Dr. Michael Martin, Director of Schools
Monty Bullock, Trustee
Brandon Partin, Assessor of Property
Don Nance, County Clerk
Bobby Vann, Circuit and General Sessions Courts Clerk
William Archer, Clerk and Master
Dormas Miller, Register
Gary Perkins, Sheriff
Jeff Marlow, Director of Finance

Board of County Commissioners

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

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

Board of Education

Eugene Lawson, Chairman
Delbert Buckner
Johnny Byrge
J.L. Collins
Walter Goins

Faye Heatherly
David Lynch
James Orick
Homer Rutherford
Mark Wells

Financial Management Committee

David Goins, Chairman
William Baird, County Mayor
Dennis Potter, Road Superintendent
Dr. Michael Martin, Director of Schools

Clarence Bolton
John Lynn Letner
Ann Smith

This page is left blank intentionally.

FINANCIAL SECTION

This page is left blank intentionally.



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

INDEPENDENT AUDITOR'S REPORT

January 13, 2010

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

To the County Mayor and Board of County Commissioners:

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

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

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

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

In our opinion, except for the effects of not including the financial statements of the Campbell County Emergency Communications District, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of Campbell County, Tennessee, at June 30, 2009, and the results of operations of the aggregate discretely presented component units, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

In accordance with Government Auditing Standards, we have also issued our report dated January 13, 2010, on our consideration of Campbell County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

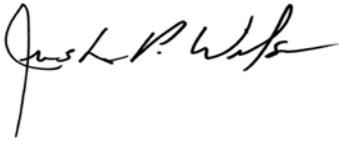
As described in Note V.B., Campbell County has adopted the provisions of Governmental Accounting Standards Board Statement No. 49, Accounting and Financial Reporting for Pollution and Remediation Obligations; and Statement No. 52, Land and Other Real Estate Held as Investments by Endowments.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Campbell County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Campbell County School

Department (a discretely presented component unit), and miscellaneous schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Campbell County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

This page is left blank intentionally.

**Campbell County, Tennessee
Management's Discussion and Analysis
For the Year Ended June 30, 2009**

As management of Campbell County, Tennessee, we offer readers of Campbell County's financial statements this narrative overview and analysis of the financial activities of the Campbell County Government for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the county's financial performance as a whole. Readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the county's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the Campbell County primary government exceeded its liabilities at the close of the most recent fiscal year by \$40.8 million (net assets). Capital assets, net of related debt totaled \$59.7 million. Unrestricted net assets were a negative \$26.1 million on June 30, 2009.
- The government's total net assets decreased by \$3.1 million due to school buildings of \$2.8 million being financed by the primary government while the asset title is held by the discretely presented School Department.
- As of the close of the current fiscal year, Campbell County's governmental funds reported combined ending fund balances of \$10.9 million, a decrease of \$3.1 million in comparison with the prior year. Approximately \$2.3 million of this decrease relates to debt proceeds in the capital projects funds spent for the construction of school buildings. The General Fund has \$3.4 million available for spending at the government's discretion (unreserved fund balance).
- Campbell County's total debt decreased by \$1.3 million during the current fiscal year, due to normal retirements netted against new debt issues of \$.8 million.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of Campbell County Government that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Campbell County Government include General Government; Finance; Administration of Justice; Public Safety; Public Health and Welfare; Social, Cultural, and Recreational; Agriculture and Natural Resources; Other Operations; Highways; Education; Interest on Long-term Debt; and Debt Service. Campbell County Government reports no business-type activities.

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

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

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

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

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

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

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

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

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

The basic fiduciary fund financial statement can be found as Exhibit D of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Please refer to the Table of Contents for the location of the notes to the financial statements.

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

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the RSI. Combining and individual fund financial statements and schedules can be found as Exhibits F-1 through J-9 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Campbell County Government, assets exceeded liabilities by \$40.8 million at the close of the most recent fiscal year.

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

The remaining portion of Campbell County Government's net assets represents resources that are subject to external restrictions on how they may be used, leaving a negative unrestricted net assets balance of \$26.1 million.

Campbell County, Tennessee - Net Assets

(Dollar amounts in thousands)

	Governmental Activities	
	2009	2008
Assets:		
Current and Other Assets	\$ 23,295	\$ 25,815
Capital Assets	65,249	66,544
Total Assets	<u>\$ 88,544</u>	<u>\$ 92,359</u>
Liabilities:		
Long-term Liabilities Outstanding	\$ 10,024	\$ 9,683
Other Liabilities	37,723	38,825
Total Liabilities	<u>\$ 47,747</u>	<u>\$ 48,508</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 59,703	\$ 63,965
Restricted	7,186	8,529
Unrestricted	<u>(26,092)</u>	<u>(28,643)</u>
Total Net Assets	<u>\$ 40,797</u>	<u>\$ 43,851</u>

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

	Governmental Activities	
	2009	2008
Revenues:		
Program Revenues:		
Charges for Services	\$ 5,525	\$ 6,168
Operating Grants and Contributions	3,564	2,946
Capital Grants and Contributions	1,025	1,372
General Revenues:		
Property Taxes	9,151	8,793
Other Taxes	1,767	1,965
Grants and Contributions Not Restricted to Specific Programs	3,360	3,546
Unrestricted Investment Earnings	406	622
Other	29	45
Gain on Disposal of Capital Assets	0	631
Total Revenues	\$ 24,827	\$ 26,088
Expenses:		
General Government	\$ 1,470	\$ 1,225
Finance	2,287	2,184
Administration of Justice	1,141	1,032
Public Safety	5,138	5,105
Public Health and Welfare	5,798	5,442
Social, Cultural, and Recreational Services	211	165
Agriculture and Natural Resources	49	54
Other Operations	1,287	906
Highways/Public Works	5,603	6,713
Education	2,998	19,346
Interest on Long-term Debt	1,709	1,689
Debt Service	190	71
Total Expenses	\$ 27,881	\$ 43,932
Increase (Decrease) in Net Assets	\$ (3,054)	\$ (17,844)
Net Assets, July 1	43,851	61,695
Net Assets, June 30	\$ 40,797	\$ 43,851

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Campbell County Government's governmental funds reported combined ending fund balances of \$10.9 million, a decrease of \$3.1 million. Of this amount, \$9.4 million constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance (\$1.5 million) is reserved to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of Campbell County Government. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$3.4 million, while total fund balance was \$3.8 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 30 percent of total General Fund expenditures, while total fund balance represents 34 percent of that same amount.

The fund balance of Campbell County Government's General Fund decreased by \$22 thousand during the current fiscal year. The key factor in this minimal decrease was General Fund departments showing fiscal responsibility by turning back unspent budget amounts.

The fund balance of Campbell County Government's Solid Waste/Sanitation Fund decreased by \$20 thousand, resulting in an ending fund balance of \$.7 million.

The fund balance for Campbell County Government's Highway/Public Works Fund decreased by approximately \$175 thousand during the current fiscal year, ending at \$.6 million.

The General Debt Service Fund had a total fund balance of \$2.1 million, which is reserved for the payment of debt service. The decrease in fund balance during the current fiscal year in the General Debt Service Fund was \$512 thousand.

The Other Capital Projects Fund had an ending fund balance of \$1.2 million, of which \$1.3 million represents unspent debt proceeds allocated for capital purposes.

Capital Assets and Debt Administration

Capital assets. The county's investment in capital assets for its governmental activities as of June 30, 2009, totals \$59.7 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and infrastructure (primarily roads and bridges).

Long-term debt. At the end of the current fiscal year, Campbell County Government had total debt outstanding of \$36.7 million. This entire amount of debt is backed by the full faith and credit of Campbell County Government. Of this amount, \$31.3 million is debt that Campbell County Government issued on behalf of the Board of Education. The county's debt decreased by approximately \$1.3 million.

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

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

Economic Factors and Next Year's Budgets and Rates

When preparing the budget for the 2009-2010 fiscal year, the property tax rate total was unchanged.

Request for Information

This financial report is designed to provide a general overview of the Campbell County Government's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to:

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

This page is left blank intentionally.

BASIC FINANCIAL STATEMENTS

This page is left blank intentionally.

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Campbell County School Department
<u>ASSETS</u>		
Cash	\$ 3,499	\$ 3,882
Equity in Pooled Cash and Investments	10,552,564	4,209,758
Accounts Receivable	913,838	17,498
Due from Other Governments	1,528,339	1,328,021
Property Taxes Receivable	10,499,674	4,185,184
Allowance for Uncollectible Property Taxes	(732,423)	(291,944)
Deferred Charges - Debt Issuance Cost	529,131	0
Capital Assets		
Assets Not Depreciated:		
Land	1,980,026	1,129,742
Construction in Progress	751,611	2,354,226
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	8,502,953	41,737,708
Other Capital Assets	2,086,886	899,412
Infrastructure	51,927,518	0
Total Assets	<u>\$ 88,543,616</u>	<u>\$ 55,573,487</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 95,039	\$ 65,472
Accrued Payroll	0	16,026
Contracts Payable	344,018	0
Retainage Payable	203,098	14,302
Accrued Interest Payable	136,990	0
Payroll Deductions Payable	243,803	397,004
Due to State of Tennessee	0	15,118
Other Current Liabilities	6,180	0
Deferred Revenue - Property Taxes	8,994,385	3,585,174
Noncurrent Liabilities:		
Due Within One Year	2,193,700	0
Due in More than One Year (Net of Deferred Amount on Refunding and Unamortized Premium on Debt)	35,529,462	2,343,892
Total Liabilities	<u>\$ 47,746,675</u>	<u>\$ 6,436,988</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Campbell County School Department
<u>NET ASSETS</u>		
Invested in Capital Assets, Net of Related Debt	\$ 59,703,263	\$ 0
Invested in Capital Assets Restricted for:	0	46,121,088
Solid Waste/Sanitation	752,396	0
Ambulance Service	1,456,963	0
Highways	871,161	0
Debt Service	2,197,148	0
Capital Projects	1,348,960	0
Community Development	345,691	0
Career Ladder	0	107,242
Federal Assistance Programs	0	92,523
Food Service	0	1,073,545
Other Purposes	213,334	33,166
Unrestricted	<u>(26,091,975)</u>	<u>1,708,935</u>
Total Net Assets	<u>\$ 40,796,941</u>	<u>\$ 49,136,499</u>

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets						Component Unit
	Program Revenues			Primary		Campbell County School Department	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Governmental Activities		
Primary Government:							
Governmental Activities:							
General Government	\$ 1,470,174	\$ 511,980	\$ 23,647	\$ 0	\$ (934,547)	\$ 0	0
Finance	2,286,930	855,735	19,932	0	(1,411,263)	0	0
Administration of Justice	1,140,446	976,044	9,000	0	(155,402)	0	0
Public Safety	5,137,724	730,849	78,567	204,845	(4,123,463)	0	0
Public Health and Welfare	5,798,132	2,030,156	580,058	329,159	(2,858,759)	0	0
Social, Cultural, and Recreational Services	210,916	0	10,827	0	(200,089)	0	0
Agriculture and Natural Resources	49,343	0	0	0	(49,343)	0	0
Other Operations	1,287,098	0	1,018,767	0	(268,331)	0	0
Highways	5,602,651	420,489	1,798,184	480,286	(2,903,692)	0	0
Education	2,998,335	0	24,786	11,000	(2,962,549)	0	0
Interest on Long-term Debt	1,708,822	0	0	0	(1,708,822)	0	0
Debt Service	189,936	0	0	0	(189,936)	0	0
Total Primary Government	\$ 27,880,507	\$ 5,525,253	\$ 3,563,768	\$ 1,025,290	\$ (17,766,196)	\$ 0	0
Component Unit:							
Campbell County School Department	\$ 46,571,460	\$ 803,726	\$ 7,076,600	\$ 2,220,826	\$ 0	\$ (36,470,308)	0
Total Component Unit	\$ 46,571,460	\$ 803,726	\$ 7,076,600	\$ 2,220,826	\$ 0	\$ (36,470,308)	0

(Continued)

Exhibit B

Campbell County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets				Component Unit
	Expenses	Program Revenues		Campbell County School Department	
		Charges for Services	Operating Grants and Contributions		
		Governmental Activities			
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes		\$ 5,119,818	\$ 3,655,866		
Property Taxes Levied for Solid Waste		2,119,180	0		
Property Taxes Levied for Ambulance Service		64,112	0		
Property Taxes Levied for Economic Development		64,113	0		
Property Taxes Levied for Highways		576,365	0		
Property Taxes Levied for Debt Service		759,339	0		
Property Taxes Levied for Capital Projects		448,167	0		
Local Option Sales Taxes		765,679	3,186,174		
Other Local Taxes:					
Hotel/Motel Tax		188,969	0		
Wheel Tax		0	1,143,523		
Litigation Taxes		262,131	0		
Business Tax		248,023	0		
Mineral Severance Tax		113,348	0		
Wholesale Beer Tax		90,411	0		
Coal Severance Tax		49,768	49,768		
Other Local Taxes		48,390	2,947		
Grants and Contributions Not Restricted to Specific Programs		3,359,499	28,471,742		
Unrestricted Investment Income		406,136	3,992		
Miscellaneous		28,514	105,217		
Gain on Disposal of Capital Assets		0	144,956		
Total General Revenues		\$ 14,711,962	\$ 36,764,185		
Change in Net Assets		\$ (3,054,234)	\$ 293,877		
Net Assets, July 1, 2008		43,851,175	48,842,622		
Net Assets, June 30, 2009		\$ 40,796,941	\$ 49,136,499		

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

Exhibit C-1

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other Governmental Funds	Governmental Funds	
\$ 70 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	3,429 \$	3,499
3,544,401	696,584	451,661	2,076,590	1,645,831	2,137,497	2,137,497	2,137,497	10,552,564
126,693	0	0	0	0	787,145	787,145	787,145	913,838
528,437	11,957	520,156	193,158	143,542	131,089	131,089	131,089	1,528,339
3,000	0	0	0	0	2,090	2,090	2,090	5,090
5,808,498	2,488,445	660,819	881,092	0	660,820	660,820	660,820	10,499,674
(407,201)	(171,566)	(46,097)	(61,462)	0	(46,097)	(46,097)	(46,097)	(732,423)
\$ 9,603,898	\$ 3,025,420	\$ 1,586,539	\$ 3,089,378	\$ 1,789,373	\$ 3,675,973	\$ 3,675,973	\$ 3,675,973	\$ 22,770,581

ASSETS

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

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

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

Fund Balances

Reserved for Encumbrances
Reserved for Drug Court
Reserved for Sexual Offender Registration
Reserved for Courtroom Security
Reserved for Computer System - Register
Reserved for Automation Purposes - Circuit Court

(Continued)

Exhibit C-1

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other Governmental Funds	Governmental Funds	
\$	658	0	0	0	0	0	0	658
	659	0	0	0	0	0	0	659
	12,513	0	0	0	0	0	0	12,513
	55,462	0	0	0	0	0	0	55,462
	3,436,650	0	0	0	0	0	0	3,436,650
	0	645,749	539,461	0	0	0	1,459,487	2,644,697
	0	0	0	2,148,834	0	0	0	2,148,834
	0	0	0	0	337,394	813,613	0	1,151,007
	<u>\$ 3,828,902</u>	<u>\$ 672,893</u>	<u>\$ 597,121</u>	<u>\$ 2,148,834</u>	<u>\$ 1,230,973</u>	<u>\$ 2,411,622</u>	<u>\$ 0</u>	<u>\$ 10,880,345</u>
	\$ 9,603,898	\$ 3,025,420	\$ 1,586,539	\$ 3,089,378	\$ 1,789,373	\$ 3,675,973	\$ 22,770,581	

LIABILITIES AND FUND BALANCES (Cont.)

<u>Fund Balances (Cont.)</u>
Reserved for Automation Purposes - Criminal Court
Reserved for Automation Purposes - General Sessions Court
Reserved for Automation Purposes - Sheriff
Reserved for Other General Purposes
Unreserved, Reported In:
General Fund
Special Revenue Funds
Debt Service Funds
Capital Projects Funds
Total Fund Balances

Total Liabilities and Fund Balances

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

Exhibit C-2

Campbell County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
June 30, 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)		\$ 10,880,345
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,980,026	
Add: construction in progress	751,611	
Add: infrastructure net of accumulated depreciation	51,927,518	
Add: buildings and improvements net of accumulated depreciation	8,502,953	
Add: other capital assets net of accumulated depreciation	<u>2,086,886</u>	65,248,994
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (2,443,750)	
Less: other loans payable	(12,550,000)	
Less: bonds payable	(21,730,000)	
Add: deferred amount on refunding	71,084	
Add: deferred charges - debt issuance costs	529,131	
Less: compensated absences payable	(523,297)	
Less: other postemployment benefits liability	(69,018)	
Less: accrued interest on bonds, notes, and other loans	(136,990)	
Less: other deferred revenue - premium on debt	<u>(478,181)</u>	(37,331,021)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,998,623</u>
Net assets (deficit) of governmental activities (Exhibit A)		<u>\$ 40,796,941</u>

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

Exhibit C-3

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other		
						Governmental Funds	Governmental Funds	
Revenues								
Local Taxes	\$ 5,983,276	\$ 2,076,843	\$ 726,126	\$ 1,620,954	\$ 0	\$ 0	\$ 788,233	\$ 11,195,432
Licenses and Permits	170,438	0	100	0	0	0	0	170,538
Fines, Forfeitures, and Penalties	266,192	0	0	0	0	0	80,814	347,006
Charges for Current Services	75,724	57,247	0	0	0	0	1,729,811	1,862,782
Other Local Revenues	67,875	78,484	425,962	404,448	10,800	0	61,951	1,049,520
Fees Received from County Officials	1,674,381	0	0	0	0	0	0	1,674,381
State of Tennessee	2,576,658	53,010	2,115,378	0	675,100	0	0	5,420,146
Federal Government	61,073	0	0	0	918,383	0	0	979,456
Other Governments and Citizens Groups	152,230	750	33,900	1,418,884	0	0	358,369	1,964,133
Total Revenues	\$ 11,027,847	\$ 2,266,334	\$ 3,301,466	\$ 3,444,286	\$ 1,604,283	\$ 3,019,178	\$ 3,019,178	\$ 24,663,394
Expenditures								
Current:								
General Government	\$ 1,265,625	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65,931	\$ 1,331,556
Finance	2,233,859	0	0	0	0	0	0	2,233,859
Administration of Justice	1,122,129	0	0	0	0	0	14,300	1,136,429
Public Safety	4,604,789	0	0	0	0	0	102,083	4,706,872
Public Health and Welfare	847,892	2,224,802	0	0	0	0	1,676,345	4,749,039
Social, Cultural, and Recreational Services	107,634	0	0	0	0	0	0	107,634
Agriculture and Natural Resources	49,343	0	0	0	0	0	0	49,343
Other Operations	697,059	14,846	0	0	0	0	662,810	1,374,715
Highways	0	0	3,456,899	0	0	0	0	3,456,899
Operation of Non-Instructional Services	116,900	0	0	0	0	0	0	116,900
Debt Service:								
Principal on Debt	10,417	0	0	2,080,833	0	0	0	2,091,250
Interest on Debt	920	0	0	1,785,587	0	0	0	1,786,507
Other Debt Service	0	0	0	241,280	0	0	0	241,280
Capital Projects	215,000	0	0	0	4,532,059	529,354	0	5,276,413
Total Expenditures	\$ 11,271,567	\$ 2,239,648	\$ 3,456,899	\$ 4,107,700	\$ 4,532,059	\$ 3,050,823	\$ 3,050,823	\$ 28,658,696
Excess (Deficiency) of Revenues Over Expenditures	\$ (243,720)	\$ 26,686	\$ (155,433)	\$ (663,414)	\$ (2,927,776)	\$ (31,645)	\$ (31,645)	\$ (3,995,302)

(Continued)

Exhibit C-3

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

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects	Other	Governmental Funds	
<u>Other Financing Sources (Uses)</u>								
Notes Issued	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 0	\$ 0	\$ 750,000
Refunding Debt Issued	0	0	0	10,375,000	0	0	0	10,375,000
Premiums on Debt Issued	0	0	0	101,516	0	0	0	101,516
Transfers In	69,195	6,500	0	50,000	144,162	666,168	0	936,025
Transfers Out	(97,831)	(53,930)	(19,309)	0	(15,344)	(749,611)	0	(936,025)
Payments to Refunded Debt Escrow Agent	0	0	0	(10,375,000)	0	0	0	(10,375,000)
Total Other Financing Sources (Uses)	\$ 221,364	\$ (47,430)	\$ (19,309)	\$ 151,516	\$ 628,818	\$ (83,443)	\$ (83,443)	\$ 851,516
Net Change in Fund Balances	\$ (22,356)	\$ (20,744)	\$ (174,742)	\$ (511,898)	\$ (2,298,958)	\$ (115,088)	\$ (115,088)	\$ (3,143,786)
Fund Balance, July 1, 2008	3,851,258	693,637	771,863	2,660,732	3,519,931	2,526,710	2,526,710	14,024,131
Fund Balance, June 30, 2009	\$ 3,828,902	\$ 672,893	\$ 597,121	\$ 2,148,834	\$ 1,220,973	\$ 2,411,622	\$ 2,411,622	\$ 10,880,345

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

Exhibit C-4

Campbell County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 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)		\$ (3,143,786)
(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	\$ 1,523,221	
Less: current year depreciation expense	<u>(2,810,800)</u>	(1,287,579)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: book value of assets disposed		(7,498)
(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	\$ 1,998,623	
Less: deferred delinquent property taxes and other deferred June 30, 2008	<u>(1,828,246)</u>	170,377
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Less: note proceeds	\$ (750,000)	
Less: refunding debt proceeds	(10,375,000)	
Less: change in premium on debt issuances	(55,059)	
Add: change in deferred debt issuance costs	81,442	
Add: principal payments on bonds	1,585,000	
Add: principal payments on notes	256,250	
Add: principal payments on other loans	250,000	
Add: payment to refunded debt escrow agent	10,375,000	
Less: change in deferred amount of refunding debt	(30,098)	
Less: change in other postemployment benefits liability	<u>(69,018)</u>	1,268,517
(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	\$ 31,228	
Change in compensated absences payable	<u>(85,493)</u>	<u>(54,265)</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ (3,054,234)</u>

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 3,700,623
Due from Other Governments	<u>557,592</u>
Total Assets	<u>\$ 4,258,215</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 557,592
Due to Litigants, Heirs, and Others	<u>3,700,623</u>
Total Liabilities	<u>\$ 4,258,215</u>

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

This page is left blank intentionally.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

Campbell County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Campbell County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The Campbell County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Campbell County, and the Campbell County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the Campbell County Emergency Communications District were not available from other auditors in time for inclusion in this report.

