
ANNUAL FINANCIAL REPORT MAURY COUNTY, TENNESSEE



FOR THE YEAR ENDED JUNE 30, 2009



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

DEPARTMENT OF AUDIT
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Comptroller of the Treasury

DIVISION OF COUNTY AUDIT
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Assistant to the Comptroller

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State Auditors

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

Scope

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

Results

Our report on the financial statements of Maury County is unqualified.

Our audit resulted in 13 findings and recommendations, which we have reviewed with Maury County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ The animal shelter did not issue official prenumbered receipts for some collections.
 - ◆ The solid waste software did not have adequate application controls.
 - ◆ The building permits software did not have adequate application controls.
-

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ Material audit adjustments were required in the General Debt Service Fund for proper financial statement presentation.
 - ◆ The office had deficiencies in budget operations.
-

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The office did not implement adequate controls to protect its information resources.
-

OFFICE OF CIRCUIT COURT CLERK

- ◆ The office did not issue prenumbered receipts.
-

OFFICE OF SHERIFF

- ◆ The office did not channel federal equitable shared funds through the county's budgetary process.
 - ◆ Inmate funds totaling \$540 were missing.
-

OFFICE OF REGISTER

- ◆ Duties were not adequately segregated in the office.
-

MAURY REGIONAL HOSPITAL (Enterprise Fund)

- ◆ Material audit adjustments were required for various retirement benefits that were not appropriately recorded in the financial statements.
- ◆ The hospital did not implement adequate controls to protect its information systems.
- ◆ Hospital funds totaling \$25,140 were stolen.

INTRODUCTORY SECTION

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Maury County Officials
June 30, 2009

Officials

Jim Bailey, County Mayor
Van Boshers, Road Superintendent
Edward Hickman, Director of Schools
Steve Konz, Trustee
Jim Dooley, Assessor of Property
Nancy Thompson, County Clerk
Kathy Kelly, Circuit and General Sessions Courts Clerk
Cheryl Church, Clerk and Master
John Fleming, Register
Enoch George, Sheriff
James Bracken, Director of Accounts and Budgets
Dana Gibson, Director of Human Resources
Buddy Harlan, Purchasing Agent

Board of County Commissioners

Tom Primm, Chairman
Jewel Scott
John Goodloe
Dr. Lucy Ledbetter
Felicia McClain
Eugene Richardson
June Beckum
Roben Mounger
Wayne Hickman
Andy Jackson
Gerald Adkison

Joe Roberson
Arch Patterson
Linda Whiteside
Glenda Bolton
Judy Vick
Glen Hasse
Rick Miller
Wilma Dugger
Tommy Wolaver
Gwynne Evans
Bob Farmer

Board of Education

Shaw Daniels, Chairman
Rob Burcham
Talvin Barner
Jim Morrison
James Pennings
Jerry Lassiter

Loretta Goodloe
Steve Kindler
Joe Foster
Daniel McCulley
Tommy Dudley

Budget Committee

Jim Bailey, County Mayor
James Bracken, Director of Accounts and Budgets
Tommy Wolaver
Tom Primm

Joe Roberson
Glen Hasse
Rick Miller
Bob Farmer

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FINANCIAL SECTION

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**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
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INDEPENDENT AUDITOR'S REPORT

March 10, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Maury County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Maury County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Maury Regional Hospital (major proprietary fund), which represent 93 percent and 98 percent, respectively, of the assets and revenues of the business-type activities. In addition, we did not audit the financial statements of the Maury County Board of Public Utilities Water System, which represent 17.5 percent and 3.5 percent, respectively, of the assets and revenues of the aggregate discretely presented component units and the Maury County Emergency Communications District, which represent one percent of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Maury Regional Hospital, Maury County Board of Public Utilities Water System, and Maury County Emergency Communications District, is based on the reports of other auditors.

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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated March 10, 2010, on our consideration of Maury 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., Maury County has implemented the provisions of Governmental Accounting Standards Board Statement No. 49, Accounting and Financial Reporting by Pollution Remediation Obligations; and Statement No. 52, Land and Other Real Estate Held as Investments by Endowments.

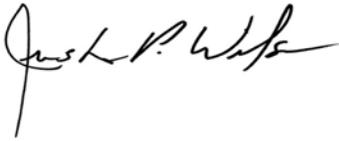
The management of Maury County did not prepare a management's discussion and analysis. The management's discussion and analysis section is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America.

The budgetary comparison, pension, and other postemployment benefits information on pages 101 through 107 are not required parts of the basic financial statements but they do provide supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Maury 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 Maury 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 Maury County School Department (a discretely presented component unit), and the miscellaneous schedules have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

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BASIC FINANCIAL STATEMENTS

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Exhibit A

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

	Primary Government		Total	Component Units			
	Governmental Activities	Business-type Activities		Maury County School Department	Board of Public Utilities Water System	Emergency Communications District	
<u>ASSETS</u>							
Cash	\$ 193,650	\$ 22,711,286	\$ 22,904,936	\$ 8,215	\$ 5,545,198	\$ 448,408	0
Equity in Pooled Cash and Investments	26,841,180	3,221,717	30,062,897	15,739,819	0	111,311	0
Accounts Receivable	265,442	49,003,062	49,268,504	30,310	281,221	0	0
Allowance for Uncollectibles	0	(13,300,000)	(13,300,000)	0	0	0	0
Property Taxes Receivable	19,238,351	1,762,866	21,001,217	20,229,167	0	0	0
Allowance for Uncollectible Property Taxes	(568,000)	0	(568,000)	(597,254)	0	0	0
Accrued Interest Receivable	0	0	0	0	27,296	0	0
Due from Other Governments	1,038,511	12,145	1,050,656	2,360,254	0	0	0
Prepaid Items	169,059	1,803,407	1,972,466	0	117	0	0
Deferred Charges - Debt Issuance Costs	874,261	0	874,261	0	0	0	0
Inventories	0	4,331,860	4,331,860	0	72,096	0	0
Other	0	3,430,826	3,430,826	0	0	0	0
Restricted Assets:							
Customer Deposits	0	0	0	0	18,050	0	0
Capital Assets:							
Assets Not Depreciated:							
Land	7,663,650	5,916,745	13,580,395	3,019,939	287,025	74,380	0
Construction in Progress	2,017,191	1,247,264	3,264,455	18,372,847	0	0	0
Assets Net of Accumulated Depreciation:							
Buildings and Improvements	29,132,367	94,140,224	123,272,591	80,189,043	158,117	456,825	0
Other Capital Assets	3,789,370	31,405,129	35,194,499	4,369,703	24,439,213	335,895	0
Infrastructure	24,067,698	0	24,067,698	0	0	0	0
Total Assets	\$ 114,722,730	\$ 205,686,531	\$ 320,409,261	\$ 143,722,043	\$ 30,828,333	\$ 1,426,819	0

(Continued)

Exhibit A

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

	Primary Government		Total	Component Units			
	Governmental Activities	Business-type Activities		Maury County School Department	Board of Public Utilities Water System	Emergency Communications District	
LIABILITIES							
Accounts Payable	\$ 