The Campbell County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the Campbell County School Department are included in this report as listed in the table of contents. Although required by GAAP, the financial

statements of the Campbell County Emergency Communications District were not available in time for inclusion, as previously mentioned. Complete financial statements of the Campbell County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

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

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

B. Government-wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds and fiduciary funds. The fiduciary funds are excluded from the government-wide

financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Campbell County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period.

Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

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

Campbell County reports the following major governmental funds:

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

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

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

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

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

Additionally, Campbell County reports the following fund type:

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Campbell County. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Campbell County School Department reports the following major governmental funds:

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

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

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

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

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

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; 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 Campbell County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net assets as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Campbell County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment

company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value.

2. Receivables and Payables

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

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 3.89 percent of total taxes levied.

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

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

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

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

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

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

3. Capital Assets

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

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

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

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

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

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

4. Compensated Absences

It is the county's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The School Department does not have a policy to permit employees to accumulate earned but unused vacation. There is no liability for unpaid accumulated sick leave since Campbell County does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

5. Long-term Obligations

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term

obligations, including compensated absences and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

6. Net Assets and Fund Equity

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

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

As of June 30, 2009, Campbell County had \$31,254,567 in outstanding debt for capital purposes for the discretely presented Campbell County School Department. This debt is a liability of Campbell County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Campbell County has incurred a liability significantly decreasing its unrestricted net assets with no corresponding increase in the county’s capital assets.

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

<u>Fund/Purpose</u>	<u>Amount</u>
General:	
Debt Service Contingency	\$ 988,663
General Purpose School:	
Retiree Benefits	44,400

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Campbell County School Department

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

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

Primary Government

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

Discretely Presented Campbell County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed

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

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

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

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

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

Investment Balances. As of June 30, 2009, Campbell County had the following investment carried at fair value or cost. The investment is in the county trustee’s investment pool. Separate disclosures concerning pooled investments cannot be made for Campbell County and the discretely presented Campbell County School Department since both pool their deposits and investments through the county trustee.

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value or Cost</u>
Federal Home Loan Bank Discount Note	7-2-09	<u>\$ 1,199,990</u>
Total		<u><u>\$ 1,199,990</u></u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Campbell County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Campbell County has no investment policy that would further limit its investment choices. As of June 30, 2009, Campbell County's investment in the Federal Home Loan Discount Note was rated Aaa by Moody's Investor's Service and AAA by Standard and Poor's.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Campbell County places no limit on the amount the county may invest in one issuer. As of June 30, 2009, Campbell County's investments consisted of one type of security, a Federal Home Loan Discount Note.

B. Capital Assets

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

Primary Government

Governmental Activities

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 1,727,481	\$ 252,545	\$ 0	\$ 1,980,026
Construction in Progress	525,905	751,611	(525,905)	751,611
Total Capital Assets, Not Depreciated	<u>\$ 2,253,386</u>	<u>\$ 1,004,156</u>	<u>\$ (525,905)</u>	<u>\$ 2,731,637</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 9,875,862	\$ 728,834	\$ 0	\$ 10,604,696
Roads and Bridges	79,888,487	0	0	79,888,487
Other Capital Assets	5,960,909	316,136	(256,258)	6,020,787
Total Capital Assets, Depreciated	<u>\$ 95,725,258</u>	<u>\$ 1,044,970</u>	<u>\$ (256,258)</u>	<u>\$ 96,513,970</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 1,805,784	\$ 295,959	\$ 0	\$ 2,101,743
Roads and Bridges	25,963,757	1,997,212	0	27,960,969
Other Capital Assets	3,665,032	517,629	(248,760)	3,933,901
Total Accumulated Depreciation	<u>\$ 31,434,573</u>	<u>\$ 2,810,800</u>	<u>\$ (248,760)</u>	<u>\$ 33,996,613</u>

Governmental Activities (Cont.)

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Total Capital Assets Depreciated, Net	\$ 64,290,685	\$ (1,765,830)	\$ (7,498)	\$ 62,517,357
Governmental Activities Capital Assets, Net	\$ 66,544,071	\$ (761,674)	\$ (533,403)	\$ 65,248,994

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

Governmental Activities:

General Government	\$ 51,877
Finance	65,864
Administration of Justice	796
Public Safety	220,298
Public Health and Welfare	217,466
Other Operations	104,291
Highways/Public Works	<u>2,150,208</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,810,800</u>

Discretely Presented Campbell County School Department**Governmental Activities:**

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 1,131,561	\$ 0	\$ (1,819)	\$ 1,129,742
Construction in Progress	133,400	2,220,826	0	2,354,226
Total Capital Assets Not Depreciated	\$ 1,264,961	\$ 2,220,826	\$ (1,819)	\$ 3,483,968
Capital Assets Depreciated:				
Buildings and Improvements	\$ 62,436,958	\$ 696,979	\$ 0	\$ 63,133,937
Other Capital Assets	2,470,595	299,837	(45,646)	2,724,786
Total Capital Assets Depreciated	\$ 64,907,553	\$ 996,816	\$ (45,646)	\$ 65,858,723

Governmental Activities: (Cont.)

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 19,720,442	\$ 1,675,787	\$ 0	\$ 21,396,229
Other Capital Assets	1,690,213	169,395	(34,234)	1,825,374
Total Accumulated Depreciation	<u>\$ 21,410,655</u>	<u>\$ 1,845,182</u>	<u>\$ (34,234)</u>	<u>\$ 23,221,603</u>
Total Capital Assets Depreciated, Net	<u>\$ 43,496,898</u>	<u>\$ (848,366)</u>	<u>\$ (11,412)</u>	<u>\$ 42,637,120</u>
Governmental Activities Capital Assets, Net	<u>\$ 44,761,859</u>	<u>\$ 1,372,460</u>	<u>\$ (13,231)</u>	<u>\$ 46,121,088</u>

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

Governmental Activities:

Instruction	\$ 28,108
Support Services	1,728,169
Operation of Non-Instructional Services	<u>88,905</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,845,182</u>

C. Construction Commitments

At June 30, 2009, the Other Capital Projects Fund had encumbrances of approximately \$883,579 for various projects including: public safety \$49,707; public health and welfare \$249,771; and education \$584,101. Funding has been provided for these future expenditures.

The General Purpose School Fund of the discretely presented School Department had encumbrances for building construction and building improvement projects of approximately \$46,078 at June 30, 2009. Funding has been provided for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
Nonmajor governmental General	Other Capital Projects Nonmajor governmental	\$ 2,090 3,000
Discretely Presented School Department:		
General Purpose School	School Federal Projects	400,000

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made. However, \$400,000 of the above balances resulted from a General Purpose School Fund advance to the School Federal Projects Fund approved by the Board of Education and the Campbell County Commission for cash flow due to reimbursable grants.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		
	General Fund	Solid Waste/ Sanitaion Fund	General Debt Service Fund
General Fund	\$ 0	\$ 0	\$ 0
Solid Waste/Sanitation Fund	30,695	0	0
Highway/Public Works Fund	0	0	0
Other Capital Projects Fund	0	0	0
Nonmajor governmental funds	38,500	6,500	50,000
Total	\$ 69,195	\$ 6,500	\$ 50,000

Transfers Out	Transfers In	
	Other Capital Projects Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 97,831
Solid Waste/Sanitation Fund	0	23,235
Highway/Public Works Fund	0	19,309
Other Capital Projects Fund	0	15,344
Nonmajor governmental funds	144,162	510,449
Total	\$ 144,162	\$ 666,168

Discretely Presented Campbell County School Department

Transfers Out	Transfers In		
	General Purpose School Fund	School Federal Projects Fund	Central Cafeteria Fund
General Purpose School Fund	\$ 0	\$ 5,048	\$ 325,017
School Federal Projects Fund	20,818	0	0
Total	\$ 20,818	\$ 5,048	\$ 325,017

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

E. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

The county issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation debt. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 19 years for bonds, up to 12 years for notes, and up to 15 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 General Debt Service Fund, with the exception of one note totaling \$239,583, which will be retired from the General Fund.

General obligation bonds, capital outlay notes, 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	3.5 to 5 %	\$ 3,025,000	\$ 3,025,000
General Obligation Bonds - Refunding	3 to 4.1	22,420,000	18,705,000
Capital Outlay Notes	3.94 to 4.53	3,250,000	2,443,750
Other Loans - Fixed Rate	4 to 5	12,550,000	12,550,000

In a prior year, Campbell County entered into a variable rate loan agreement with a public building authority. Under this loan agreement, the authority loaned \$10,950,000 to Campbell County for various renovation and construction projects. Campbell County refunded the balance of this loan during the year with a fixed rate general obligation bond issue.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2010	\$ 430,000	\$ 850,643	\$ 1,280,643
2011	325,000	836,063	1,161,063
2012	325,000	825,850	1,150,850
2013	375,000	815,637	1,190,637
2014	375,000	803,925	1,178,925
2015-2019	2,880,000	3,812,138	6,692,138
2020-2024	11,845,000	2,504,357	14,349,357
2025-2027	5,175,000	323,388	5,498,388
Total	\$ 21,730,000	\$ 10,772,001	\$ 32,502,001

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 287,500	\$ 104,878	\$ 392,378
2011	287,500	92,091	379,591
2012	287,500	79,303	366,803
2013	287,500	66,516	354,016
2014	287,500	51,356	338,856
2015-2019	912,500	97,571	1,010,071
2020-2021	93,750	3,938	97,688
Total	\$ 2,443,750	\$ 495,653	\$ 2,939,403

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2010	\$ 1,000,000	\$ 599,938	\$ 1,599,938
2011	1,100,000	559,938	1,659,938
2012	1,150,000	515,937	1,665,937
2013	1,200,000	458,438	1,658,438
2014	1,275,000	398,437	1,673,437
2015-2019	6,825,000	977,313	7,802,313
Total	\$ 12,550,000	\$ 3,510,001	\$ 16,060,001

There is \$2,148,834 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$545, based on the 2000 federal census. Debt per capita, including bonds, notes, and other loans totaled \$921, 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
Balance, July 1, 2008	\$ 12,940,000	\$ 1,950,000
Additions	10,375,000	750,000
Deductions	(1,585,000)	(256,250)
Balance, June 30, 2009	\$ 21,730,000	\$ 2,443,750
Balance Due Within One Year	\$ 430,000	\$ 287,500

	Other Loans	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2008	\$ 23,175,000	\$ 437,804	\$ 0
Additions	0	419,811	248,000
Deductions	(10,625,000)	(334,318)	(178,982)
Balance, June 30, 2009	\$ 12,550,000	\$ 523,297	\$ 69,018
Balance Due Within One Year	\$ 1,000,000	\$ 476,200	\$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 37,316,065
Less: Balance Due Within One Year	(2,193,700)
Add: Unamortized Premium on Debt	478,181
Less: Deferred Amount on Refunding	<u>(71,084)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 35,529,462</u>

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

Current Refunding

During the year, Campbell County issued \$10,375,000 of fixed rate general obligation refunding bonds to provide resources for the current refunding of a variable rate loan agreement. As a result, the refunded loan was redeemed and the liability has been removed from the governmental activities column of the statement of net assets. The difference between the net carrying amount of the old debt and the reacquisition price has been netted against the new debt and amortized over the life of the new debt, which is less than the life of the refunded debt. The county was not able to estimate the cumulative savings or economic gain due to the transaction involving the conversion of variable interest rate debt to fixed interest rate debt.

Discretely Presented Campbell County School Department

Changes in Long-term Liabilities

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

Governmental Activities:

	<u>Other Postemployment Benefits</u>
Balance, July 1, 2008	\$ 1,076,070
Additions	1,761,293
Deductions	<u>(493,471)</u>
Balance, June 30, 2009	<u>\$ 2,343,892</u>
Balance Due Within One Year	<u>\$ 0</u>

F. Other Commitments

During the year, the School Department paid \$1,418,884 to the primary government's General Debt Service Fund to be applied toward the retirement of school debt. By resolution, the Campbell County Board of Education has committed future contributions of \$1,250,000 per fiscal year to the primary government's General Debt Service Fund through the year ending June 30, 2026, to provide funds for the retirement of debt issued for school purposes.

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Campbell County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2009, were \$231,244 and \$57,306, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

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

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

Discretely Presented Campbell County School Department

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

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

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

B. Accounting Changes

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

GASB Statement No. 49 requires county governments to measure and report their pollution remediation liabilities. A county has a pollution remediation problem if one of 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 Campbell County for the year ended, June 30, 2009, since the county had none of the obligating events. However, it is reasonably expected that Campbell 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 Campbell County for the year ended June 30, 2009, since the county had no endowment investments. However, it is reasonably expected that Campbell County could have endowment investments in subsequent years.

C. Subsequent Events

On October 15, 2009, the county issued an \$85,000 capital outlay note for the purchase of three used ambulances.

On November 3, 2009, the county issued a \$150,000 capital outlay note for equipment for the county jail.

D. Contingent Liabilities

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

E. Changes in Administration

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

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

F. Joint Ventures

The Campbell County Library Board is a joint venture in which the county participates with the cities of LaFollette, Jacksboro, Caryville, and Jellico to operate the library system within the county. Representatives from the four cities and the county comprise the Campbell County Library Board and have equal representation on the board. Campbell County contributed \$45,200 to the operation of the Library Board during the year ended June 30, 2009. Financial statements for the Library Board can be obtained from its administrative office at the following address:

Administrative Office:

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

The Eighth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Eighth Judicial District; Scott, Campbell, Fentress, Claiborne, and Union counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by the board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Campbell County made no contributions to the DTF for the year ended June 30, 2009, and does not have any equity interest in this joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

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

G. Jointly Governed Organization

The Northeast Tennessee Railroad Authority was incorporated in June 2005 as a public authority created by the Tennessee State Legislature. The purpose of the rail authority is to preserve and enhance the railroad system serving Anderson, Campbell, and Scott counties in Tennessee, so as to secure economic benefits for these counties. The rail authority is governed by a board of directors, which includes the mayor for each of the three counties served by the rail authority. Campbell County did not contribute to the operations of the Northeast Tennessee Railroad Authority for the year ended June 30, 2009. Complete financial statements for the rail authority can be obtained from P.O. Box 180, Huntsville, TN 37756.

H. Retirement Commitments

Employees

Plan Description

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

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

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

Funding Policy

Campbell County requires employees to contribute five percent of earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2009, was 6.64 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Campbell County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2009, Campbell County's annual pension cost of \$780,028 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. Campbell County's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 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	\$780,028	100%	\$0
6-30-08	821,219	100	0
6-30-07	805,160	100	0

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 91.97 percent funded. The actuarial accrued liability for benefits was \$26.95 million, and the actuarial value of assets was \$24.78 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$2.17 million. The covered payroll (annual payroll of active employees covered by the plan) was \$11 million, and the ratio of the UAAL to the covered payroll was 19.18 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, 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 Campbell County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of

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

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at 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 Campbell 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 Campbell County School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2009, 2008, and 2007, were \$1,274,084, \$1,236,925, and \$1,192,432, respectively, equal to the required contributions for each year.

I. Other Postemployment Benefits (OPEB)

Primary Government

Plan Description

Campbell County participates in a commercial postemployment benefits plan administered by Blue Cross Blue Shield for medical benefits for retirees and their beneficiaries. For accounting purposes, the plan is a 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 purchased commercially

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. Eligible employees must be age 55 with ten years of service or any age with 25 years of service until attainment of age 65 when they become eligible for Medicare. Campbell County pays from 60 to 75 percent of the costs of benefits depending upon years of service. The retiree's spouse is eligible while the retiree is eligible for coverage until the spouse's age of 65. During the year ended June 30, 2009, the county contributed \$178,982 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

ARC	\$ 248,000
Interest on the NPO	0
Adjustment to the ARC	0
Annual OPEB cost	<u>\$ 248,000</u>
Amount of contribution	<u>(178,982)</u>
Increase/decrease in NPO	\$ 69,018
Net OPEB obligation, 7-1-08	<u>0</u>
 Net OPEB obligation, 6-30-09	 <u><u>\$ 69,018</u></u>

Fiscal Year Ended* Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09 Campbell County Plan	\$ 248,000	72.2 %	\$ 69,018

* 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:

Actuarial valuation date	7-1-08
Actuarial accrued liability (AAL)	\$ 1,730,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,730,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 6,895,000
UAAL as a % of covered payroll	25%

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 entry age normal 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 five percent. The unfunded actuarial accrued liability is being amortized on an open basis over a 30-year period beginning with June 30, 2009.

Discretely Presented Campbell County School Department

Plan Description

The Campbell County School Department participates in the state-administered Local Education Group Insurance Plan for healthcare benefits for teachers. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-302, Tennessee Code Annotated (TCA). Prior to reaching the age of 65, all members have the option of choosing a preferred provider organization (PPO), point of service (POS), or health maintenance organization (HMO) plan for healthcare benefits. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plan is reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at <http://tn.gov/finance/act/cafr.html>.

Also, the Campbell County School Department participates in the county's commercial postemployment benefits plan as described above for non-teachers. Numbers for the primary government and the School Department have been separately reported for the commercial plan.

Funding Policy

Local Education Group Insurance Plan:

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in each plan develop their own contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The required contribution rate for teachers ranges from zero to 35 percent based on the years of service and type of coverage. During the year ended June 30, 2009, the discretely presented Campbell County School Department contributed \$382,471 for postemployment benefits related to this plan.

Campbell County Commercial Plan:

Funding requirements for the county's commercial postemployment plan are described in the primary government section of this note. During the year ended June 30, 2009, the Campbell County School Department contributed \$111,000 for postemployment benefits related to this plan.

Annual OPEB Cost and Net OPEB Obligation

	County Commercial Plan	Local Education Group Plan	Total
ARC	\$ 237,000	\$ 1,523,000	\$ 1,760,000
Interest on the NPO	0	48,423	48,423
Adjustment to the ARC	0	(47,130)	(47,130)
Annual OPEB cost	\$ 237,000	\$ 1,524,293	\$ 1,761,293
Amount of contribution	(111,000)	(382,471)	(493,471)
Increase/decrease in NPO	\$ 126,000	\$ 1,141,822	\$ 1,267,822
Net OPEB obligation, 7-1-08	0	1,076,070	1,076,070
Net OPEB obligation, 6-30-09	\$ 126,000	\$ 2,217,892	\$ 2,343,892

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-09	Local Education Group*	\$ 1,524,293	25.1 %	\$ 2,217,892
6-30-08	"	1,506,000	29	1,076,070
6-30-09	County Commercial Plan**	237,000	46.8	126,000

* Data only available for two years.

** Date only available for one year.

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2009, was as follows:

	Campbell County Plan	Local Education Group Plan
Actuarial valuation date	7-1-08	7-1-07
Actuarial accrued liability (AAL)	\$ 3,142,000	\$ 13,608,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 3,142,000	\$ 13,608,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 4,271,218	\$ 19,297,020
UAAL as a % of covered payroll	74%	71%

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.

Local Education Group Insurance Plan:

In the July 1, 2007, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 11 percent initially, reduced by decrements to an ultimate rate of six percent after ten years. Both rates include a three percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with June 30, 2009.

Campbell County Commercial Plan:

Actuarial assumptions for the county's commercial postemployment plan are described in the primary government section of this note.

J. Office of Central Accounting and Budgeting

Office of Director of Finance

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

K. Purchasing Law

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

This page is left blank intentionally.

Exhibit E-1

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 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	\$ 5,983,276	\$ 0	\$ 0	\$ 5,983,276	\$ 6,226,832	\$ 5,948,203	\$ 35,073
Licenses and Permits	170,438	0	0	170,438	132,000	170,013	425
Fines, Forfeitures, and Penalties	266,192	0	0	266,192	206,844	256,395	9,797
Charges for Current Services	75,724	0	0	75,724	93,600	84,355	(8,631)
Other Local Revenues	67,875	0	0	67,875	69,470	38,925	28,950
Fees Received from County Officials	1,674,381	0	0	1,674,381	1,791,250	1,679,760	(5,379)
State of Tennessee	2,576,658	0	0	2,576,658	2,686,402	2,853,091	(276,433)
Federal Government	61,073	0	0	61,073	12,556	179,540	(118,467)
Other Governments and Citizens Groups	152,230	0	0	152,230	135,470	152,307	(77)
Total Revenues	\$ 11,027,847	\$ 0	\$ 0	\$ 11,027,847	\$ 11,354,424	\$ 11,362,589	\$ (334,742)
Expenditures							
General Government							
County Commission	\$ 244,186	\$ (3,152)	\$ 6,275	\$ 247,309	\$ 273,203	\$ 312,311	\$ 65,002
Board of Equalization	0	0	0	0	4,700	4,700	4,700
County Mayor/Executive	205,667	(898)	272	205,041	264,138	221,478	16,437
County Attorney	44,544	0	0	44,544	45,692	44,978	434
Election Commission	308,803	(61,365)	51,531	298,969	312,221	314,048	15,079
Register of Deeds	242,218	(539)	10,716	252,395	270,089	269,962	17,567
County Buildings	205,292	(3,156)	4,560	206,696	217,181	223,936	17,240
Other Facilities	7,721	0	0	7,721	13,794	9,755	2,034
Preservation of Records	7,194	0	0	7,194	16,287	23,487	16,293
Finance							
Accounting and Budgeting	762,534	(1,333)	2,476	763,677	724,247	777,667	13,990
Property Assessor's Office	382,226	(1,703)	7,019	387,542	463,889	407,535	19,993

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Final		
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Reappraisal Program	\$ 35,280	\$ 0	\$ 0	\$ 35,280	\$ 35,280	\$ 35,280	\$ 0
County Trustee's Office	239,151	(4,239)	2,660	237,572	286,169	273,582	36,010
County Clerk's Office	517,596	(3,524)	0	514,072	533,721	529,756	15,684
Other Finance	297,072	(44,048)	53,133	306,157	328,000	322,974	16,817
<u>Administration of Justice</u>							
Circuit Court	541,295	(1,332)	5,699	545,662	522,407	552,892	7,230
General Sessions Court	190,729	(1,345)	678	190,062	191,513	192,304	2,242
Drug Court	89,209	(5,409)	5,833	89,633	94,336	95,433	5,800
Chancery Court	246,859	0	6,360	253,219	283,526	275,161	21,942
District Attorney General	33,947	(9,100)	0	24,847	70,166	24,960	113
Office of Public Defender	18,500	0	0	18,500	0	18,500	0
Other Administration of Justice	1,590	0	0	1,590	1,600	1,600	10
<u>Public Safety</u>							
Sheriff's Department	1,787,654	(6,502)	5,008	1,786,160	1,851,109	1,836,922	50,762
Special Patrols	106,993	(3,708)	2,387	105,672	98,256	107,107	1,435
Traffic Control	762	0	0	762	850	2,050	1,288
Administration of the Sexual Offender Registry	3,584	(146)	0	3,438	2,500	3,750	312
Jail	1,928,292	(22,763)	16,304	1,921,833	2,224,094	2,062,133	140,300
Juvenile Services	29,881	(767)	767	29,881	62,648	37,310	7,429
Commissary	0	0	0	0	42,770	7,135	7,135
Fire Prevention and Control	147,675	0	0	147,675	140,900	149,349	1,674
Civil Defense	109,218	(8,124)	7,871	108,965	114,589	258,035	149,070
Rescue Squad	62,415	0	0	62,415	63,070	63,247	832
Other Emergency Management	188,456	0	0	188,456	190,206	189,006	550

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	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>Public Safety (Cont.)</u>							
County Coroner/Medical Examiner	\$ 78,508	\$ (1,158)	\$ 5,200	\$ 82,550	\$ 32,440	\$ 87,026	\$ 4,476
Other Public Safety	161,351	(23,794)	2,470	140,027	115,990	159,989	19,962
<u>Public Health and Welfare</u>							
Local Health Center	77,104	(993)	2,260	78,371	86,476	89,854	11,483
Rabies and Animal Control	141,723	(2,413)	2,117	141,427	199,407	199,885	58,458
Dental Health Program	7,528	(680)	626	7,474	7,740	7,740	266
Alcohol and Drug Programs	7,018	0	0	7,018	12,000	7,250	232
Crippled Children Services	2,764	0	0	2,764	2,764	2,764	0
Other Local Health Services	520,230	0	0	520,230	561,600	589,128	68,898
Appropriation to State	24,500	0	0	24,500	24,500	24,500	0
General Welfare Assistance	67,025	(200)	0	66,825	66,500	67,600	775
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	42,305	0	0	42,305	44,262	47,478	5,173
Libraries	45,200	0	0	45,200	38,000	45,200	0
Other Social, Cultural, and Recreational	20,129	0	0	20,129	20,100	20,150	21
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	48,365	(48)	371	48,688	51,600	52,230	3,542
Soil Conservation	978	0	0	978	5,250	5,250	4,272
<u>Other Operations</u>							
Airport	64,116	0	61	64,177	56,245	68,430	4,253
Veterans' Services	121,745	(395)	453	121,803	124,724	123,828	2,025
Contributions to Other Agencies	373,742	(1,218)	581	373,105	73,118	373,118	13
Employee Benefits	88,012	0	10,108	98,120	90,754	129,048	30,928
ARRA Grant # 2	0	0	0	0	0	50,000	50,000

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	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>Other Operations (Cont.)</u>							
Miscellaneous	\$ 49,444	\$ (6,535)	\$ 3,135	\$ 46,044	\$ 47,523	\$ 58,523	\$ 12,479
<u>Operation of Non-Instructional Services</u>							
Food Service	116,900	0	0	116,900	0	116,900	0
<u>Principal on Debt</u>							
General Government	10,417	0	0	10,417	0	10,417	0
<u>Interest on Debt</u>							
General Government	920	0	0	920	0	4,200	3,280
<u>Capital Projects</u>							
Other General Government Projects	215,000	0	0	215,000	0	250,000	35,000
Total Expenditures	\$ 11,271,567	\$ (220,587)	\$ 216,931	\$ 11,267,911	\$ 11,404,144	\$ 12,238,851	\$ 970,940
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ (243,720)	\$ 220,587	\$ (216,931)	\$ (240,064)	\$ (49,720)	\$ (876,262)	\$ 636,198
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 250,000	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 250,000	\$ 0
Transfers In	69,195	0	0	69,195	30,695	69,195	0
Transfers Out	(97,831)	0	0	(97,831)	(116,900)	(97,906)	75
Total Other Financing Sources (Uses)	\$ 221,364	\$ 0	\$ 0	\$ 221,364	\$ (86,205)	\$ 221,289	\$ 75
Net Change in Fund Balance	\$ (22,356)	\$ 220,587	\$ (216,931)	\$ (18,700)	\$ (135,925)	\$ (654,973)	\$ 636,273
Fund Balance, July 1, 2008	3,851,258	(220,587)	0	3,630,671	4,335,836	4,335,836	(705,165)
Fund Balance, June 30, 2009	\$ 3,828,902	\$ 0	\$ (216,931)	\$ 3,611,971	\$ 4,199,911	\$ 3,680,863	\$ (68,892)

Exhibit E-2

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,076,843	\$ 0	\$ 0	\$ 2,076,843	\$ 2,145,108	\$ 2,066,078	\$ 10,765
Charges for Current Services	57,247	0	0	57,247	141,150	59,800	(2,553)
Other Local Revenues	78,484	0	0	78,484	162,476	82,858	(4,374)
State of Tennessee	53,010	0	0	53,010	53,261	60,924	(7,914)
Other Governments and Citizens Groups	750	0	0	750	0	750	0
Total Revenues	\$ 2,266,334	\$ 0	\$ 0	\$ 2,266,334	\$ 2,501,995	\$ 2,270,410	\$ (4,076)
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 331,142	(499)	838	\$ 331,481	\$ 366,480	\$ 348,749	\$ 17,268
Sanitation Education/Information	93,877	(242)	4,612	98,247	99,418	105,117	6,870
Convenience Centers	1,329,828	(22,738)	17,546	1,324,636	1,490,162	1,338,994	14,358
Transfer Stations	46,363	(1,626)	1,626	46,363	47,106	46,511	148
Recycling Center	279,097	(931)	2,522	280,688	299,603	288,456	7,768
Other Waste Disposal	144,495	0	0	144,495	163,031	163,153	18,658
<u>Other Operations</u>							
Employee Benefits	14,846	0	0	14,846	0	21,716	6,870
Total Expenditures	\$ 2,239,648	(26,036)	27,144	\$ 2,240,756	\$ 2,465,800	\$ 2,312,696	\$ 71,940
Excess (Deficiency) of Revenues Over Expenditures	\$ 26,686	\$ 26,036	(27,144)	\$ 25,578	\$ 36,195	\$ (42,286)	\$ 67,864
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 6,500	\$ 0	\$ 0	\$ 6,500	\$ 0	\$ 6,500	\$ 0
Transfers Out	(53,930)	0	0	(53,930)	(30,695)	(53,930)	0
Total Other Financing Sources (Uses)	\$ (47,430)	\$ 0	\$ 0	\$ (47,430)	\$ (30,695)	\$ (47,430)	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (20,744)	\$ 26,036	(27,144)	\$ (21,852)	\$ 5,500	\$ (89,716)	\$ 67,864
Fund Balance, June 30, 2009	693,637	(26,036)	0	667,601	649,623	649,623	17,978
Fund Balance, June 30, 2009	\$ 672,893	\$ 0	(27,144)	\$ 645,749	\$ 655,123	\$ 559,907	\$ 85,842

Exhibit E-3

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 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	\$ 726,126	\$ 0	\$ 0	\$ 726,126	\$ 782,778	\$ 733,121	\$ (6,995)
Licenses and Permits	100	0	0	100	200	200	(100)
Other Local Revenues	425,962	0	0	425,962	577,935	420,484	5,478
State of Tennessee	2,115,378	0	0	2,115,378	2,181,889	2,539,643	(424,265)
Other Governments and Citizens Groups	33,900	0	0	33,900	0	33,900	0
Total Revenues	\$ 3,301,466	\$ 0	\$ 0	\$ 3,301,466	\$ 3,542,802	\$ 3,727,348	\$ (425,882)
Expenditures							
<u>Highways</u>							
Administration	\$ 176,506	(296)	96	176,306	177,439	176,617	311
Highway and Bridge Maintenance	1,411,824	(45,495)	38,426	1,404,755	1,384,111	1,426,969	22,214
Operation and Maintenance of Equipment	808,701	(7,582)	8,553	809,672	1,150,713	817,603	7,931
Quarry Operations	205,204	(6,493)	0	198,711	201,339	211,592	12,881
Traffic Control	10,446	(10,446)	0	0	0	0	0
Other Charges	126,721	(2,689)	496	124,528	126,990	126,990	2,462
Employee Benefits	64,996	0	91	65,087	56,490	72,160	7,073
Capital Outlay	652,501	0	9,998	662,499	523,220	1,091,246	428,747
Total Expenditures	\$ 3,456,899	\$ (73,001)	\$ 57,660	\$ 3,441,558	\$ 3,620,302	\$ 3,923,177	\$ 481,619
Excess (Deficiency) of Revenues Over Expenditures	\$ (155,433)	\$ 73,001	\$ (57,660)	\$ (140,092)	\$ (77,500)	\$ (195,829)	\$ 55,737
Other Financing Sources (Uses)							
Transfers Out	\$ (19,309)	0	0	(19,309)	0	(19,992)	683
Total Other Financing Sources (Uses)	\$ (19,309)	\$ 0	\$ 0	\$ (19,309)	\$ 0	\$ (19,992)	\$ 683
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (174,742)	\$ 73,001	\$ (57,660)	\$ (159,401)	\$ (77,500)	\$ (215,821)	\$ 56,420
	771,863	(73,001)	0	698,862	501,034	501,034	197,828
Fund Balance, June 30, 2009	\$ 597,121	\$ 0	\$ (57,660)	\$ 539,461	\$ 423,534	\$ 285,213	\$ 254,248

Exhibit E-4

Campbell County, Tennessee
Schedule of Funding Progress – Pension Plan
Primary Government and Discretely Presented Campbell 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 (UAAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-09	7-1-07	\$ 24,788	\$ 26,952	\$ 2,164	91.97 %	\$ 11,284	19.18 %
6-30-08	7-1-07	24,788	26,952	2,164	91.97	11,284	19.18

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

Exhibit E-5

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

(Dollar amounts in thousands)

	Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>PRIMARY GOVERNMENT</u>								
Campbell County Plan*	6-30-09	7-1-08	\$ 0	1,730 \$	1,730	0 %	\$ 6,895	25 %
<u>DISCRETELY PRESENTED CAMPBELL COUNTY SCHOOL DEPARTMENT</u>								
Teachers:**								
Local Education Group Plan	6-30-08	7-1-07	0	13,608	13,608	0	23,808	57
Local Education Group Plan	6-30-09	7-1-07	0	13,608	13,608	0	23,808	57
Non-Teachers:*								
Campbell County Plan	6-30-09	7-1-08	0	3,142	3,142	0	4,271	74

* Data only available for one year.

**One additional year will be reported as data becomes available.

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

BUDGETARY INFORMATION

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

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

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

This page is left blank intentionally.

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

This page is left blank intentionally.

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

Special Purpose Fund – The Special Purpose Fund was established by the County Commission to account for funds set aside for a postemployment benefits plan.

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

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

Capital Projects Fund

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

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

This page is left blank intentionally.

Exhibit F-1

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

	Special Revenue Funds						Capital Projects Fund	Total Nonmajor Governmental Funds
	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Constitu- tional Officers - Fees	Total		
\$	429	0	0	0	3,000	3,429	0	3,429
Equity in Pooled Cash and Investments	717,679	208,817	267,926	44,193	0	1,238,615	898,882	2,137,497
Accounts Receivable	783,207	3,938	0	0	0	787,145	0	787,145
Due from Other Governments	0	131,038	0	0	0	131,038	51	131,089
Due from Other Funds	0	0	0	0	0	0	2,090	2,090
Property Taxes Receivable	73,425	73,425	0	0	0	146,850	513,970	660,820
Allowance for Uncollectible Property Taxes	(5,122)	(5,122)	0	0	0	(10,244)	(35,853)	(46,097)
Total Assets	\$ 1,569,618	\$ 412,096	\$ 267,926	\$ 44,193	\$ 3,000	\$ 2,296,833	\$ 1,379,140	\$ 3,675,973

ASSETS

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

Total Assets

LIABILITIES AND FUND BALANCES

	Special Revenue Funds						Capital Projects Fund	Total Nonmajor Governmental Funds
	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Constitu- tional Officers - Fees	Total		
\$	650	312	0	0	0	962	0	962
Accounts Payable	17,267	3,195	0	0	0	20,462	0	20,462
Payroll Deductions Payable	0	0	0	0	3,000	3,000	0	3,000
Due to Other Funds	0	0	0	6,180	0	6,180	0	6,180
Other Current Liabilities	62,898	62,898	0	0	0	125,796	440,285	566,081
Deferred Revenue - Current Property Taxes	4,800	4,800	0	0	0	9,600	33,596	43,196
Deferred Revenue - Delinquent Property Taxes	624,470	0	0	0	0	624,470	0	624,470
Other Deferred Revenues	710,085	71,205	0	6,180	3,000	790,470	473,881	1,264,351
Total Liabilities	\$ 1,569,618	\$ 412,096	\$ 267,926	\$ 44,193	\$ 3,000	\$ 2,296,833	\$ 1,379,140	\$ 3,675,973

Liabilities

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

Fund Balances

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

Exhibit F-2

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

	Special Revenue Funds						Total
	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Constitutional Officers - Fees	Total	
	Fund						Total
	Capital Projects						Nonmajor Governmental Funds
<u>Revenues</u>							
Local Taxes	\$ 62,627	\$ 262,312	\$ 0	\$ 0	\$ 0	\$ 324,939	\$ 788,233
Fines, Forfeitures, and Penalties	0	0	0	80,814	0	80,814	80,814
Charges for Current Services	1,715,511	0	0	0	14,300	1,729,811	1,729,811
Other Local Revenues	963	47,253	0	13,735	0	61,951	61,951
Other Governments and Citizens Groups	0	358,369	0	0	0	358,369	358,369
Total Revenues	\$ 1,779,101	\$ 667,934	\$ 0	\$ 94,549	\$ 14,300	\$ 2,555,884	\$ 3,019,178
<u>Expenditures</u>							
Current:							
General Government	\$ 0	\$ 65,931	\$ 0	\$ 0	\$ 0	\$ 65,931	\$ 65,931
Administration of Justice	0	0	0	0	14,300	14,300	14,300
Public Safety	0	0	0	102,083	0	102,083	102,083
Public Health and Welfare	1,673,723	0	2,622	0	0	1,676,345	1,676,345
Other Operations	7,248	652,202	3,360	0	0	662,810	662,810
Capital Projects	0	0	0	0	0	0	529,354
Total Expenditures	\$ 1,680,971	\$ 718,133	\$ 5,982	\$ 102,083	\$ 14,300	\$ 2,521,469	\$ 3,050,823
Excess (Deficiency) of Revenues Over Expenditures	\$ 98,130	\$ (50,199)	\$ (5,982)	\$ (7,534)	\$ 0	\$ 34,415	\$ (31,645)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 138,962	\$ 0	\$ 0	\$ 138,962	\$ 666,168
Transfers Out	(51,023)	(547,926)	0	0	0	(598,949)	(749,611)
Total Other Financing Sources (Uses)	\$ (51,023)	\$ (547,926)	\$ 138,962	\$ 0	\$ 0	\$ (459,987)	\$ (83,443)
Net Change in Fund Balances	\$ 47,107	\$ (598,125)	\$ 132,980	\$ (7,534)	\$ 0	\$ (425,572)	\$ (115,088)
Fund Balance, July 1, 2008	812,426	939,016	134,946	45,547	0	1,931,935	2,526,710
Fund Balance, June 30, 2009	\$ 859,533	\$ 340,891	\$ 267,926	\$ 38,013	\$ 0	\$ 1,506,363	\$ 2,411,622

Exhibit F-3

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 62,627 \$	0 \$	0 \$	62,627 \$	64,578 \$	64,578 \$	(1,951)
Charges for Current Services	1,715,511	0	0	1,715,511	1,928,053	1,653,053	62,458
Other Local Revenues	963	0	0	963	0	0	963
Total Revenues	\$ 1,779,101 \$	0 \$	0 \$	1,779,101 \$	1,992,631 \$	1,717,631 \$	61,470
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Ambulance/Emergency Medical Services	\$ 1,673,723 \$	(30,451) \$	4,263 \$	1,647,535 \$	1,992,631 \$	1,695,351 \$	47,816
<u>Other Operations</u>							
Employee Benefits	7,248	0	0	7,248	0	16,001	8,753
Total Expenditures	\$ 1,680,971 \$	(30,451) \$	4,263 \$	1,654,783 \$	1,992,631 \$	1,711,352 \$	56,569
Excess (Deficiency) of Revenues Over Expenditures	\$ 98,130 \$	30,451 \$	(4,263) \$	124,318 \$	0 \$	6,279 \$	118,039
<u>Other Financing Sources (Uses)</u>							
Transfers Out	(51,023) \$	0 \$	0 \$	(51,023) \$	0 \$	(52,780) \$	1,757
Total Other Financing Sources (Uses)	\$ (51,023) \$	0 \$	0 \$	(51,023) \$	0 \$	(52,780) \$	1,757
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 47,107 \$	30,451 \$	(4,263) \$	73,295 \$	0 \$	(46,501) \$	119,796
	812,426	(30,451)	0	781,975	783,899	783,899	(1,924)
Fund Balance, June 30, 2009	\$ 859,533 \$	0 \$	(4,263) \$	855,270 \$	783,899 \$	737,398 \$	117,872

Exhibit F-4

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2009

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 262,312 \$	0 \$	0 \$	262,312 \$	265,085 \$	264,003 \$	(1,691)
Other Local Revenues	47,253	0	0	47,253	47,253	47,253	0
Federal Government	0	0	0	0	314,631	0	0
Other Governments and Citizens Groups	358,369	0	0	358,369	25,400	466,359	(107,990)
Total Revenues	\$ 667,934 \$	0 \$	0 \$	667,934 \$	652,369 \$	777,615 \$	(109,681)
<u>Expenditures</u>							
<u>General Government</u>							
Development	\$ 25,288 \$	0 \$	31,850 \$	57,138 \$	40,000 \$	77,000 \$	19,862
Planning	30,132	(500)	3,494	33,126	35,887	35,687	2,561
Other Facilities	10,511	0	130	10,641	11,300	10,800	159
<u>Other Operations</u>							
Tourism	45,000	0	0	45,000	45,000	45,000	0
Industrial Development	276,249	(4,160)	3,405	275,494	75,551	283,869	8,375
Other Economic and Community Development	267,427	(2,581)	2,996	267,842	314,631	323,245	55,403
Employee Benefits	1,473	0	0	1,473	0	1,144	(329)
ARRA Grant # 1	62,053	0	0	62,053	0	116,286	54,233
Total Expenditures	\$ 718,133 \$	(7,241) \$	41,875 \$	752,767 \$	522,369 \$	893,031 \$	140,264
Excess (Deficiency) of Revenues Over Expenditures	\$ (50,199) \$	7,241 \$	(41,875) \$	(84,833) \$	130,000 \$	(115,416) \$	30,583
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (547,926) \$	0 \$	0 \$	(547,926) \$	(147,212) \$	(548,640) \$	714
Total Other Financing Sources (Uses)	\$ (547,926) \$	0 \$	0 \$	(547,926) \$	(147,212) \$	(548,640) \$	714
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (598,125) \$	7,241 \$	(41,875) \$	(632,759) \$	(17,212) \$	(664,056) \$	31,297
	939,016	(7,241)	0	931,775	925,366	942,578	(10,803)
Fund Balance, June 30, 2009	\$ 340,891 \$	0 \$	(41,875) \$	299,016 \$	908,154 \$	278,522 \$	20,494

Exhibit F-5

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2009

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 138,516	\$ 0	\$ 0
Total Revenues	\$ 0	\$ 138,516	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Ambulance/Emergency Medical Services	\$ 0	\$ 3,079	\$ 3,079	\$ 3,079
Sanitation Management	2,622	16,161	16,161	13,539
<u>Other Operations</u>				
Employee Benefits	3,360	49,253	49,253	45,893
<u>Highways</u>				
Employee Benefits	0	33,349	33,349	33,349
Total Expenditures	\$ 5,982	\$ 101,842	\$ 101,842	\$ 95,860
Excess (Deficiency) of Revenues Over Expenditures	\$ (5,982)	\$ 36,674	\$ (101,842)	\$ 95,860
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 138,962	\$ 0	\$ 138,516	\$ 446
Total Other Financing Sources (Uses)	\$ 138,962	\$ 0	\$ 138,516	\$ 446
Net Change in Fund Balance	\$ 132,980	\$ 36,674	\$ 36,674	\$ 96,306
Fund Balance, July 1, 2008	134,946	171,620	134,946	0
Fund Balance, June 30, 2009	\$ 267,926	\$ 208,294	\$ 171,620	\$ 96,306

Exhibit F-6

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 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>							
Fines, Forfeitures, and Penalties	\$ 80,814 \$	0 \$	0 \$	80,814 \$	117,500 \$	117,500 \$	(36,686)
Other Local Revenues	13,735	0	0	13,735	0	1,700	12,035
Total Revenues	\$ 94,549 \$	0 \$	0 \$	94,549 \$	117,500 \$	119,200 \$	(24,651)
<u>Expenditures</u>							
Public Safety							
Drug Enforcement	\$ 102,083 \$	(6,085) \$	738 \$	96,736 \$	126,834 \$	128,534 \$	31,798
Total Expenditures	\$ 102,083 \$	(6,085) \$	738 \$	96,736 \$	126,834 \$	128,534 \$	31,798
Excess (Deficiency) of Revenues Over Expenditures	\$ (7,534) \$	6,085 \$	(738) \$	(2,187) \$	(9,334) \$	(9,334) \$	7,147
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (7,534) \$	6,085 \$	(738) \$	(2,187) \$	(9,334) \$	(9,334) \$	7,147
	45,547	(6,085)	0	39,462	19,136	28,470	10,992
Fund Balance, June 30, 2009	\$ 38,013 \$	0 \$	(738) \$	37,275 \$	9,802 \$	19,136 \$	18,139

Exhibit F-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 463,294	\$ 0	\$ 0	\$ 463,294	\$ 484,619	\$ 455,629	\$ 7,665
State of Tennessee	0	0	0	0	118,842	118,842	(118,842)
Total Revenues	\$ 463,294	\$ 0	\$ 0	\$ 463,294	\$ 603,461	\$ 574,471	\$ (111,177)
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 61,962	\$ (24,675)	\$ 35,673	\$ 72,960	\$ 158,817	\$ 147,034	\$ 74,074
Public Safety Projects	65,275	(2,939)	2,939	65,275	93,587	91,362	26,087
Public Health and Welfare Projects	55,600	(4,250)	16,175	67,525	79,650	88,400	20,875
Social, Cultural, and Recreation Projects	103,282	(8,046)	19,914	115,150	731,836	710,540	595,390
Highway and Street Capital Projects	218,235	(2,380)	16,945	232,800	45,000	452,800	220,000
Education Capital Projects	25,000	0	0	25,000	25,000	25,000	0
Total Expenditures	\$ 529,354	\$ (42,290)	\$ 91,646	\$ 578,710	\$ 1,133,890	\$ 1,515,136	\$ 936,426
Excess (Deficiency) of Revenues Over Expenditures	\$ (66,060)	\$ 42,290	\$ (91,646)	\$ (115,416)	\$ (530,429)	\$ (940,665)	\$ 825,249
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 527,206	\$ 0	\$ 0	\$ 527,206	\$ 97,212	\$ 527,206	\$ 0
Transfers Out	(150,662)	0	0	(150,662)	(113,104)	(150,662)	0
Total Other Financing Sources (Uses)	\$ 376,544	\$ 0	\$ 0	\$ 376,544	\$ (15,892)	\$ 376,544	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 310,484	\$ 42,290	\$ (91,646)	\$ 261,128	\$ (546,321)	\$ (564,121)	\$ 825,249
Fund Balance, July 1, 2008	594,775	(42,290)	0	552,485	546,321	546,321	6,164
Fund Balance, June 30, 2009	\$ 905,259	\$ 0	\$ (91,646)	\$ 813,613	\$ 0	\$ (17,800)	\$ 831,413

This page is left blank intentionally.

Major Governmental Fund

Debt Service Fund

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

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

This page is left blank intentionally.

Exhibit G

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,620,954	\$ 1,766,535	\$ 1,644,535	\$ (23,581)
Other Local Revenues	404,448	630,875	315,875	88,573
Other Governments and Citizens Groups	1,418,884	1,250,000	1,418,884	0
Total Revenues	<u>\$ 3,444,286</u>	<u>\$ 3,647,410</u>	<u>\$ 3,379,294</u>	<u>\$ 64,992</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 129,920	\$ 129,920	\$ 129,920	\$ 0
Highways and Streets	100,000	100,000	100,000	0
Education	1,850,913	1,646,747	1,850,914	1
<u>Interest on Debt</u>				
General Government	190,516	307,864	192,264	1,748
Highways and Streets	36,448	41,625	41,547	5,099
Education	1,558,623	1,434,572	1,562,151	3,528
<u>Other Debt Service</u>				
General Government	241,280	178,000	251,516	10,236
Total Expenditures	<u>\$ 4,107,700</u>	<u>\$ 3,838,728</u>	<u>\$ 4,128,312</u>	<u>\$ 20,612</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (663,414)</u>	<u>\$ (191,318)</u>	<u>\$ (749,018)</u>	<u>\$ 85,604</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 10,375,000	\$ 0	\$ 10,375,000	\$ 0
Premiums on Debt Issued	101,516	0	101,516	0
Transfers In	50,000	50,000	50,000	0
Payments to Refunded Debt Escrow Agent	(10,375,000)	0	(10,375,000)	0
Total Other Financing Sources (Uses)	<u>\$ 151,516</u>	<u>\$ 50,000</u>	<u>\$ 151,516</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (511,898)	\$ (141,318)	\$ (597,502)	\$ 85,604
Fund Balance, July 1, 2008	<u>2,660,732</u>	<u>2,637,587</u>	<u>2,637,587</u>	<u>23,145</u>
Fund Balance, June 30, 2009	<u>\$ 2,148,834</u>	<u>\$ 2,496,269</u>	<u>\$ 2,040,085</u>	<u>\$ 108,749</u>

This page is left blank intentionally.

Fiduciary Funds

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

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

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

This page is left blank intentionally.

Exhibit H-1

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

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 3,700,623	\$ 3,700,623
Due from Other Governments	557,592	0	557,592
Total Assets	<u>\$ 557,592</u>	<u>\$ 3,700,623</u>	<u>\$ 4,258,215</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 557,592	\$ 0	\$ 557,592
Due to Litigants, Heirs, and Others	0	3,700,623	3,700,623
Total Liabilities	<u>\$ 557,592</u>	<u>\$ 3,700,623</u>	<u>\$ 4,258,215</u>

Exhibit H-2

Campbell 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	\$ 3,182,683	\$ 3,182,683	\$ 0
Due from Other Governments	580,469	557,592	580,469	557,592
Total Assets	\$ 580,469	\$ 3,740,275	\$ 3,763,152	\$ 557,592
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 580,469	\$ 3,740,275	\$ 3,763,152	\$ 557,592
Total Liabilities	\$ 580,469	\$ 3,740,275	\$ 3,763,152	\$ 557,592
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 3,538,395	\$ 10,716,845	\$ 10,554,617	\$ 3,700,623
Total Assets	\$ 3,538,395	\$ 10,716,845	\$ 10,554,617	\$ 3,700,623
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 3,538,395	\$ 10,716,845	\$ 10,554,617	\$ 3,700,623
Total Liabilities	\$ 3,538,395	\$ 10,716,845	\$ 10,554,617	\$ 3,700,623
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 3,538,395	\$ 10,716,845	\$ 10,554,617	\$ 3,700,623
Equity in Pooled Cash and Investments	0	3,182,683	3,182,683	0
Due from Other Governments	580,469	557,592	580,469	557,592
Total Assets	\$ 4,118,864	\$ 14,457,120	\$ 14,317,769	\$ 4,258,215
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 580,469	\$ 3,740,275	\$ 3,763,152	\$ 557,592
Due to Litigants, Heirs, and Others	3,538,395	10,716,845	10,554,617	3,700,623
Total Liabilities	\$ 4,118,864	\$ 14,457,120	\$ 14,317,769	\$ 4,258,215

Campbell County School Department

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

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

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

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

This page is left blank intentionally.

Exhibit I-1

Campbell County, Tennessee
Statement of Activities
Discretely Presented Campbell 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	\$ 25,311,839	\$ 50	\$ 4,429,450	\$ 0	\$ (20,882,339)
Support Services	15,331,097	10,452	493,318	2,220,826	(12,606,501)
Operation of Non-Instructional Services	4,509,640	793,224	2,153,832	0	(1,562,584)
Other Debt Service	1,418,884	0	0	0	(1,418,884)
Total Governmental Activities	\$ 46,571,460	\$ 803,726	\$ 7,076,600	\$ 2,220,826	\$ (36,470,308)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 3,655,866
Local Option Sales Taxes					3,186,174
Other Local Taxes:					
Wheel Tax					1,143,523
Coal Severance Tax					49,768
Other Local Taxes					2,947
Grants and Contributions Not Restricted to Specific Programs					28,471,742
Unrestricted Investment Income					3,992
Miscellaneous					105,217
Gain on Disposal of Capital Assets					144,956
Total General Revenues					\$ 36,764,185
Change in Net Assets					\$ 293,877
Net Assets, July 1, 2008					48,842,622
Net Assets, June 30, 2009					\$ 49,136,499

Exhibit I-2

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

	Major Funds			Total Govern- mental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 3,882	\$ 3,882
Equity in Pooled Cash and Investments	2,878,683	342,616	988,459	4,209,758
Accounts Receivable	4,898	12,600	0	17,498
Due from Other Governments	1,040,133	182,134	105,754	1,328,021
Due from Other Funds	400,000	0	0	400,000
Property Taxes Receivable	4,185,184	0	0	4,185,184
Allowance for Uncollectible Property Taxes	(291,944)	0	0	(291,944)
Total Assets	<u>\$ 8,216,954</u>	<u>\$ 537,350</u>	<u>\$ 1,098,095</u>	<u>\$ 9,852,399</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 63,367	\$ 1,833	\$ 272	\$ 65,472
Accrued Payroll	16,026	0	0	16,026
Payroll Deductions Payable	329,732	42,994	24,278	397,004
Retainage Payable	14,302	0	0	14,302
Due to Other Funds	0	400,000	0	400,000
Due to State of Tennessee	15,118	0	0	15,118
Deferred Revenue - Current Property Taxes	3,585,174	0	0	3,585,174
Deferred Revenue - Delinquent Property Taxes	273,570	0	0	273,570
Other Deferred Revenues	269,815	0	0	269,815
Total Liabilities	<u>\$ 4,567,104</u>	<u>\$ 444,827</u>	<u>\$ 24,550</u>	<u>\$ 5,036,481</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 152,735	\$ 0	\$ 88,528	\$ 241,263
Reserved for Career Ladder - Extended Contract	61,329	0	0	61,329
Reserved for Career Ladder Program	45,913	0	0	45,913
Reserved for Basic Education Program	33,166	0	0	33,166
Reserved for Title I Grants to Local Education Agencies	0	24,788	0	24,788
Reserved for Special Education - Grants to States	0	67,735	0	67,735
Unreserved, Reported In:				
General Fund	3,356,707	0	0	3,356,707
Special Revenue Funds	0	0	985,017	985,017
Total Fund Balances	<u>\$ 3,649,850</u>	<u>\$ 92,523</u>	<u>\$ 1,073,545</u>	<u>\$ 4,815,918</u>
Total Liabilities and Fund Balances	<u>\$ 8,216,954</u>	<u>\$ 537,350</u>	<u>\$ 1,098,095</u>	<u>\$ 9,852,399</u>

Exhibit I-3

Campbell County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
Discretely Presented Campbell County School Department
June 30, 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 I-2)		\$ 4,815,918
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,129,742	
Add: construction in progress	2,354,226	
Add: buildings and improvements net of accumulated depreciation	41,737,708	
Add: other capital assets net of accumulated depreciation	<u>899,412</u>	46,121,088
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other postemployment benefits liability		(2,343,892)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		
		<u>543,385</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 49,136,499</u>

Exhibit I-4

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

	Major Funds			Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>Revenues</u>				
Local Taxes	\$ 7,955,951	\$ 0	\$ 0	\$ 7,955,951
Licenses and Permits	2,138	0	0	2,138
Charges for Current Services	13,039	0	790,687	803,726
Other Local Revenues	330,545	0	131,285	461,830
State of Tennessee	28,229,085	0	32,531	28,261,616
Federal Government	363,908	4,896,433	2,121,301	7,381,642
Other Governments and Citizens Groups	8,160	0	0	8,160
Total Revenues	<u>\$ 36,902,826</u>	<u>\$ 4,896,433</u>	<u>\$ 3,075,804</u>	<u>\$ 44,875,063</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 20,503,240	\$ 3,565,669	\$ 0	\$ 24,068,909
Support Services	12,387,616	1,271,106	0	13,658,722
Operation of Non-Instructional Services	1,527,328	61,966	2,894,611	4,483,905
Capital Outlay	824,852	0	0	824,852
Debt Service:				
Other Debt Service	1,418,884	0	0	1,418,884
Total Expenditures	<u>\$ 36,661,920</u>	<u>\$ 4,898,741</u>	<u>\$ 2,894,611</u>	<u>\$ 44,455,272</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 240,906</u>	<u>\$ (2,308)</u>	<u>\$ 181,193</u>	<u>\$ 419,791</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 20,818	\$ 5,048	\$ 325,017	\$ 350,883
Transfers Out	(330,065)	(20,818)	0	(350,883)
Total Other Financing Sources (Uses)	<u>\$ (309,247)</u>	<u>\$ (15,770)</u>	<u>\$ 325,017</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ (68,341)	\$ (18,078)	\$ 506,210	\$ 419,791
Fund Balance, July 1, 2008	3,718,191	110,601	567,335	4,396,127
Fund Balance, June 30, 2009	<u>\$ 3,649,850</u>	<u>\$ 92,523</u>	<u>\$ 1,073,545</u>	<u>\$ 4,815,918</u>

Exhibit I-5

Campbell County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Campbell County School Department
For the Year Ended June 30, 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 I-4)		\$	419,791
(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	\$	996,816	
Less: current year depreciation expense		<u>(1,845,182)</u>	(848,366)
(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	\$	2,220,826	
Less: book value of assets disposed		<u>(13,231)</u>	2,207,595
(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	\$	543,385	
Less: deferred delinquent property taxes and other deferred June 30, 2008		<u>(760,706)</u>	(217,321)
(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 other postemployment benefits liability			<u>(1,267,822)</u>
Change in net assets of governmental activities (Exhibit B)		\$	<u>293,877</u>

Exhibit I-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 7,955,951	\$ 0	\$ 0	\$ 7,955,951	\$ 8,108,480	\$ 7,985,327	\$ (29,376)
Licenses and Permits	2,138	0	0	2,138	2,500	2,500	(362)
Charges for Current Services	13,039	0	0	13,039	9,660	13,171	(132)
Other Local Revenues	330,545	0	0	330,545	77,290	389,999	(59,454)
State of Tennessee	28,229,085	0	0	28,229,085	27,362,962	28,060,996	168,089
Federal Government	363,908	0	0	363,908	440,092	428,107	(64,199)
Other Governments and Citizens Groups	8,160	0	0	8,160	0	0	8,160
Total Revenues	\$ 36,902,826	\$ 0	\$ 0	\$ 36,902,826	\$ 36,000,984	\$ 36,880,100	\$ 22,726
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 16,748,115	\$ (569)	\$ 2,211	\$ 16,749,757	\$ 17,023,330	\$ 17,050,831	\$ 301,074
Alternative Instruction Program	171,565	0	0	171,565	249,197	187,457	15,892
Special Education Program	1,991,928	(707)	250	1,991,471	2,075,923	2,059,976	68,505
Vocational Education Program	1,518,558	(408)	105	1,518,255	1,542,949	1,548,144	29,889
Adult Education Program	73,074	0	0	73,074	67,322	78,285	5,211
<u>Support Services</u>							
Attendance	66,311	0	0	66,311	71,032	71,032	4,721
Health Services	316,637	(569)	569	316,637	281,342	343,069	26,432
Other Student Support	1,021,194	(40)	225	1,021,379	1,023,990	1,045,588	24,209
Regular Instruction Program	1,283,084	(3,472)	3,725	1,283,337	1,310,312	1,322,709	39,372
Alternative Instruction Program	73,584	0	0	73,584	0	75,885	2,301
Special Education Program	380,355	0	0	380,355	379,565	384,024	3,669
Vocational Education Program	144,365	(76)	0	144,289	167,484	143,985	(304)

(Continued)

Exhibit I-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	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>							
Adult Programs	\$ 42,616	\$ 0	\$ 0	\$ 42,616	\$ 44,235	\$ 44,898	\$ 2,282
Other Programs	288,551	0	0	288,551	0	288,551	0
Board of Education	807,718	(2,083)	2,083	807,718	832,697	852,117	44,399
Director of Schools	231,910	(3,791)	4,174	232,293	249,291	246,760	14,467
Office of the Principal	2,236,203	(90)	90	2,236,203	2,241,844	2,263,161	26,958
Fiscal Services	98,684	0	0	98,684	98,684	98,684	0
Operation of Plant	3,350,670	(8,732)	5,641	3,347,579	3,371,809	3,386,613	39,034
Maintenance of Plant	690,245	(27,013)	85,106	748,338	627,440	789,025	40,687
Transportation	1,355,489	(13,903)	2,478	1,344,064	1,359,387	1,379,387	35,323
<u>Operation of Non-Instructional Services</u>							
Community Services	577,548	(994)	0	576,554	373,702	642,680	66,126
Early Childhood Education	949,780	(225)	0	949,555	958,007	977,477	27,922
<u>Capital Outlay</u>							
Regular Capital Outlay	824,852	(537,052)	46,078	333,878	406,000	481,133	147,255
<u>Principal on Debt</u>							
Education	0	0	0	0	125,000	0	0
Interest on Debt	0	0	0	0	43,885	0	0
<u>Other Debt Service</u>							
Education	1,418,884	0	0	1,418,884	1,250,000	1,418,885	1
Total Expenditures	\$ 36,661,920	\$ (599,724)	\$ 152,735	\$ 36,214,931	\$ 36,174,427	\$ 37,180,356	\$ 965,425
Excess (Deficiency) of Revenues Over Expenditures	\$ 240,906	\$ 599,724	\$ (152,735)	\$ 687,895	\$ (173,443)	\$ (300,256)	\$ 988,151

(Continued)

Exhibit I-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 440	\$ 0	\$ 0
Transfers In	20,818	0	0	20,818	21,952	20,830	(12)
Transfers Out	(330,065)	0	0	(330,065)	(82,833)	(330,065)	0
Total Other Financing Sources (Uses)	\$ (309,247)	\$ 0	\$ 0	\$ (309,247)	\$ (60,441)	\$ (309,235)	\$ (12)
Net Change in Fund Balance	\$ (68,341)	\$ 599,724	\$ (152,735)	\$ 378,648	\$ (233,884)	\$ (609,491)	\$ 988,139
Fund Balance, July 1, 2008	3,718,191	(599,724)	0	3,118,467	2,810,802	2,810,802	307,665
Fund Balance, June 30, 2009	\$ 3,649,850	\$ 0	\$ (152,735)	\$ 3,497,115	\$ 2,576,918	\$ 2,201,311	\$ 1,295,804

Exhibit I-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 4,896,433	\$ 4,815,487	\$ 5,742,412	\$ (845,979)
Total Revenues	\$ 4,896,433	\$ 4,815,487	\$ 5,742,412	\$ (845,979)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 2,366,396	\$ 2,358,002	\$ 2,918,124	\$ 551,728
Special Education Program	1,037,813	1,084,040	1,147,902	110,089
Vocational Education Program	161,460	95,375	163,151	1,691
<u>Support Services</u>				
Health Services	40,741	50,607	50,557	9,816
Other Student Support	92,299	99,787	129,767	37,468
Regular Instruction Program	758,882	676,098	875,435	116,553
Special Education Program	115,351	160,943	162,275	46,924
Vocational Education Program	68,126	62,420	68,525	399
Transportation	195,707	146,340	229,379	33,672
<u>Operation of Non-Instructional Services</u>				
Community Services	2,619	2,739	2,739	120
Early Childhood Education	59,347	62,232	62,232	2,885
Total Expenditures	\$ 4,898,741	\$ 4,798,583	\$ 5,810,086	\$ 911,345
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,308)	\$ 16,904	\$ (67,674)	\$ 65,366
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 5,048	\$ 182,768	\$ 5,048	\$ 0
Transfers Out	(20,818)	(199,672)	(20,819)	1
Total Other Financing Sources (Uses)	\$ (15,770)	\$ (16,904)	\$ (15,771)	\$ 1
Net Change in Fund Balance	\$ (18,078)	\$ 0	\$ (83,445)	\$ 65,367
Fund Balance, July 1, 2008	110,601	250,000	250,000	(139,399)
Fund Balance, June 30, 2009	\$ 92,523	\$ 250,000	\$ 166,555	\$ (74,032)

Exhibit I-8

Campbell County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Campbell County School Department
Central Cafeteria Fund
For the Year Ended June 30, 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	\$ 790,687 \$	0 \$	0 \$	790,687 \$	887,666 \$	834,046 \$	(43,359)
Other Local Revenues	131,285	0	0	131,285	12,758	140,358	(9,073)
State of Tennessee	32,531	0	0	32,531	33,141	33,141	(610)
Federal Government	2,121,301	0	0	2,121,301	2,037,931	2,120,131	1,170
Total Revenues	\$ 3,075,804 \$	0 \$	0 \$	3,075,804 \$	2,971,496 \$	3,127,676 \$	(51,872)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 2,894,611 \$	(34,579) \$	88,528 \$	2,948,560 \$	3,166,181 \$	3,205,461 \$	256,901
Total Expenditures	\$ 2,894,611 \$	(34,579) \$	88,528 \$	2,948,560 \$	3,166,181 \$	3,205,461 \$	256,901
Excess (Deficiency) of Revenues Over Expenditures	\$ 181,193 \$	34,579 \$	(88,528) \$	127,244 \$	(194,685) \$	(77,785) \$	205,029
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 325,017 \$	0 \$	0 \$	325,017 \$	194,685 \$	327,785 \$	(2,768)
Total Other Financing Sources (Uses)	\$ 325,017 \$	0 \$	0 \$	325,017 \$	194,685 \$	327,785 \$	(2,768)
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 506,210 \$	34,579 \$	(88,528) \$	452,261 \$	0 \$	250,000 \$	202,261
	567,335	(34,579)	0	532,756	458,266	458,266	74,490
Fund Balance, June 30, 2009	\$ 1,073,545 \$	0 \$	(88,528) \$	985,017 \$	458,266 \$	708,266 \$	276,751

MISCELLANEOUS SCHEDULES

This page is left blank intentionally.

Exhibit J-1

Campbell County, Tennessee
Schedule of Changes in Long-term Notes, Bonds, and Other Loans
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	Matured During Period	Debt Refunded	Outstanding 6-30-09
NOTES PAYABLE									
<u>Payable through General Debt Service Fund</u>									
School Improvements	\$ 1,500,000	4.53 %	6-15-07	5-15-16	\$ 1,000,000	0 \$	125,000 \$	0 \$	875,000
County Roads	1,000,000	3.94	11-20-07	11-15-17	950,000	0	100,000	0	850,000
School Improvements	500,000	4.23	12-18-08	11-15-20	0	500,000	20,833	0	479,167
Total Payable through General Debt Service Fund					\$ 1,950,000	\$ 500,000	\$ 245,833	\$ 0	\$ 2,204,167
<u>Payable through General Fund</u>									
Land Purchase	250,000	4.14	4-13-09	11-14-20	0 \$	250,000 \$	10,417 \$	0 \$	239,583
Total Payable through General Fund					0 \$	250,000 \$	10,417 \$	0 \$	239,583
Total Notes Payable					\$ 1,950,000	\$ 750,000	\$ 256,250	\$ 0	\$ 2,443,750
BONDS PAYABLE									
<u>Payable through General Debt Service Fund</u>									
Refunding	3,595,000	3.5 to 4.1	1-6-1999	4-1-10	\$ 690,000	0 \$	560,000 \$	0 \$	130,000
Refunding	4,875,000	2 to 3	10-6-03	4-1-09	1,025,000	0	1,025,000	0	0
Refunding	8,200,000	3.85 to 4	5-29-08	6-1-26	8,200,000	0	0	0	8,200,000
General Obligation Bonds, Series 2008A	3,025,000	3.5 to 5	4-23-08	6-1-27	3,025,000	0	0	0	3,025,000
Refunding	10,625,000	3 to 4	4-15-09	6-1-22	0	10,375,000	0	0	10,375,000
Total Bonds Payable					\$ 12,940,000	\$ 10,375,000	\$ 1,585,000	\$ 0	\$ 21,730,000
OTHER LOANS PAYABLE									
<u>Public Building Authority Loan Agreements</u>									
<u>Payable through General Debt Service Fund</u>									
Public Improvement and Refunding, Series B-6-A	12,550,000	4 to 5	7-27-04	6-1-19	\$ 12,550,000	0 \$	0 \$	0 \$	12,550,000
Public Improvement, Series VI-1-2	10,950,000	Variable	2-27-07	6-1-23	10,625,000	0	250,000	10,375,000	0
Total Other Loans Payable					\$ 23,175,000	\$ 0	\$ 250,000	\$ 10,375,000	\$ 12,550,000

Exhibit J-2

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

Year Ending June 30	Note Principal	Note Interest	Total Note Requirements
2010	\$ 287,500	\$ 104,878	\$ 392,378
2011	287,500	92,091	379,591
2012	287,500	79,303	366,803
2013	287,500	66,516	354,016
2014	287,500	51,356	338,856
2015	287,500	39,129	326,629
2016	287,500	26,923	314,423
2017	162,500	16,089	178,589
2018	112,500	9,524	122,024
2019	62,500	5,906	68,406
2020	62,500	3,281	65,781
2021	31,250	657	31,907
Total	\$ 2,443,750	\$ 495,653	\$ 2,939,403

Year Ending June 30	Bond Principal	Bond Interest	Total Bond Requirements
2010	\$ 430,000	\$ 850,643	\$ 1,280,643
2011	325,000	836,063	1,161,063
2012	325,000	825,850	1,150,850
2013	375,000	815,637	1,190,637
2014	375,000	803,925	1,178,925
2015	400,000	792,088	1,192,088
2016	400,000	777,875	1,177,875
2017	425,000	763,537	1,188,537
2018	500,000	749,550	1,249,550
2019	1,155,000	729,088	1,884,088
2020	2,155,000	682,183	2,837,183
2021	2,305,000	595,276	2,900,276
2022	2,410,000	503,123	2,913,123
2023	2,300,000	406,775	2,706,775
2024	2,675,000	317,000	2,992,000
2025	2,825,000	209,938	3,034,938
2026	1,950,000	96,850	2,046,850
2027	400,000	16,600	416,600
Total	\$ 21,730,000	\$ 10,772,001	\$ 32,502,001

(Continued)

Exhibit J-2

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

Year Ending June 30	Other Loan Principal	Other Loan Interest	Total Other Loan Requirements
2010	\$ 1,000,000	\$ 599,938	\$ 1,599,938
2011	1,100,000	559,938	1,659,938
2012	1,150,000	515,937	1,665,937
2013	1,200,000	458,438	1,658,438
2014	1,275,000	398,437	1,673,437
2015	1,325,000	334,688	1,659,688
2016	1,400,000	268,437	1,668,437
2017	1,475,000	198,438	1,673,438
2018	1,550,000	124,687	1,674,687
2019	1,075,000	51,063	1,126,063
Total	\$ 12,550,000	\$ 3,510,001	\$ 16,060,001

Exhibit J-3

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

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
General	Special Purpose	Postemployment health care	\$ 83,181
General	General Capital Projects	Capital projects	14,650
Solid Waste/Sanitation	General	Indirect costs	30,695
Solid Waste/Sanitation	Special Purpose	Postemployment health care	23,235
Ambulance Service	General	Indirect costs	38,500
Ambulance Service	Special Purpose	Postemployment health care	12,523
Industrial/Economic Development	Special Purpose	Postemployment health care	714
Industrial/Economic Development	General Debt Service	Retirement of debt	50,000
Industrial/Economic Development	General Capital Projects	Capital projects	497,212
Highway/Public Works	Special Purpose	Postemployment health care	19,309
General Capital Projects	Solid Waste/Sanitation	Waste disposal costs	6,500
General Capital Projects	Other Capital Projects	Capital projects	144,162
Other Capital Projects	General Capital Projects	Capital projects	<u>15,344</u>
Total Transfers Primary Government			<u>\$ 936,025</u>
<u>DISCRETELY PRESENTED CAMPBELL COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Central Cafeteria	Employee insurance	\$ 325,017
General Purpose School	School Federal Projects	Indirect costs - rent reimbursement	5,048
School Federal Projects	General Purpose School	Indirect costs - administrative	<u>20,818</u>
Total Transfers Discretely Presented Campbell County School Department			<u>\$ 350,883</u>

Exhibit J-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor				
Jerry Cross (7-1-08 through 8-31-08)	Section 8-24-102, TCA	\$ 14,873	\$ 50,000	Western Surety Company
William Baird (9-1-08 through 6-30-09)	Section 8-24-102, TCA	64,392	50,000	"
Director of Schools	State Board of Education and County Board of Education	95,192 (1)	50,000	"
Road Superintendent	Section 8-24-102, TCA	75,500	100,000	Auto Owners (Mutual) Insurance Company
Trustee	Section 8-24-102, TCA	68,635	1,052,400	Cincinnati Insurance Company
Assessor of Property:				
Bill Hicks (7-1-08 through 8-31-08)	Section 8-24-102, TCA	14,679 (2)	10,000	Western Surety Company
Brandon Partin (9-1-08 through 6-30-09)	Section 8-24-102, TCA	57,017	10,000	"
County Clerk	Section 8-24-102, TCA	68,635	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	68,635	50,000	"
Clerk and Master	Section 8-24-102, TCA, and Chancery Court Judge	68,635 (3)	50,000	"
Register	Section 8-24-102, TCA	68,635	25,000	"
Sheriff	Section 8-24-102, TCA	75,500	25,000	"
Director of Finance	County Commission	78,696	50,000	"
Employee Blanket Bonds:				
Public Employee Dishonesty - County Departments			150,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Department			150,000	Tennessee Risk Management Trust

(1) Includes \$1,000 career ladder supplement.
(2) Includes \$1,500 Certified Assessment Evaluators supplement.
(3) Does not include special commissioner fees of \$14,300.

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development		Drug Control
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 4,530,884	\$ 1,869,052	\$ 56,701	\$ 56,701	\$ 0	0
Discount on Property Taxes	(40,584)	(16,749)	(513)	(513)	0	0
Trustee's Collections - Prior Year	248,172	109,952	3,147	3,148	0	0
Circuit/Clerk & Master Collections - Prior Years	207,741	92,037	2,630	2,630	0	0
Interest and Penalty	49,160	21,478	631	631	0	0
Pick-up Taxes	2,422	1,073	31	31	0	0
Payments in-Lieu-of Taxes - T.V.A.	13,388	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	211,398	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	119,321	0	0	10,715	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	188,969	0	0
Litigation Tax - General	112,063	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	248,023	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Other County Local Option Taxes	43,741	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	132,128	0	0	0	0	0
Wholesale Beer Tax	105,419	0	0	0	0	0
Coal Severance Tax	0	0	0	0	0	0
Interstate Telecommunications Tax	0	0	0	0	0	0
Total Local Taxes	\$ 5,983,276	\$ 2,076,843	\$ 62,627	\$ 262,312	\$ 0	0
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 1,938	\$ 0	\$ 0	\$ 0	\$ 0	0
Animal Registration	4,703	0	0	0	0	0
Cable TV Franchise	160,560	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 406	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	2,831	0	0	0	0	0
Total Licenses and Permits	\$ 170,438	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 4,956	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	3,492	0	0	0	0	0
Game and Fish Fines	5,666	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	25,980
Drug Court Fees	20,620	0	0	0	0	0
Jail Fees	2,657	0	0	0	0	0
Data Entry Fee - Circuit Court	438	0	0	0	0	0
<u>Criminal Court</u>						
DUI Treatment Fines	1,356	0	0	0	0	0
Data Entry Fee - Criminal Court	248	0	0	0	0	0
Courtroom Security Fee	551	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	10,546	0	0	0	0	0
Officers Costs	48,869	0	0	0	0	0
Game and Fish Fines	781	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	25,065
Drug Court Fees	24,088	0	0	0	0	0
Jail Fees	17,899	0	0	0	0	0
DUI Treatment Fines	5,662	0	0	0	0	0
Data Entry Fee - General Sessions Court	11,000	0	0	0	0	0
Courtroom Security Fee	529	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	546	0	0	0	0	0
Officers Costs	1,351	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Chancery Court</u>					
Officers Costs	9,820 \$	0 \$	0 \$	0 \$	0
<u>Other Courts - In-county</u>					
Fines	446	0	0	0	0
<u>Judicial District Drug Program</u>					
Courtroom Security Fee	18	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	29,769
Other Fines, Forfeitures, and Penalties	94,653	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 266,192 \$	0 \$	0 \$	0 \$	80,814
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Commercial and Industrial Waste Collection Charge	0 \$	11,129 \$	0 \$	0 \$	0
Tipping Fees	0	4,505	0	0	0
Surcharge - General	3,320	60	0	0	0
Solid Waste Disposal Fees	0	37,793	0	0	0
Patient Charges	0	0	1,714,942	0	0
Other General Service Charges	0	3,760	569	0	0
<u>Fees</u>					
Copy Fees	19,246	0	0	0	0
Telephone Commissions	4,251	0	0	0	0
Vending Machine Collections	100	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0
Data Processing Fee - Register	16,918	0	0	0	0
Data Processing Fee - Sheriff	27,384	0	0	0	0
Sexual Offender Registration Fees - Sheriff	4,505	0	0	0	0
Total Charges for Current Services	\$ 75,724 \$	57,247 \$	1,715,511 \$	0 \$	0

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

	Special Revenue Funds				
	General	Solid Waste/ Sanitation	Ambulance Service	Industrial/ Economic Development	Drug Control
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 1,688	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	34,703	0	0	47,253	0
Sale of Gasoline	0	0	0	0	0
Sale of Maps	5,473	0	0	0	0
Sale of Recycled Materials	0	70,627	0	0	0
Miscellaneous Refunds	21,618	0	963	0	560
<u>Nonrecurring Items</u>					
Sale of Equipment	550	0	0	0	11,475
Contributions and Gifts	350	0	0	0	1,700
<u>Other Local Revenues</u>					
Other Local Revenues	3,493	7,857	0	0	0
Total Other Local Revenues	\$ 67,875	\$ 78,484	\$ 963	\$ 47,253	\$ 13,735
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	\$ 363,214	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	406,463	0	0	0	0
Clerk and Master	196,337	0	0	0	0
Register	205,846	0	0	0	0
Sheriff	11,938	0	0	0	0
Trustee	490,583	0	0	0	0
Total Fees Received from County Officials	\$ 1,674,381	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
Airport Maintenance Program	12,940	0	0	0	0
Aging Programs	10,827	0	0	0	0
State Reappraisal Grant	17,640	0	0	0	0
Solid Waste Grants	0	15,433	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Public Safety Grants</u>						
Law Enforcement Training Programs		0 \$	0 \$	0 \$	0 \$	0
Drug Control Grants	13,800 \$	0	0	0	0	0
48,917						
<u>Health and Welfare Grants</u>						
Health Department Programs	471,533	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	0
Litter Program	0	37,577	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	207,369	0	0	0	0	0
Beer Tax	18,701	0	0	0	0	0
Alcoholic Beverage Tax	60,050	0	0	0	0	0
Mixed Drink Tax	2,896	0	0	0	0	0
State Revenue Sharing - T.V.A.	1,028,968	0	0	0	0	0
Contracted Prisoner Boarding	647,738	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	10,817	0	0	0	0	0
Other State Grants	14,292	0	0	0	0	0
Other State Revenues	1,170	0	0	0	0	0
Total State of Tennessee	\$ 2,576,658 \$	53,010 \$	0 \$	0 \$	0 \$	0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	0 \$	0 \$	0 \$	0 \$	0 \$	0
Homeland Security Grants	61,073	0	0	0	0	0
Other Federal through State	0	0	0	0	0	0
Total Federal Government	\$ 61,073 \$	0 \$	0 \$	0 \$	0 \$	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste/ Sanitation	Ambulance Service	Industrial/ Economic Development	Drug Control
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	2,250 \$	0 \$	0 \$	0 \$	0
Contributions	98,684	0	0	27,642	0
Contracted Services	35,446	750	0	330,727	0
Other	15,850	0	0	0	0
<u>Total Other Governments and Citizens Groups</u>	152,230 \$	750 \$	0 \$	358,369 \$	0
<u>Total</u>	11,027,847 \$	2,266,334 \$	1,779,101 \$	667,934 \$	94,549

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works		General Debt Service		General Capital Projects	Other Capital Projects		
<u>Local Taxes</u>									
<u>County Property Taxes</u>									
Current Property Tax	\$ 0	\$ 512,021	\$ 679,500	\$ 396,386	\$ 0	\$ 8,101,245			
Discount on Property Taxes	0	(6,806)	(6,073)	(3,546)	0	(74,784)			
Trustee's Collections - Prior Year	0	28,266	28,266	21,984	0	442,935			
Circuit/Clerk & Master Collections - Prior Years	0	23,667	23,667	18,407	0	370,779			
Interest and Penalty	0	5,586	5,949	4,334	0	87,769			
Pick-up Taxes	0	276	276	215	0	4,324			
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	13,388			
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	211,398			
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	130,036			
<u>County Local Option Taxes</u>									
Local Option Sales Tax	0	0	759,972	0	0	759,972			
Hotel/Motel Tax	0	0	0	0	0	188,969			
Litigation Tax - General	0	0	0	0	0	112,063			
Litigation Tax - Special Purpose	0	0	4,323	25,514	0	29,837			
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	120,231	0	0	120,231			
Business Tax	0	0	0	0	0	248,023			
Mineral Severance Tax	0	113,348	0	0	0	113,348			
Other County Local Option Taxes	0	0	0	0	0	43,741			
<u>Statutory Local Taxes</u>									
Bank Excise Tax	0	0	0	0	0	132,128			
Wholesale Beer Tax	0	0	0	0	0	105,419			
Coal Severance Tax	0	49,768	0	0	0	49,768			
Interstate Telecommunications Tax	0	0	4,843	0	0	4,843			
Total Local Taxes	\$ 0	\$ 726,126	\$ 1,620,954	\$ 463,294	\$ 0	\$ 11,195,432			
<u>Licenses and Permits</u>									
<u>Licenses</u>									
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,938			
Animal Registration	0	0	0	0	0	4,703			
Cable TV Franchise	0	0	0	0	0	160,560			

(Continued)

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects			
<u>Licenses and Permits (Cont.)</u>									
<u>Permits</u>									
Beer Permits	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	406
Building Permits	0	100	0	0	0	0	0	0	2,931
Total Licenses and Permits	0 \$	100 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	170,538
<u>Fines, Forfeitures, and Penalties</u>									
<u>Circuit Court</u>									
Fines	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	4,956
Officers Costs	0	0	0	0	0	0	0	0	3,492
Game and Fish Fines	0	0	0	0	0	0	0	0	5,666
Drug Control Fines	0	0	0	0	0	0	0	0	25,980
Drug Court Fees	0	0	0	0	0	0	0	0	20,620
Jail Fees	0	0	0	0	0	0	0	0	2,657
Data Entry Fee - Circuit Court	0	0	0	0	0	0	0	0	438
<u>Criminal Court</u>									
DUI Treatment Fines	0	0	0	0	0	0	0	0	1,356
Data Entry Fee - Criminal Court	0	0	0	0	0	0	0	0	248
Courtroom Security Fee	0	0	0	0	0	0	0	0	551
<u>General Sessions Court</u>									
Fines	0	0	0	0	0	0	0	0	10,546
Officers Costs	0	0	0	0	0	0	0	0	48,869
Game and Fish Fines	0	0	0	0	0	0	0	0	781
Drug Control Fines	0	0	0	0	0	0	0	0	25,065
Drug Court Fees	0	0	0	0	0	0	0	0	24,088
Jail Fees	0	0	0	0	0	0	0	0	17,899
DUI Treatment Fines	0	0	0	0	0	0	0	0	5,662
Data Entry Fee - General Sessions Court	0	0	0	0	0	0	0	0	11,000
Courtroom Security Fee	0	0	0	0	0	0	0	0	529
<u>Juvenile Court</u>									
Fines	0	0	0	0	0	0	0	0	546
Officers Costs	0	0	0	0	0	0	0	0	1,351

(Continued)

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	Other Capital Projects	Other Capital Projects			
<u>Fines, Forfeitures, and Penalties (Cont.)</u>									
<u>Chancery Court</u>									
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,820
<u>Other Courts - In-county</u>									
Fines	0	0	0	0	0	0	0	0	446
<u>Judicial District Drug Program</u>									
Courtroom Security Fee	0	0	0	0	0	0	0	0	18
<u>Other Fines, Forfeitures, and Penalties</u>									
Proceeds from Confiscated Property	0	0	0	0	0	0	0	0	29,769
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	0	0	0	94,653
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	347,006
<u>Charges for Current Services</u>									
<u>General Service Charges</u>									
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	11,129
Tipping Fees	0	0	0	0	0	0	0	0	4,505
Surcharge - General	0	0	0	0	0	0	0	0	3,380
Solid Waste Disposal Fees	0	0	0	0	0	0	0	0	37,793
Patient Charges	0	0	0	0	0	0	0	0	1,714,942
Other General Service Charges	0	0	0	0	0	0	0	0	4,329
<u>Fees</u>									
Copy Fees	0	0	0	0	0	0	0	0	19,246
Telephone Commissions	0	0	0	0	0	0	0	0	4,251
Vending Machine Collections	0	0	0	0	0	0	0	0	100
Special Commissioner Fees/Special Master Fees	14,300	0	0	0	0	0	0	0	14,300
Data Processing Fee - Register	0	0	0	0	0	0	0	0	16,918
Data Processing Fee - Sheriff	0	0	0	0	0	0	0	0	27,384
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	0	0	0	4,505
Total Charges for Current Services	\$ 14,300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,862,782

(Continued)

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects			
<u>Other Local Revenues</u>									
<u>Recurring Items</u>									
Investment Income	0	0	404,448	0	0	0	0	0	406,136
Lease/Rentals	0	0	0	0	10,800	0	0	0	92,756
Sale of Gasoline	0	362,942	0	0	0	0	0	0	362,942
Sale of Maps	0	0	0	0	0	0	0	0	5,473
Sale of Recycled Materials	0	0	0	0	0	0	0	0	70,627
Miscellaneous Refunds	0	5,373	0	0	0	0	0	0	28,514
<u>Nonrecurring Items</u>									
Sale of Equipment	0	34,000	0	0	0	0	0	0	46,025
Contributions and Gifts	0	0	0	0	0	0	0	0	2,050
<u>Other Local Revenues</u>									
Other Local Revenues	0	23,647	0	0	0	0	0	0	34,997
Total Other Local Revenues	0	425,962	404,448	0	10,800	0	0	0	1,049,520
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Fees Received from County Officials</u>									
<u>Fees in-Lieu-of Salary</u>									
County Clerk	0	0	0	0	0	0	0	0	363,214
Circuit Court Clerk	0	0	0	0	0	0	0	0	406,463
Clerk and Master	0	0	0	0	0	0	0	0	196,337
Register	0	0	0	0	0	0	0	0	205,846
Sheriff	0	0	0	0	0	0	0	0	11,938
Trustee	0	0	0	0	0	0	0	0	490,583
Total Fees Received from County Officials	0	0	0	0	0	0	0	0	1,674,381
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>State of Tennessee</u>									
<u>General Government Grants</u>									
Juvenile Services Program	0	0	0	0	0	0	0	0	9,000
Airport Maintenance Program	0	0	0	0	675,100	0	0	0	688,040
Aging Programs	0	0	0	0	0	0	0	0	10,827
State Reappraisal Grant	0	0	0	0	0	0	0	0	17,640
Solid Waste Grants	0	0	0	0	0	0	0	0	15,433

(Continued)

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects			
<u>State of Tennessee (Cont.)</u>									
<u>Public Safety Grants</u>									
Law Enforcement Training Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,800
Drug Control Grants	0	0	0	0	0	0	0	0	48,917
<u>Health and Welfare Grants</u>									
Health Department Programs	0	0	0	0	0	0	0	0	471,533
<u>Public Works Grants</u>									
Bridge Program	0	305,295	0	0	0	0	0	0	305,295
Litter Program	0	0	0	0	0	0	0	0	37,577
<u>Other State Revenues</u>									
Income Tax	0	0	0	0	0	0	0	0	207,369
Beer Tax	0	0	0	0	0	0	0	0	18,701
Alcoholic Beverage Tax	0	0	0	0	0	0	0	0	60,050
Mixed Drink Tax	0	0	0	0	0	0	0	0	2,896
State Revenue Sharing - T.V.A.	0	0	0	0	0	0	0	0	1,028,968
Contracted Prisoner Boarding	0	0	0	0	0	0	0	0	647,738
Gasoline and Motor Fuel Tax	0	1,778,076	0	0	0	0	0	0	1,778,076
Petroleum Special Tax	0	32,007	0	0	0	0	0	0	32,007
Registrar's Salary Supplement	0	0	0	0	0	0	0	0	10,817
Other State Grants	0	0	0	0	0	0	0	0	14,292
Other State Revenues	0	0	0	0	0	0	0	0	1,170
Total State of Tennessee	\$ 0	\$ 2,115,378	\$ 0	\$ 0	\$ 0	\$ 0	\$ 675,100	\$ 0	\$ 5,420,146
<u>Federal Government</u>									
<u>Federal Through State</u>									
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 329,159	\$ 0	\$ 329,159
Homeland Security Grants	0	0	0	0	0	0	0	0	61,073
Other Federal through State	0	0	0	0	0	0	589,224	0	589,224
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 918,383	\$ 0	\$ 979,456

(Continued)

Exhibit J-5

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

	Special Revenue Funds			Debt Service Fund		Capital Projects Funds			Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Debt Service	General Capital Projects	Other Capital Projects			
Other Governments and Citizens Groups									
Other Governments									
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,250
Contributions	0	0	1,418,884	0	0	0	0	0	1,545,210
Contracted Services	0	33,900	0	0	0	0	0	0	400,823
Other	0	0	0	0	0	0	0	0	15,850
Total Other Governments and Citizens Groups	\$ 0	\$ 33,900	\$ 1,418,884	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,964,133
Total	\$ 14,300	\$ 3,301,466	\$ 3,444,286	\$ 463,294	\$ 1,604,283	\$ 24,663,394			

Exhibit J-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 3,229,432	\$ 0	\$ 0	\$ 3,229,432
Discount on Property Taxes	(28,909)	0	0	(28,909)
Trustee's Collections - Prior Year	185,334	0	0	185,334
Circuit/Clerk & Master Collections - Prior Years	155,146	0	0	155,146
Interest and Penalty	35,104	0	0	35,104
Pick-up Taxes	1,809	0	0	1,809
<u>County Local Option Taxes</u>				
Local Option Sales Tax	3,181,675	0	0	3,181,675
Wheel Tax	1,143,523	0	0	1,143,523
<u>Statutory Local Taxes</u>				
Coal Severance Tax	49,768	0	0	49,768
Interstate Telecommunications Tax	3,069	0	0	3,069
Total Local Taxes	\$ 7,955,951	\$ 0	\$ 0	\$ 7,955,951
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 2,138	\$ 0	\$ 0	\$ 2,138
Total Licenses and Permits	\$ 2,138	\$ 0	\$ 0	\$ 2,138
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Other State Systems	\$ 2,537	\$ 0	\$ 0	\$ 2,537
Lunch Payments - Children	0	0	396,859	396,859
Lunch Payments - Adults	0	0	83,328	83,328
Income from Breakfast	0	0	156,936	156,936
A la carte Sales	0	0	153,564	153,564
TBI Criminal Background Fees	10,452	0	0	10,452
<u>Other Charges for Services</u>				
Other Charges for Services	50	0	0	50
Total Charges for Current Services	\$ 13,039	\$ 0	\$ 790,687	\$ 803,726
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 0	\$ 3,992	\$ 3,992
Refund of Telecommunication and Internet Fees (E-Rate)	24,891	0	0	24,891
Miscellaneous Refunds	93,211	0	10,393	103,604
<u>Nonrecurring Items</u>				
Sale of Equipment	700	0	0	700
Sale of Property	158,875	0	0	158,875
Damages Recovered from Individuals	225	0	0	225
Contributions and Gifts	29,905	0	116,900	146,805
<u>Other Local Revenues</u>				
Other Local Revenues	22,738	0	0	22,738
Total Other Local Revenues	\$ 330,545	\$ 0	\$ 131,285	\$ 461,830

(Continued)

Exhibit J-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-Behalf Contributions for OPEB	\$ 288,551	\$ 0	\$ 0	\$ 288,551
<u>State Education Funds</u>				
Basic Education Program	25,753,997	0	0	25,753,997
School Food Service	0	0	32,531	32,531
Driver Education	12,037	0	0	12,037
Other State Education Funds	1,472,333	0	0	1,472,333
Career Ladder Program	346,022	0	0	346,022
Career Ladder - Extended Contract	131,500	0	0	131,500
<u>Other State Revenues</u>				
State Revenue Sharing - T.V.A.	49,244	0	0	49,244
Other State Grants	175,401	0	0	175,401
Total State of Tennessee	\$ 28,229,085	\$ 0	\$ 32,531	\$ 28,261,616
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,555,799	\$ 1,555,799
Breakfast	0	0	537,701	537,701
USDA - Other	0	0	27,801	27,801
Adult Education State Grant Program	87,682	0	0	87,682
Vocational Education - Basic Grants to States	0	177,852	0	177,852
Other Vocational	0	12,434	0	12,434
Title I Grants to Local Education Agencies	0	2,546,064	0	2,546,064
Special Education - Grants to States	36,236	1,418,410	0	1,454,646
Special Education Preschool Grants	0	37,105	0	37,105
Safe and Drug-Free Schools - State Grants	0	32,144	0	32,144
Rural Education	0	195,939	0	195,939
Eisenhower Professional Development State Grants	0	456,913	0	456,913
Other Federal through State	120,000	19,572	0	139,572
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	119,990	0	0	119,990
Total Federal Government	\$ 363,908	\$ 4,896,433	\$ 2,121,301	\$ 7,381,642
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 8,160	\$ 0	\$ 0	\$ 8,160
Total Other Governments and Citizens Groups	\$ 8,160	\$ 0	\$ 0	\$ 8,160
Total	\$ 36,902,826	\$ 4,896,433	\$ 3,075,804	\$ 44,875,063

Exhibit J-7

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

General Fund

General Government

County Commission

Assistant(s)	\$	25,925	
Other Salaries and Wages		4,050	
Board and Committee Members Fees		95,638	
Social Security		7,245	
State Retirement		5,801	
Life Insurance		595	
Medical Insurance		33,116	
Employer Medicare		1,694	
Audit Services		11,956	
Communication		2,236	
Contracts with Government Agencies		948	
Dues and Memberships		1,800	
Operating Lease Payments		2,187	
Legal Services		31,747	
Postal Charges		483	
Travel		8,152	
Other Contracted Services		2,300	
Office Supplies		2,024	
Specialized Medical Treatment		566	
Other Charges		131	
Building Improvements		4,850	
Office Equipment		742	
Total County Commission			\$ 244,186

County Mayor/Executive

County Official/Administrative Officer	\$	79,265
Assistant(s)		66,173
Other Salaries and Wages		2,455
Social Security		8,558
State Retirement		8,484
Life Insurance		174
Medical Insurance		15,581
Employer Medicare		2,002
Communication		4,647
Dues and Memberships		1,600
Legal Notices, Recording, and Court Costs		640
Maintenance and Repair Services - Office Equipment		1,896
Maintenance and Repair Services - Vehicles		188
Postal Charges		1,105
Travel		3,378

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Data Processing Supplies	\$	229	
Office Supplies		2,279	
Premiums on Corporate Surety Bonds		175	
In Service/Staff Development		1,040	
Specialized Medical Treatment		110	
Other Charges		1,442	
Office Equipment		4,246	
Total County Mayor/Executive			\$ 205,667

County Attorney

County Official/Administrative Officer	\$	26,945	
Social Security		1,393	
State Retirement		1,789	
Life Insurance		71	
Medical Insurance		10,865	
Employer Medicare		326	
Legal Notices, Recording, and Court Costs		3,119	
Specialized Medical Treatment		36	
Total County Attorney			44,544

Election Commission

County Official/Administrative Officer	\$	63,177	
Supervisor/Director		31,533	
Data Processing Personnel		15,242	
Part-time Personnel		1,405	
Overtime Pay		9,203	
Other Salaries and Wages		800	
Election Commission		33,457	
Election Workers		54,149	
Social Security		7,115	
State Retirement		7,614	
Life Insurance		126	
Medical Insurance		10,696	
Employer Medicare		1,664	
Communication		2,745	
Data Processing Services		4,575	
Legal Notices, Recording, and Court Costs		7,948	
Maintenance and Repair Services - Office Equipment		5,255	
Postal Charges		2,000	
Rentals		2,000	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Transportation - Other than Students	\$	2,378	
Travel		14,230	
Office Supplies		8,337	
Utilities		5,926	
Other Supplies and Materials		1,800	
Specialized Medical Treatment		87	
Office Equipment		3,225	
Voting Machines		12,116	
Total Election Commission			\$ 308,803

Register of Deeds

County Official/Administrative Officer	\$	68,635	
Deputy(ies)		37,662	
Data Processing Personnel		55,933	
Other Salaries and Wages		1,681	
Social Security		9,222	
State Retirement		10,772	
Life Insurance		282	
Medical Insurance		33,241	
Employer Medicare		2,157	
Communication		2,730	
Contracts with Private Agencies		1,100	
Dues and Memberships		622	
Maintenance and Repair Services - Office Equipment		1,924	
Postal Charges		2,055	
Rentals		11,004	
Data Processing Supplies		30	
Office Supplies		2,924	
Premiums on Corporate Surety Bonds		100	
Specialized Medical Treatment		144	
Total Register of Deeds			242,218

County Buildings

Supervisor/Director	\$	39,993	
Custodial Personnel		51,930	
Part-time Personnel		6,392	
Other Salaries and Wages		1,600	
Social Security		5,657	
State Retirement		6,104	
Life Insurance		188	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Medical Insurance	\$	19,487	
Employer Medicare		1,323	
Communication		682	
Contracts with Private Agencies		1,225	
Maintenance and Repair Services - Buildings		24,578	
Maintenance and Repair Services - Equipment		7,489	
Custodial Supplies		14,315	
Electricity		17,100	
Uniforms		2,649	
Utilities		62	
Water and Sewer		4,389	
Specialized Medical Treatment		129	
Total County Buildings			\$ 205,292

Other Facilities

Other Salaries and Wages	\$	154	
Social Security		10	
State Retirement		10	
Employer Medicare		2	
Maintenance and Repair Services - Buildings		1,580	
Utilities		5,085	
Building and Contents Insurance		880	
Total Other Facilities			7,721

Preservation of Records

Maintenance and Repair Services - Office Equipment	\$	84	
Postal Charges		98	
Rentals		2,000	
Office Supplies		5,000	
Office Equipment		12	
Total Preservation of Records			7,194

Finance

Accounting and Budgeting

Supervisor/Director	\$	78,696	
Accountants/Bookkeepers		460,363	
Overtime Pay		309	
Other Salaries and Wages		7,277	
Social Security		31,232	
State Retirement		34,102	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Life Insurance	\$	785	
Medical Insurance		64,886	
Employer Medicare		7,319	
Communication		8,246	
Data Processing Services		6,368	
Dues and Memberships		1,475	
Maintenance and Repair Services - Equipment		3,981	
Postal Charges		8,000	
Travel		1,706	
Data Processing Supplies		9,925	
Office Supplies		4,830	
Premiums on Corporate Surety Bonds		175	
Specialized Medical Treatment		484	
Office Equipment		32,375	
Total Accounting and Budgeting			\$ 762,534

Property Assessor's Office

County Official/Administrative Officer	\$	70,196
Assessment Personnel		161,944
Salary Supplements		2,292
Other Salaries and Wages		2,092
Social Security		13,451
State Retirement		15,515
Life Insurance		456
Medical Insurance		40,738
Employer Medicare		3,145
Communication		3,823
Consultants		10,000
Dues and Memberships		2,102
Maintenance and Repair Services - Office Equipment		963
Maintenance and Repair Services - Vehicles		1,666
Postal Charges		1,544
Travel		3,080
Data Processing Supplies		4,925
Gasoline		1,574
Office Supplies		5,260
Other Supplies and Materials		5,659
Premiums on Corporate Surety Bonds		340
Specialized Medical Treatment		269
Other Charges		25,550

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Office Equipment	\$ 5,642	
Total Property Assessor's Office		\$ 382,226

Reappraisal Program

Assessment Personnel	\$ 30,868	
Social Security	1,914	
State Retirement	2,050	
Employer Medicare	448	
Total Reappraisal Program		35,280

County Trustee's Office

County Official/Administrative Officer	\$ 68,635	
Supervisor/Director	30,378	
Deputy(ies)	37,662	
Data Processing Personnel	26,400	
Part-time Personnel	2,544	
Other Salaries and Wages	179	
Social Security	9,852	
State Retirement	10,828	
Life Insurance	282	
Medical Insurance	19,199	
Employer Medicare	2,304	
Communication	2,793	
Contracts with Private Agencies	400	
Data Processing Services	4,736	
Dues and Memberships	647	
Legal Notices, Recording, and Court Costs	80	
Maintenance and Repair Services - Office Equipment	679	
Postal Charges	7,996	
Rentals	825	
Travel	902	
Office Supplies	4,468	
Premiums on Corporate Surety Bonds	4,892	
Specialized Medical Treatment	144	
Data Processing Equipment	2,326	
Total County Trustee's Office		239,151

County Clerk's Office

County Official/Administrative Officer	\$ 68,635
Supervisor/Director	95,022

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Deputy(ies)	\$	40,980	
Data Processing Personnel		47,262	
Clerical Personnel		97,935	
Other Salaries and Wages		16,579	
Social Security		21,638	
State Retirement		22,878	
Life Insurance		669	
Medical Insurance		42,135	
Employer Medicare		5,061	
Communication		6,654	
Contracts with Private Agencies		450	
Data Processing Services		9,483	
Dues and Memberships		664	
Maintenance and Repair Services - Office Equipment		8,320	
Postal Charges		12,775	
Rentals		6,000	
Travel		3,830	
Office Supplies		4,732	
Utilities		2,025	
Premiums on Corporate Surety Bonds		350	
Specialized Medical Treatment		396	
Office Equipment		3,123	
Total County Clerk's Office			\$ 517,596

Other Finance

Contracts with Government Agencies	\$	15,000	
Data Processing Services		4,950	
Legal Notices, Recording, and Court Costs		3,292	
Maintenance and Repair Services - Office Equipment		6,793	
Postal Charges		1,051	
Printing, Stationery, and Forms		1,590	
Rentals		4,800	
Data Processing Supplies		15,175	
Utilities		4,636	
Other Supplies and Materials		3,100	
Building and Contents Insurance		20,672	
Liability Insurance		66,765	
Trustee's Commission		125,294	
Other Charges		2,888	
Office Equipment		21,066	
Total Other Finance			297,072

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	68,635	
Supervisor/Director		149,388	
Deputy(ies)		35,768	
Data Processing Personnel		47,384	
Clerical Personnel		30,928	
Part-time Personnel		44,337	
Overtime Pay		2,211	
Other Salaries and Wages		3,561	
Jury and Witness Fees		19,605	
Social Security		22,643	
State Retirement		19,870	
Life Insurance		630	
Medical Insurance		39,714	
Employer Medicare		5,295	
Communication		7,072	
Data Processing Services		6,935	
Dues and Memberships		602	
Operating Lease Payments		6,477	
Maintenance and Repair Services - Office Equipment		4,600	
Postal Charges		6,690	
Travel		4,309	
Office Supplies		6,646	
Premiums on Corporate Surety Bonds		400	
Specialized Medical Treatment		478	
Office Equipment		7,117	
Total Circuit Court			\$ 541,295

General Sessions Court

Judge(s)	\$	133,598
Assistant(s)		27,124
Other Salaries and Wages		487
Social Security		8,155
State Retirement		10,672
Life Insurance		125
Employer Medicare		2,330
Communication		2,265
Dues and Memberships		495
Maintenance and Repair Services - Office Equipment		427
Postal Charges		125
Travel		2,173

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Library Books/Media	\$	248	
Office Supplies		693	
Specialized Medical Treatment		72	
Office Equipment		1,740	
Total General Sessions Court			\$ 190,729

Drug Court

Other Salaries and Wages	\$	38,307	
Social Security		2,215	
State Retirement		2,499	
Life Insurance		71	
Employer Medicare		518	
Communication		2,762	
Consultants		1,725	
Contracts with Private Agencies		7,155	
Maintenance and Repair Services - Office Equipment		221	
Postal Charges		120	
Rentals		4,200	
Travel		10,548	
Drugs and Medical Supplies		10,850	
Office Supplies		1,244	
Other Supplies and Materials		4,914	
Workers' Compensation Insurance		111	
In Service/Staff Development		725	
Specialized Medical Treatment		36	
Other Charges		988	
Total Drug Court			89,209

Chancery Court

County Official/Administrative Officer	\$	68,635	
Supervisor/Director		31,110	
Deputy(ies)		35,695	
Data Processing Personnel		44,326	
Overtime Pay		3,933	
Other Salaries and Wages		1,800	
Social Security		10,575	
State Retirement		12,198	
Life Insurance		297	
Medical Insurance		25,615	
Employer Medicare		2,473	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Communication	\$	1,908	
Dues and Memberships		673	
Maintenance and Repair Services - Office Equipment		200	
Postal Charges		2,000	
Travel		243	
Office Supplies		4,534	
Specialized Medical Treatment		165	
Office Equipment		479	
Total Chancery Court			\$ 246,859

District Attorney General

Clerical Personnel	\$	21,551	
Other Salaries and Wages		181	
Social Security		1,336	
State Retirement		1,431	
Employer Medicare		312	
Contracts with Private Agencies		9,100	
Specialized Medical Treatment		36	
Total District Attorney General			33,947

Office of Public Defender

Contracts with Government Agencies	\$	18,500	
Total Office of Public Defender			18,500

Other Administration of Justice

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

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	75,500	
Assistant(s)		15,856	
Deputy(ies)		391,070	
Detective(s)		168,351	
Captain(s)		55,582	
Lieutenant(s)		14,052	
Sergeant(s)		167,749	
Data Processing Personnel		29,281	
Part-time Personnel		41,291	
Overtime Pay		68,194	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Salaries and Wages	\$	32,885	
Other Per Diem and Fees		23,872	
Social Security		60,848	
State Retirement		67,000	
Life Insurance		1,860	
Medical Insurance		217,172	
Employer Medicare		14,230	
Communication		18,818	
Contracts with Private Agencies		750	
Dues and Memberships		1,600	
Evaluation and Testing		756	
Legal Notices, Recording, and Court Costs		314	
Maintenance and Repair Services - Equipment		3,177	
Maintenance and Repair Services - Vehicles		42,191	
Pest Control		235	
Postal Charges		2,500	
Rentals		3,327	
Tow-in Services		980	
Travel		4,960	
Gasoline		125,027	
Law Enforcement Supplies		7,487	
Office Supplies		4,548	
Uniforms		11,671	
Liability Insurance		19,127	
Premiums on Corporate Surety Bonds		3,375	
Vehicle and Equipment Insurance		33,204	
In Service/Staff Development		3,102	
Specialized Medical Treatment		1,086	
Communication Equipment		17,631	
Motor Vehicles		36,995	
Total Sheriff's Department			\$ 1,787,654

Special Patrols

Sergeant(s)	\$	2,845
School Resource Officer		65,881
Social Security		3,829
State Retirement		4,563
Life Insurance		167
Medical Insurance		20,406
Employer Medicare		896

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Special Patrols (Cont.)

Gasoline	\$	1,568	
Law Enforcement Supplies		1,146	
Uniforms		3,319	
In Service/Staff Development		2,321	
Specialized Medical Treatment		52	
Total Special Patrols			\$ 106,993

Traffic Control

Contracts with Private Agencies	\$	650	
Electricity		112	
Total Traffic Control			762

Administration of the Sexual Offender Registry

Remittance of Revenue Collected	\$	1,200	
Other Charges		2,384	
Total Administration of the Sexual Offender Registry			3,584

Jail

Assistant(s)	\$	15,856	
Lieutenant(s)		40,892	
Sergeant(s)		79,565	
Data Processing Personnel		29,282	
Guards		559,155	
Cafeteria Personnel		20,198	
Part-time Personnel		14,711	
Overtime Pay		43,274	
Other Salaries and Wages		2,860	
Other Per Diem and Fees		28,429	
Social Security		48,734	
State Retirement		54,141	
Life Insurance		1,750	
Medical Insurance		153,028	
Employer Medicare		11,397	
Communication		3,639	
Data Processing Services		9,460	
Evaluation and Testing		2,750	
Maintenance and Repair Services - Buildings		23,452	
Maintenance and Repair Services - Equipment		3,403	
Maintenance and Repair Services - Office Equipment		2,237	
Medical and Dental Services		234,498	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Pest Control	\$	800	
Postal Charges		964	
Travel		4,468	
Electricity		94,557	
Food Preparation Supplies		65,500	
Food Supplies		160,772	
Natural Gas		34,927	
Office Supplies		4,454	
Prisoners Clothing		1,674	
Uniforms		11,029	
Water and Sewer		38,589	
Other Supplies and Materials		10,680	
Building and Contents Insurance		10,021	
Liability Insurance		76,527	
Vehicle and Equipment Insurance		3,689	
Workers' Compensation Insurance		22,680	
In Service/Staff Development		820	
Specialized Medical Treatment		1,222	
Communication Equipment		2,208	
Total Jail			\$ 1,928,292

Juvenile Services

Youth Service Officer(s)	\$	17,699	
Social Security		1,097	
Employer Medicare		257	
Contracts with Government Agencies		7,450	
Travel		30	
Office Supplies		500	
Specialized Medical Treatment		36	
Other Charges		2,812	
Total Juvenile Services			29,881

Fire Prevention and Control

Contributions	\$	85,150	
Building and Contents Insurance		9,650	
Liability Insurance		4,068	
Vehicle and Equipment Insurance		39,487	
Workers' Compensation Insurance		9,320	
Total Fire Prevention and Control			147,675

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense

Other Salaries and Wages	\$	4,720	
Social Security		293	
State Retirement		313	
Employer Medicare		68	
Communication		539	
Maintenance and Repair Services - Buildings		500	
Maintenance and Repair Services - Vehicles		1,677	
Matching Share		502	
Travel		150	
Gasoline		1,448	
Other Supplies and Materials		1,484	
Vehicle and Equipment Insurance		8,091	
Other Equipment		89,433	
Total Civil Defense			\$ 109,218

Rescue Squad

Contributions	\$	30,000	
Building and Contents Insurance		8,071	
Liability Insurance		1,426	
Vehicle and Equipment Insurance		17,962	
Workers' Compensation Insurance		4,956	
Total Rescue Squad			62,415

Other Emergency Management

Communication	\$	1,500	
Contracts with Government Agencies		186,956	
Total Other Emergency Management			188,456

County Coroner/Medical Examiner

County Official/Administrative Officer	\$	10,862	
Social Security		497	
Life Insurance		71	
Medical Insurance		8,484	
Employer Medicare		116	
Contracts with Private Agencies		45,500	
Contracts with Vehicle Owners		12,942	
Specialized Medical Treatment		36	
Total County Coroner/Medical Examiner			78,508

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety

Deputy(ies)	\$	11,491	
Salary Supplements		13,800	
Guards		79,082	
Overtime Pay		15,337	
Social Security		6,868	
State Retirement		911	
Employer Medicare		1,606	
Matching Share		89	
Postal Charges		7,250	
Law Enforcement Supplies		19,601	
Specialized Medical Treatment		113	
Law Enforcement Equipment		5,203	
Total Other Public Safety			\$ 161,351

Public Health and Welfare

Local Health Center

Custodial Personnel	\$	13,374
Other Salaries and Wages		2,521
Social Security		660
State Retirement		888
Life Insurance		71
Medical Insurance		8,484
Employer Medicare		154
Communication		4,430
Contracts with Private Agencies		768
Dues and Memberships		175
Operating Lease Payments		2,876
Maintenance and Repair Services - Buildings		5,473
Maintenance and Repair Services - Office Equipment		1,354
Pest Control		420
Postal Charges		98
Custodial Supplies		4,292
Drugs and Medical Supplies		2,281
Electricity		13,135
Natural Gas		3,611
Office Supplies		7,318
Water and Sewer		2,116
Building and Contents Insurance		2,007
In Service/Staff Development		402
Specialized Medical Treatment		36

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Office Equipment	\$ 160	
Total Local Health Center		\$ 77,104

Rabies and Animal Control

Supervisor/Director	\$ 13,096	
Deputy(ies)	37,374	
Attendants	24,304	
Other Salaries and Wages	1,174	
Social Security	4,477	
State Retirement	3,351	
Life Insurance	133	
Medical Insurance	6,449	
Employer Medicare	1,047	
Communication	1,667	
Licenses	430	
Maintenance and Repair Services - Buildings	1,069	
Maintenance and Repair Services - Equipment	2,297	
Maintenance and Repair Services - Vehicles	590	
Travel	466	
Disposal Fees	1,540	
Animal Food and Supplies	320	
Custodial Supplies	2,538	
Diesel Fuel	164	
Drugs and Medical Supplies	3,141	
Gasoline	3,471	
Law Enforcement Supplies	940	
Office Supplies	618	
Uniforms	415	
Utilities	16,651	
Building and Contents Insurance	728	
Vehicle and Equipment Insurance	1,503	
In Service/Staff Development	1,374	
Specialized Medical Treatment	172	
Motor Vehicles	9,878	
Office Equipment	346	
Total Rabies and Animal Control		141,723

Dental Health Program

Dues and Memberships	\$ 150	
Drugs and Medical Supplies	7,378	
Total Dental Health Program		7,528

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs

Contracts with Private Agencies	\$ 7,018	
Total Alcohol and Drug Programs		\$ 7,018

Crippled Children Services

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

Other Local Health Services

Social Workers	\$ 124,568	
Medical Personnel	167,991	
Clerical Personnel	90,025	
Social Security	22,138	
State Retirement	24,494	
Life Insurance	803	
Medical Insurance	63,441	
Employer Medicare	5,177	
Travel	18,605	
Liability Insurance	857	
Workers' Compensation Insurance	1,266	
Specialized Medical Treatment	465	
Other Charges	400	
Total Other Local Health Services		520,230

Appropriation to State

Contracts with Other Public Agencies	\$ 24,500	
Total Appropriation to State		24,500

General Welfare Assistance

Pauper Burials	\$ 7,200	
Other Charges	59,825	
Total General Welfare Assistance		67,025

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Assistant(s)	\$ 24,101	
Social Security	1,494	
Employer Medicare	349	
Contributions	15,300	
Office Supplies	999	
Specialized Medical Treatment	62	
Total Senior Citizens Assistance		42,305

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries

Contributions	\$ 45,200	
Total Libraries		\$ 45,200

Other Social, Cultural, and Recreational

Contributions	\$ 19,600	
Utilities	529	
Total Other Social, Cultural, and Recreational		20,129

Agriculture and Natural Resources

Agriculture Extension Service

Communication	\$ 1,861	
Contracts with Government Agencies	43,950	
Dues and Memberships	205	
Maintenance and Repair Services - Office Equipment	888	
Postal Charges	150	
Travel	1,311	
Total Agriculture Extension Service		48,365

Soil Conservation

Contributions	\$ 728	
Dues and Memberships	250	
Total Soil Conservation		978

Other Operations

Airport

Supervisor/Director	\$ 15,600	
Medical Insurance	4,002	
Communication	1,180	
Contracts with Private Agencies	3,600	
Licenses	300	
Maintenance and Repair Services - Buildings	25,880	
Travel	185	
Electricity	10,244	
Water and Sewer	410	
Liability Insurance	2,715	
Total Airport		64,116

Veterans' Services

Supervisor/Director	\$ 39,390	
Secretary(ies)	24,881	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Clerical Personnel	\$	12,932	
Other Salaries and Wages		328	
Social Security		4,709	
State Retirement		5,126	
Life Insurance		212	
Medical Insurance		19,348	
Employer Medicare		1,101	
Communication		2,067	
Data Processing Services		700	
Dues and Memberships		200	
Maintenance and Repair Services - Office Equipment		868	
Postal Charges		1,492	
Travel		4,742	
Office Supplies		1,365	
Uniforms		759	
Specialized Medical Treatment		108	
Office Equipment		1,417	
Total Veterans' Services			\$ 121,745

Contributions to Other Agencies

Contributions	\$	368,118	
Other Supplies and Materials		5,624	
Total Contributions to Other Agencies			373,742

Employee Benefits

Salary Supplements	\$	12,795	
Social Security		4,006	
State Retirement		392	
Unemployment Compensation		29,495	
Employer Medicare		937	
Consultants		120	
Workers' Compensation Insurance		40,255	
Specialized Medical Treatment		12	
Total Employee Benefits			88,012

Miscellaneous

Part-time Personnel	\$	25,953	
Social Security		1,609	
State Retirement		79	
Employer Medicare		376	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Contributions	\$	11,000	
Travel		847	
Other Supplies and Materials		76	
Specialized Medical Treatment		9	
Other Charges		9,495	
Total Miscellaneous			\$ 49,444

Operation of Non-Instructional Services

Food Service

Contributions	\$	116,900	
Total Food Service			116,900

Principal on Debt

General Government

Principal on Notes	\$	10,417	
Total General Government			10,417

Interest on Debt

General Government

Interest on Notes	\$	920	
Total General Government			920

Capital Projects

Other General Government Projects

Land	\$	215,000	
Total Other General Government Projects			215,000

Total General Fund \$ 11,271,567

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	48,847	
Data Processing Personnel		51,130	
Social Security		421	
State Retirement		6,638	
Life Insurance		211	
Medical Insurance		23,156	
Unemployment Compensation		6,340	
Employer Medicare		1,324	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Communication	\$	553	
Medical and Dental Services		60	
Postal Charges		500	
Travel		193	
Disposal Fees		33,091	
Office Supplies		3,455	
Uniforms		811	
Building and Contents Insurance		3,307	
Liability Insurance		18,620	
Trustee's Commission		41,580	
Vehicle and Equipment Insurance		30,471	
Workers' Compensation Insurance		59,326	
Specialized Medical Treatment		108	
Office Equipment		1,000	
Total Sanitation Management			\$ 331,142

Sanitation Education/Information

Deputy(ies)	\$	56,756	
Other Salaries and Wages		4,616	
Social Security		3,504	
State Retirement		4,091	
Life Insurance		141	
Medical Insurance		10,865	
Employer Medicare		823	
Communication		1,711	
Maintenance and Repair Services - Vehicles		708	
Gasoline		5,504	
Instructional Supplies and Materials		1,320	
Uniforms		500	
Other Supplies and Materials		3,266	
Specialized Medical Treatment		72	
Total Sanitation Education/Information			93,877

Convenience Centers

Foremen	\$	38,041	
Mechanic(s)		25,021	
Truck Drivers		152,338	
Attendants		313,131	
Overtime Pay		16,917	
Other Salaries and Wages		14,272	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Other Per Diem and Fees	\$	13,277	
Social Security		33,287	
State Retirement		34,348	
Life Insurance		1,458	
Medical Insurance		118,605	
Employer Medicare		7,785	
Communication		6,597	
Contracts with Private Agencies		399,338	
Maintenance and Repair Services - Buildings		59	
Maintenance and Repair Services - Equipment		2,891	
Maintenance and Repair Services - Vehicles		37,394	
Rentals		8,010	
Custodial Supplies		411	
Diesel Fuel		74,326	
Gasoline		2,713	
Office Supplies		145	
Uniforms		9,862	
Utilities		9,157	
Liner Materials		4,929	
Specialized Medical Treatment		1,080	
Site Development		4,436	
Total Convenience Centers			\$ 1,329,828

Transfer Stations

Foremen	\$	5,016	
Equipment Operators		23,406	
Overtime Pay		614	
Other Salaries and Wages		47	
Other Per Diem and Fees		666	
Social Security		1,257	
State Retirement		1,902	
Life Insurance		71	
Medical Insurance		10,865	
Employer Medicare		362	
Licenses		1,000	
Rentals		725	
Uniforms		394	
Specialized Medical Treatment		38	
Total Transfer Stations			46,363

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center

Foremen	\$	32,221	
Equipment Operators		37,485	
Truck Drivers		54,354	
Laborers		33,977	
Overtime Pay		588	
Other Salaries and Wages		33	
Other Per Diem and Fees		863	
Social Security		9,285	
State Retirement		10,349	
Life Insurance		423	
Medical Insurance		25,326	
Employer Medicare		2,171	
Communication		2,210	
Maintenance and Repair Services - Buildings		458	
Maintenance and Repair Services - Equipment		7,015	
Maintenance and Repair Services - Vehicles		11,433	
Pest Control		360	
Custodial Supplies		402	
Diesel Fuel		9,991	
Gasoline		4,293	
Office Supplies		979	
Propane Gas		96	
Uniforms		6,497	
Utilities		14,273	
Wire		3,974	
Specialized Medical Treatment		249	
Building Improvements		9,792	
Total Recycling Center			\$ 279,097

Other Waste Disposal

Foremen	\$	27,205
Equipment Operators		37,606
Nightwatchmen		24,553
Overtime Pay		1,636
Other Salaries and Wages		5,648
Other Per Diem and Fees		1,968
Social Security		5,772
State Retirement		5,582
Life Insurance		275
Medical Insurance		26,368

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Other Waste Disposal (Cont.)

Employer Medicare	\$	1,282	
Licenses		2,042	
Uniforms		1,165	
Utilities		3,213	
Specialized Medical Treatment		180	
Total Other Waste Disposal			\$ 144,495

Other Operations

Employee Benefits

Other Salaries and Wages	\$	13,791	
Social Security		855	
Employer Medicare		200	
Total Employee Benefits			14,846

Total Solid Waste/Sanitation Fund \$ 2,239,648

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

Supervisor/Director	\$	59,074	
Medical Personnel		610,618	
Clerical Personnel		47,895	
Maintenance Personnel		2,679	
Part-time Personnel		124,559	
Overtime Pay		70,383	
Other Salaries and Wages		3,938	
Other Per Diem and Fees		18,148	
Social Security		55,442	
State Retirement		50,085	
Life Insurance		1,467	
Medical Insurance		130,576	
Unemployment Compensation		79	
Employer Medicare		12,966	
Communication		13,603	
Contracts with Government Agencies		118,333	
Data Processing Services		16,171	
Dues and Memberships		370	
Operating Lease Payments		1,586	
Licenses		2,250	
Maintenance and Repair Services - Buildings		1,901	

(Continued)

Exhibit J-7

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Maintenance and Repair Services - Equipment	\$	7,215	
Maintenance and Repair Services - Vehicles		24,920	
Medical and Dental Services		18,000	
Postal Charges		3,069	
Travel		835	
Custodial Supplies		2,009	
Diesel Fuel		46,446	
Drugs and Medical Supplies		49,071	
Gasoline		1,834	
Office Supplies		5,551	
Uniforms		5,835	
Utilities		15,325	
Building and Contents Insurance		637	
Liability Insurance		18,160	
Refunds		7,943	
Trustee's Commission		18,002	
Vehicle and Equipment Insurance		7,379	
Workers' Compensation Insurance		80,875	
In Service/Staff Development		6,661	
Specialized Medical Treatment		1,293	
Other Charges		176	
Building Improvements		3,533	
Office Equipment		931	
Health Equipment		5,900	
Total Ambulance/Emergency Medical Services			\$ 1,673,723

Other Operations

Employee Benefits

Other Salaries and Wages	\$	6,733	
Social Security		417	
Employer Medicare		98	
Total Employee Benefits			7,248

Total Ambulance Service Fund \$ 1,680,971

Industrial/Economic Development Fund

General Government

Development

Board and Committee Members Fees	\$	7,915	
Social Security		221	

(Continued)

Exhibit J-7

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

Industrial/Economic Development Fund (Cont.)

General Government (Cont.)

Development (Cont.)

State Retirement	\$	191	
Employer Medicare		52	
Engineering Services		5,150	
Travel		349	
Other Contracted Services		5,000	
Other Supplies and Materials		410	
Other Charges		6,000	
Total Development			\$ 25,288

Planning

Board and Committee Members Fees	\$	8,650	
Social Security		124	
State Retirement		33	
Employer Medicare		29	
Contributions		11,250	
Legal Services		10,006	
Travel		40	
Total Planning			30,132

Other Facilities

Contracts with Private Agencies	\$	10,424	
Maintenance and Repair Services - Equipment		87	
Total Other Facilities			10,511

Other Operations

Tourism

Contributions	\$	45,000	
Total Tourism			45,000

Industrial Development

Contributions	\$	252,000	
Dues and Memberships		4,056	
Engineering Services		2,600	
Other Contracted Services		270	
Utilities		5,655	
Other Supplies and Materials		747	
Building and Contents Insurance		3,550	
Trustee's Commission		3,371	
Other Charges		4,000	
Total Industrial Development			276,249

(Continued)

Exhibit J-7

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

Industrial/Economic Development Fund (Cont.)

Other Operations (Cont.)

Other Economic and Community Development

Supervisor/Director	\$	38,246	
Part-time Personnel		13,042	
Other Salaries and Wages		44,327	
Social Security		5,718	
State Retirement		4,747	
Life Insurance		124	
Medical Insurance		8,484	
Unemployment Compensation		301	
Employer Medicare		1,337	
Fiscal Agent Charges		17,937	
Postal Charges		250	
Travel		5,493	
Office Supplies		500	
Workers' Compensation Insurance		1,120	
Specialized Medical Treatment		108	
Other Charges		125,693	
Total Other Economic and Community Development	\$		267,427

Employee Benefits

Other Salaries and Wages	\$	1,368	
Social Security		85	
Employer Medicare		20	
Total Employee Benefits			1,473

ARRA Grant # 1

Part-time Personnel	\$	20,823	
Other Salaries and Wages		20,839	
Social Security		2,583	
Employer Medicare		604	
Fiscal Agent Charges		3,079	
Other Charges		14,125	
Total ARRA Grant # 1			62,053

Total Industrial/Economic Development Fund \$ 718,133

Special Purpose Fund

Public Health and Welfare

Sanitation Management

Medical Insurance	\$	2,622	
Total Sanitation Management	\$		2,622

(Continued)

Exhibit J-7

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

Special Purpose Fund (Cont.)

Other Operations

Employee Benefits

Medical Insurance	\$ 3,360	
Total Employee Benefits		\$ 3,360

Total Special Purpose Fund \$ 5,982

Drug Control Fund

Public Safety

Drug Enforcement

Overtime Pay	\$ 2,356	
Other Salaries and Wages	8,128	
Social Security	650	
State Retirement	696	
Employer Medicare	152	
Communication	3,176	
Confidential Drug Enforcement Payments	7,500	
Operating Lease Payments	9,521	
Maintenance and Repair Services - Vehicles	3,738	
Rentals	1,830	
Tow-in Services	485	
Animal Food and Supplies	348	
Diesel Fuel	1,626	
Gasoline	6,713	
Law Enforcement Supplies	17,596	
Uniforms	375	
Other Supplies and Materials	1,445	
Workers' Compensation Insurance	700	
In Service/Staff Development	879	
Motor Vehicles	33,969	
Office Equipment	200	
Total Drug Enforcement		\$ 102,083

Total Drug Control Fund 102,083

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 14,300	
Total Chancery Court		\$ 14,300

Total Constitutional Officers - Fees Fund 14,300

(Continued)

Exhibit J-7

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	75,500	
Assistant(s)		64,069	
Social Security		8,427	
State Retirement		9,268	
Life Insurance		179	
Medical Insurance		10,202	
Employer Medicare		1,971	
Dues and Memberships		4,046	
Maintenance and Repair Services - Equipment		400	
Postal Charges		168	
Printing, Stationery, and Forms		57	
Travel		110	
Office Supplies		886	
Specialized Medical Treatment		108	
Office Equipment		1,115	
Total Administration			\$ 176,506

Highway and Bridge Maintenance

Foremen	\$	100,742	
Equipment Operators		121,159	
Truck Drivers		180,330	
Laborers		173,731	
Overtime Pay		21,565	
Other Salaries and Wages		571	
Social Security		34,401	
State Retirement		39,700	
Life Insurance		1,425	
Medical Insurance		125,861	
Employer Medicare		8,045	
Contracts with Private Agencies		10,580	
Asphalt - Hot Mix		337,684	
Asphalt - Liquid		212,867	
Concrete		12,674	
Fertilizer, Lime, and Seed		2,000	
General Construction Materials		1,171	
Pipe - Metal		15,462	
Road Signs		6,990	
Structural Steel		139	
Specialized Medical Treatment		813	
Other Charges		3,914	
Total Highway and Bridge Maintenance			1,411,824

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

Mechanic(s)	\$	56,021	
Laborers		49,770	
Overtime Pay		758	
Other Salaries and Wages		58	
Social Security		5,846	
State Retirement		7,079	
Life Insurance		266	
Medical Insurance		31,123	
Employer Medicare		1,367	
Tow-in Services		275	
Diesel Fuel		257,757	
Equipment and Machinery Parts		105,180	
Garage Supplies		572	
Gasoline		253,993	
Lubricants		6,156	
Natural Gas		4,862	
Tires and Tubes		27,474	
Specialized Medical Treatment		144	
Total Operation and Maintenance of Equipment			\$ 808,701

Quarry Operations

Foremen	\$	22,032	
Truck Drivers		24,096	
Laborers		47,356	
Overtime Pay		168	
Other Salaries and Wages		72	
Social Security		5,430	
State Retirement		6,223	
Life Insurance		285	
Medical Insurance		18,334	
Employer Medicare		1,270	
Explosive and Drilling Services		29,818	
Licenses		2,362	
Diesel Fuel		22,042	
Electricity		25,566	
Specialized Medical Treatment		150	
Total Quarry Operations			205,204

Traffic Control

Contracts with Private Agencies	\$	539	
---------------------------------	----	-----	--

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Traffic Control (Cont.)

Other Capital Outlay	\$ 9,907	
Total Traffic Control		\$ 10,446

Other Charges

Communication	\$ 12,903	
Electricity	5,704	
Uniforms	17,255	
Water and Sewer	568	
Building and Contents Insurance	1,658	
Liability Insurance	28,509	
Trustee's Commission	31,090	
Vehicle and Equipment Insurance	29,034	
Total Other Charges		126,721

Employee Benefits

Other Salaries and Wages	\$ 13,250	
Social Security	821	
Unemployment Compensation	386	
Employer Medicare	192	
Medical and Dental Services	695	
Workers' Compensation Insurance	49,652	
Total Employee Benefits		64,996

Capital Outlay

Engineering Services	\$ 42,102	
Bridge Construction	305,627	
Highway Equipment	68,777	
Office Equipment	1,700	
State Aid Projects	234,295	
Total Capital Outlay		652,501

Total Highway/Public Works Fund		\$ 3,456,899
---------------------------------	--	--------------

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 129,920	
Total General Government		\$ 129,920

(Continued)

Exhibit J-7

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Highways and Streets

Principal on Notes	\$ 100,000	
Total Highways and Streets		\$ 100,000

Education

Principal on Bonds	\$ 1,455,080	
Principal on Notes	145,833	
Principal on Other Loans	250,000	
Total Education		1,850,913

Interest on Debt

General Government

Interest on Bonds	\$ 23,247	
Interest on Other Loans	167,269	
Total General Government		190,516

Highways and Streets

Interest on Notes	\$ 36,448	
Total Highways and Streets		36,448

Education

Interest on Bonds	\$ 551,033	
Interest on Notes	52,579	
Interest on Other Loans	955,011	
Total Education		1,558,623

Other Debt Service

General Government

Trustee's Commission	\$ 32,764	
Underwriter's Discount	97,625	
Other Debt Issuance Charges	107,823	
Other Debt Service	3,068	
Total General Government		241,280

Total General Debt Service Fund		\$ 4,107,700
---------------------------------	--	--------------

General Capital Projects Fund

Capital Projects

General Administration Projects

Engineering Services	\$ 1,800	
Trustee's Commission	5,790	

(Continued)

Exhibit J-7

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

General Administration Projects (Cont.)

Building Construction	\$	14,965	
Building Improvements		<u>39,407</u>	
Total General Administration Projects			\$ 61,962

Public Safety Projects

Motor Vehicles	\$	<u>65,275</u>	
Total Public Safety Projects			65,275

Public Health and Welfare Projects

Land	\$	37,500	
Site Development		16,100	
Other Construction		<u>2,000</u>	
Total Public Health and Welfare Projects			55,600

Social, Cultural, and Recreation Projects

Contributions	\$	57,000	
Engineering Services		38,036	
Matching Share		8,046	
Other Charges		<u>200</u>	
Total Social, Cultural, and Recreation Projects			103,282

Highway and Street Capital Projects

Contracts with Government Agencies	\$	15,000	
Bridge Construction		2,380	
Quarry Equipment		149,915	
Site Development		<u>50,940</u>	
Total Highway and Street Capital Projects			218,235

Education Capital Projects

Contributions	\$	<u>25,000</u>	
Total Education Capital Projects			<u>25,000</u>

Total General Capital Projects Fund \$ 529,354

Other Capital Projects Fund

Capital Projects

Public Safety Projects

Architects	\$	10,398	
Engineering Services		3,000	
Evaluation and Testing		4,500	

(Continued)

Exhibit J-7

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

Other Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Safety Projects (Cont.)

Matching Share	\$	55,736	
Other Charges		598	
Airport Improvement		820,168	
Total Public Safety Projects	\$		894,400

Public Health and Welfare Projects

Contracts with Private Agencies	\$	8,325	
Engineering Services		81,597	
Matching Share		57,910	
Other Contracted Services		1,500	
Other Supplies and Materials		506	
Other Charges		3,245	
Other Construction		577,853	
Other Capital Outlay		50,227	
Total Public Health and Welfare Projects			781,163

Highway and Street Capital Projects

Asphalt - Hot Mix	\$	61	
Total Highway and Street Capital Projects			61

Education Capital Projects

Architects	\$	54,637	
Other Charges		7,384	
Building Construction		2,544,119	
Building Improvements		35,656	
Other Construction		13,527	
Other Capital Outlay		201,112	
Total Education Capital Projects			2,856,435

Total Other Capital Projects Fund \$ 4,532,059

Total Governmental Funds - Primary Government \$ 28,658,696

Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$	11,101,295	
Career Ladder Program		204,392	
Career Ladder Extended Contracts		117,000	
Homebound Teachers		44,342	
Educational Assistants		373,127	
Other Salaries and Wages		145,515	
Certified Substitute Teachers		83,570	
Non-certified Substitute Teachers		228,085	
Social Security		716,189	
State Retirement		754,162	
Life Insurance		25,748	
Medical Insurance		2,269,647	
Unemployment Compensation		8,056	
Employer Medicare		167,471	
Instructional Supplies and Materials		139,905	
Textbooks		349,291	
Other Supplies and Materials		5,383	
Regular Instruction Equipment		14,937	
Total Regular Instruction Program			\$ 16,748,115

Alternative Instruction Program

Teachers	\$	127,146	
Social Security		7,464	
State Retirement		8,163	
Life Insurance		241	
Medical Insurance		26,805	
Employer Medicare		1,746	
Total Alternative Instruction Program			171,565

Special Education Program

Teachers	\$	1,325,435
Career Ladder Program		20,260
Career Ladder Extended Contracts		16,500
Homebound Teachers		33,739
Educational Assistants		59,812
Certified Substitute Teachers		110
Non-certified Substitute Teachers		35,722
Social Security		87,639
State Retirement		92,140

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Life Insurance	\$	3,057	
Medical Insurance		262,110	
Employer Medicare		20,497	
Contracts with Private Agencies		23,700	
Instructional Supplies and Materials		9,456	
Special Education Equipment		1,751	
Total Special Education Program			\$ 1,991,928

Vocational Education Program

Teachers	\$	1,057,243	
Career Ladder Program		11,895	
Career Ladder Extended Contracts		4,000	
Non-certified Substitute Teachers		23,870	
Social Security		64,577	
State Retirement		68,899	
Life Insurance		2,459	
Medical Insurance		206,610	
Employer Medicare		15,103	
Maintenance and Repair Services - Equipment		5,220	
Instructional Supplies and Materials		25,000	
Other Supplies and Materials		8,682	
Vocational Instruction Equipment		25,000	
Total Vocational Education Program			1,518,558

Adult Education Program

Teachers	\$	37,903	
Other Salaries and Wages		21,987	
Social Security		3,681	
State Retirement		573	
Life Insurance		9	
Medical Insurance		1,093	
Employer Medicare		861	
Instructional Supplies and Materials		4,967	
Other Supplies and Materials		2,000	
Total Adult Education Program			73,074

Support Services

Attendance

Supervisor/Director	\$	38,541	
---------------------	----	--------	--

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Career Ladder Program	\$	3,000	
Clerical Personnel		13,991	
Social Security		3,396	
State Retirement		3,596	
Life Insurance		82	
Medical Insurance		2,255	
Employer Medicare		794	
Travel		656	
Total Attendance			\$ 66,311

Health Services

Medical Personnel	\$	112,560	
Other Salaries and Wages		75,763	
Social Security		11,113	
State Retirement		9,389	
Life Insurance		428	
Medical Insurance		26,344	
Employer Medicare		2,599	
Travel		10,393	
Other Contracted Services		200	
Other Supplies and Materials		67,848	
Total Health Services			316,637

Other Student Support

Career Ladder Program	\$	11,000	
Guidance Personnel		526,418	
Career Ladder Extended Contracts		5,000	
Social Workers		17,010	
Attendants		52,108	
Other Salaries and Wages		161,750	
Social Security		45,787	
State Retirement		48,738	
Life Insurance		1,235	
Medical Insurance		103,638	
Employer Medicare		10,708	
Evaluation and Testing		22,662	
Other Contracted Services		13,835	
Other Supplies and Materials		1,305	
Total Other Student Support			1,021,194

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	151,074	
Career Ladder Program		13,500	
Career Ladder Extended Contracts		3,000	
Librarians		407,567	
Materials Supervisor		43,363	
Instructional Computer Personnel		48,840	
Secretary(ies)		50,504	
Educational Assistants		41,688	
Other Salaries and Wages		17,662	
Social Security		46,212	
State Retirement		50,047	
Life Insurance		1,472	
Medical Insurance		109,904	
Employer Medicare		10,772	
Maintenance and Repair Services - Equipment		21,382	
Travel		22,362	
Library Books/Media		43,942	
Other Supplies and Materials		6,988	
Other Charges		78,366	
Other Equipment		114,439	
Total Regular Instruction Program			\$ 1,283,084

Alternative Instruction Program

Supervisor/Director	\$	60,895	
Social Security		3,711	
State Retirement		3,910	
Life Insurance		93	
Medical Insurance		4,107	
Employer Medicare		868	
Total Alternative Instruction Program			73,584

Special Education Program

Supervisor/Director	\$	77,081	
Career Ladder Program		4,000	
Psychological Personnel		47,620	
Assessment Personnel		100,822	
Clerical Personnel		54,073	
Social Security		17,114	
State Retirement		18,326	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Life Insurance	\$	435	
Medical Insurance		24,407	
Employer Medicare		4,003	
Maintenance and Repair Services - Equipment		700	
Travel		19,639	
Other Supplies and Materials		403	
Other Charges		11,732	
Total Special Education Program			\$ 380,355

Vocational Education Program

Supervisor/Director	\$	77,081	
Career Ladder Program		2,000	
Career Ladder Extended Contracts		2,000	
Secretary(ies)		27,983	
Social Security		6,610	
State Retirement		7,063	
Life Insurance		143	
Medical Insurance		5,244	
Employer Medicare		1,546	
Travel		12,990	
Other Charges		1,705	
Total Vocational Education Program			144,365

Adult Programs

Clerical Personnel	\$	25,687	
Social Security		1,481	
State Retirement		1,706	
Life Insurance		71	
Medical Insurance		3,799	
Employer Medicare		346	
Travel		3,500	
In Service/Staff Development		772	
Other Charges		5,254	
Total Adult Programs			42,616

Other Programs

On-Behalf Payments to OPEB	\$	288,551	
Total Other Programs			288,551

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Secretary to Board	\$	6,000	
Other Salaries and Wages		16,762	
Board and Committee Members Fees		61,970	
Social Security		5,228	
State Retirement		1,621	
Life Insurance		345	
Medical Insurance		118,520	
Employer Medicare		1,223	
Audit Services		14,500	
Dues and Memberships		6,266	
Legal Services		30,550	
Travel		27,256	
Other Contracted Services		2,218	
Liability Insurance		82,261	
Premiums on Corporate Surety Bonds		175	
Trustee's Commission		197,509	
Workers' Compensation Insurance		223,874	
Criminal Investigation of Applicants - TBI		10,440	
Other Charges		1,000	
Total Board of Education			\$ 807,718

Director of Schools

County Official/Administrative Officer	\$	94,192
Assistant(s)		2,000
Career Ladder Program		1,000
Secretary(ies)		27,983
Clerical Personnel		25,113
Other Salaries and Wages		9,350
Social Security		9,757
State Retirement		10,368
Life Insurance		217
Medical Insurance		3,501
Unemployment Compensation		14,196
Employer Medicare		2,282
Communication		8,876
Dues and Memberships		2,311
Maintenance and Repair Services - Equipment		1,071
Postal Charges		5,500
Travel		7,468

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Other Contracted Services	\$	8	
Office Supplies		6,717	
Total Director of Schools			\$ 231,910

Office of the Principal

Principals	\$	779,966	
Career Ladder Program		25,000	
Career Ladder Extended Contracts		7,214	
Assistant Principals		479,788	
Secretary(ies)		366,543	
Other Salaries and Wages		54,990	
Social Security		100,374	
State Retirement		110,459	
Life Insurance		2,892	
Medical Insurance		281,155	
Employer Medicare		23,475	
Other Charges		4,347	
Total Office of the Principal			2,236,203

Fiscal Services

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

Operation of Plant

Custodial Personnel	\$	876,101	
Social Security		48,855	
State Retirement		57,468	
Life Insurance		2,713	
Medical Insurance		259,319	
Employer Medicare		11,426	
Other Contracted Services		14,475	
Custodial Supplies		77,941	
Electricity		1,318,572	
Natural Gas		285,894	
Water and Sewer		186,852	
Building and Contents Insurance		211,054	
Total Operation of Plant			3,350,670

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	42,540	
Maintenance Personnel		286,656	
Other Salaries and Wages		3,227	
Social Security		18,970	
State Retirement		21,381	
Life Insurance		711	
Medical Insurance		77,405	
Employer Medicare		4,436	
Maintenance and Repair Services - Buildings		220,302	
Maintenance and Repair Services - Vehicles		2,153	
Travel		904	
Other Contracted Services		1,696	
Gasoline		9,864	
Total Maintenance of Plant			\$ 690,245

Transportation

Supervisor/Director	\$	37,206	
Bus Drivers		17,417	
Clerical Personnel		13,992	
Other Salaries and Wages		4,088	
Social Security		4,447	
State Retirement		3,318	
Life Insurance		195	
Medical Insurance		18,681	
Employer Medicare		1,040	
Contracts with Vehicle Owners		1,143,297	
Maintenance and Repair Services - Vehicles		5,858	
Medical and Dental Services		2,267	
Travel		126	
Diesel Fuel		1,192	
Gasoline		8,409	
Vehicle and Equipment Insurance		61,773	
Other Charges		3,190	
Transportation Equipment		28,993	
Total Transportation			1,355,489

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	48,406	
---------------------	----	--------	--

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Other Salaries and Wages	\$	307,671	
Non-certified Substitute Teachers		1,650	
Social Security		21,653	
State Retirement		17,250	
Life Insurance		141	
Medical Insurance		19,349	
Employer Medicare		5,064	
Travel		16,644	
Other Contracted Services		835	
Food Supplies		1,460	
Instructional Supplies and Materials		7,699	
Other Supplies and Materials		125,309	
In Service/Staff Development		2,853	
Other Charges		1,564	
Total Community Services			\$ 577,548

Early Childhood Education

Teachers	\$	427,483	
Career Ladder Program		6,000	
Educational Assistants		118,213	
Non-certified Substitute Teachers		3,052	
Social Security		32,076	
State Retirement		34,340	
Life Insurance		1,621	
Medical Insurance		131,249	
Employer Medicare		7,502	
Travel		4,091	
Other Supplies and Materials		174,549	
In Service/Staff Development		9,604	
Total Early Childhood Education			949,780

Capital Outlay

Regular Capital Outlay

Architects	\$	22,536	
Other Contracted Services		7,213	
Building Construction		83,100	
Building Improvements		297,138	
Other Capital Outlay		414,865	
Total Regular Capital Outlay			824,852

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 1,418,884	
Total Education		\$ 1,418,884

Total General Purpose School Fund \$ 36,661,920

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 1,193,971	
Educational Assistants	125,984	
Other Salaries and Wages	26,940	
Non-certified Substitute Teachers	33,842	
Social Security	81,655	
State Retirement	84,130	
Life Insurance	3,055	
Medical Insurance	227,518	
Employer Medicare	19,097	
Other Contracted Services	11,750	
Instructional Supplies and Materials	503,182	
Other Supplies and Materials	55,272	
Total Regular Instruction Program		\$ 2,366,396

Special Education Program

Teachers	\$ 207,522	
Educational Assistants	367,514	
Other Salaries and Wages	12,479	
Social Security	32,344	
State Retirement	35,671	
Life Insurance	1,864	
Medical Insurance	202,317	
Employer Medicare	7,564	
Contracts with Private Agencies	80,544	
Instructional Supplies and Materials	21,015	
Other Supplies and Materials	46,309	
Special Education Equipment	22,670	
Total Special Education Program		1,037,813

Vocational Education Program

Educational Assistants	\$ 23,121	
------------------------	-----------	--

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program (Cont.)

Other Salaries and Wages	\$	1,700	
Social Security		1,239	
State Retirement		1,641	
Life Insurance		116	
Medical Insurance		13,197	
Employer Medicare		290	
Instructional Supplies and Materials		4,999	
Other Supplies and Materials		48,753	
Vocational Instruction Equipment		66,404	
Total Vocational Education Program			\$ 161,460

Support Services

Health Services

Medical Personnel	\$	32,648	
Social Security		1,871	
State Retirement		1,546	
Life Insurance		43	
Medical Insurance		4,195	
Employer Medicare		438	
Total Health Services			40,741

Other Student Support

Social Workers	\$	29,510	
Other Salaries and Wages		4,000	
Social Security		1,883	
State Retirement		1,219	
Life Insurance		61	
Employer Medicare		440	
Other Contracted Services		10,951	
Other Supplies and Materials		44,235	
Total Other Student Support			92,299

Regular Instruction Program

Supervisor/Director	\$	79,076	
Secretary(ies)		22,696	
Clerical Personnel		25,687	
Other Salaries and Wages		205,381	
In-Service Training		18,873	
Non-certified Substitute Teachers		8,195	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Social Security	\$	21,260	
State Retirement		20,702	
Life Insurance		580	
Medical Insurance		73,599	
Employer Medicare		4,972	
Travel		41,026	
Other Supplies and Materials		42,860	
In Service/Staff Development		192,846	
Other Charges		1,129	
Total Regular Instruction Program			\$ 758,882

Special Education Program

Psychological Personnel	\$	60,953	
Clerical Personnel		23,885	
Social Security		4,971	
State Retirement		3,680	
Life Insurance		102	
Medical Insurance		13,779	
Employer Medicare		1,162	
In Service/Staff Development		6,819	
Total Special Education Program			115,351

Vocational Education Program

Other Salaries and Wages	\$	2,000	
In-Service Training		4,500	
Social Security		403	
State Retirement		432	
Employer Medicare		94	
Travel		44,129	
In Service/Staff Development		16,568	
Total Vocational Education Program			68,126

Transportation

Bus Drivers	\$	39,110	
Other Salaries and Wages		6,549	
Social Security		2,831	
State Retirement		1,530	
Employer Medicare		662	
Maintenance and Repair Services - Vehicles		11,845	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Diesel Fuel	\$	5,274	
Gasoline		8,670	
Transportation Equipment		119,236	
Total Transportation			\$ 195,707

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	2,400	
Social Security		149	
State Retirement		35	
Employer Medicare		35	
Total Community Services			2,619

Early Childhood Education

Teachers	\$	32,330	
Educational Assistants		10,699	
Social Security		2,476	
State Retirement		2,786	
Life Insurance		162	
Medical Insurance		10,315	
Employer Medicare		579	
Total Early Childhood Education			59,347

Total School Federal Projects Fund \$ 4,898,741

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	74,411	
Accountants/Bookkeepers		16,850	
Clerical Personnel		47,850	
Cafeteria Personnel		913,469	
Other Salaries and Wages		63,842	
Social Security		64,412	
State Retirement		62,028	
Life Insurance		4,149	
Medical Insurance		226,743	
Unemployment Compensation		1,933	
Employer Medicare		15,064	

(Continued)

Exhibit J-8

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Communication	\$ 8,779	
Maintenance and Repair Services - Equipment	19,234	
Travel	2,635	
Other Contracted Services	23,049	
Food Preparation Supplies	126,132	
Food Supplies	1,142,125	
Other Supplies and Materials	6,463	
In Service/Staff Development	393	
Other Charges	69,365	
Food Service Equipment	<u>5,685</u>	
Total Food Service		<u>\$ 2,894,611</u>

Total Central Cafeteria Fund \$ 2,894,611

Total Governmental Funds - Campbell County School Department \$ 44,455,272

Exhibit J-9

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

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 3,182,683
Total Cash Receipts	<u>\$ 3,182,683</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 3,150,857
Trustee's Commission	31,826
Total Cash Disbursements	<u>\$ 3,182,683</u>
 Excess of Cash Receipts Over (Under)	
Cash Disbursements	\$ 0
Cash Balance, July 1, 2008	<u>0</u>
 Cash Balance, June 30, 2009	<u><u>\$ 0</u></u>

SINGLE AUDIT SECTION

This page is left blank intentionally.



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

January 13, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Campbell County's basic financial statements and have issued our report thereon dated January 13, 2010. Our report on the aggregate discretely presented component units was qualified due to not including the financial statements of the Campbell County Emergency Communications District, which were not available from other auditors as of the date of this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

reporting. Accordingly, we do not express an opinion on the effectiveness of Campbell County's internal control over financial reporting.

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

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

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

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

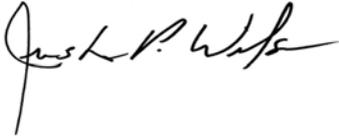
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Campbell County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and is described in the accompanying Schedule of Findings and Questioned Costs as item 09.01(A).

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

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

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

This page is left blank intentionally.



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

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

January 13, 2010

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

To the County Mayor and Board of County Commissioners:

Compliance

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

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

performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Campbell County's compliance with those requirements.

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

Internal Control Over Compliance

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

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

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

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

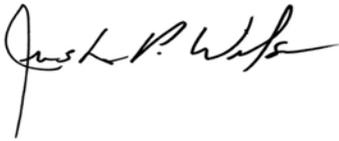
Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County as of and for the year ended June 30, 2009, and have issued our report thereon dated January 13, 2010. Our report on the aggregate discretely presented component units was qualified due to not including the financial statements of the Campbell County Emergency Communications District, which were not available from other auditors as of the date of this report. Our audit was performed for the purpose of

forming our opinions on the financial statements that collectively comprise Campbell County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Yours very truly,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

This page is left blank intentionally.

Campbell 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	\$ 208,008 (3)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	537,701
National School Lunch Program	10.555	N/A	<u>1,583,600 (3)</u>
Total U.S. Department of Agriculture			<u>\$ 2,329,309</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.288	GG-08-24777-00	<u>\$ 329,159</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 329,159</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	(2)	<u>\$ 589,224</u>
Total U.S. Department of Transportation			<u>\$ 589,224</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Adult Education - Basic Grants to States	84.002	(2)	\$ 87,682
Title I Grants to Local Educational Agencies	84.010	N/A	2,189,090
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,372,664
Special Education - Preschool Grants	84.173	N/A	53,612
Career and Technical Education - Basic Grants to States	84.048	N/A	215,176
Safe and Drug-free Schools and Communities - State Grants	84.186	(2)	32,187
Education Technology State Grants	84.318	(2)	21,510
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	120,000
Reading First State Grants	84.357	N/A	283,255
Rural Education	84.358	N/A	204,990
Improving Teacher Quality State Grants	84.367	N/A	465,216
School Improvement Grants	84.377	(2)	<u>112,219</u>
Total U.S. Department of Education			<u>\$ 5,157,601</u>
Corporation for National and Community Service:			
Passed-through State Department of Education:			
Learn and Service America - Higher Education	94.005	(2)	<u>\$ 6,498</u>
Total Corporation for National and Community Service			<u>\$ 6,498</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	GG-07-20956-00	\$ 57,023
Emergency Management Performance Grants	97.042	DG-09-24430-00	<u>4,049</u>
Total U.S. Department of Homeland Security			<u>\$ 61,072</u>
Total Expenditures of Federal Awards			<u>\$ 8,472,863</u>

(Continued)

Campbell County, Tennessee

Schedule of Expenditures of Federal Awards and State Grants (1) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Reappraisal Program - Comptroller of the Treasury	N/A	(2)	\$ 17,640
Waste Tire Program - State Department of Environment and Conservation	N/A	(2)	15,433
Litter Program - State Department of Transportation	N/A	(2)	37,577
Airport Maintenance - State Department of Transportation	N/A	(2)	688,040
Aging Program - State Commission on Aging	N/A	(2)	10,827
Local Health Services - State Department of Health	N/A	(2)	471,533
Juvenile Service Program - State Commission on Children and Youth	N/A	(2)	9,000
Safe Schools Act - State Department of Education	N/A	(2)	25,431
Early Childhood Education Program - State Department of Education	N/A	(2)	278,141
Community Enhancement Grant Program - Middle and Elementary Schools - Tennessee Secretary of State	N/A	(2)	11,000
Drug Grant - State Department of Finance and Administration	N/A	(2)	48,917
Internet Connectivity Grant - State Department of Education	N/A	(2)	33,077
STOP Tobacco Use Prevention and Cessation Program - State Higher Education Commission	N/A	(2)	48,750
Coordinated School Health-Expansion Grant - State Department of Education	N/A	(2)	99,577
Family Resource Center State Grant - State Department of Education	N/A	(2)	63,827
High Schools that Work - State Department of Education	N/A	(2)	7,912
Lottery for Education: After School Program - State Department of Education	N/A	(2)	433,653
Lottery for Education: Preschool - State Department of Education	N/A	(2)	366,534
Total State Grants			<u>\$ 2,666,869</u>

CFDA - Catalog of Federal Domestic Assistance

N/A - Not Applicable

(1) Presented in conformity with general accepted accounting principles using the modified accrual basis of accounting.

(2) Information not available.

(3) Total for CFDA No. 10.555 is \$1,791,608.

Campbell 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 is the finding from the Annual Financial Report for Campbell County, Tennessee, for the year ended June 30, 2008, which has not been corrected.

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
08.03	199	Duties were not segregated adequately in the Offices of County Clerk, Clerk and Master, Register, and Sheriff

This page is left blank intentionally.

CAMPBELL 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 aggregate discretely presented component units is qualified. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.
2. The audit of the financial statements of Campbell County disclosed significant deficiencies in internal control. None of these deficiencies were considered to be material weaknesses.
3. The audit disclosed no instance of noncompliance that is material to the financial statements of Campbell County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555), Community Development Block Grants/State's Programs (CFDA No. 14.228), and Title I – Grants to Local Educational Agencies (CFDA No. 84.010) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Campbell County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response; however, management did not provide responses for inclusion in this report.

OFFICE OF SHERIFF

FINDING 09.01 **THE OFFICE HAD ACCOUNTING DEFICIENCIES**

(A. – Noncompliance Under Government Auditing Standards; B. and C. – Internal Control – Significant Deficiency Under Government Auditing Standards)

The following accounting deficiencies were noted during our examination of the office. These deficiencies can be attributed to a lack of understanding of internal controls, generally accepted accounting principles, and sound business practices.

- A. The sheriff did not prepare an annual financial report. Section 5-8-505, Tennessee Code Annotated states, “All appointive or elective county public officials, official county boards, committees and commissions ... having in their charge and custody public funds or moneys are required to file with the county executive and with the county clerk ... an annual financial report ...”
- B. The cash journal did not properly reflect the operations of the office. Receipts were posted to the cash journal; however, all disbursements were not posted, and the cash journal was not properly totaled and balanced. These deficiencies resulted in an incomplete summary of the financial activity of the office. Operations were determined by substantive testing and alternative auditing procedures and have been properly reflected in the financial statements of this report.
- C. The office did attempt to reconcile the bank account with the cash journal; however, errors that were revealed in the reconciliation were not corrected in a timely manner and were carried forward indefinitely. The June 30, 2009, bank balances were determined by substantive testing and alternative auditing procedures.

RECOMMENDATION

The office should prepare an annual report of its financial activity. The cash journal should accurately reflect all financial operations of the office. Bank statements should be reconciled with the accounting records monthly, and any errors discovered should be corrected. The Sheriff's Office should have the technical skills to generate the accounting records and reconcile the reports with receipts, disbursements, and cash balances.

OTHER FINDING

FINDING 09.02 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF COUNTY CLERK, CLERK AND MASTER, REGISTER, AND SHERIFF**

(Internal Control – Significant Deficiency Under Government Auditing Standards)

Duties were not segregated adequately among officials and employees in the Offices of County Clerk, Clerk and Master, Register, and Sheriff. Officials and employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to give reasonable assurance of the reliability in financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions. 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.

**CAMPBELL 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.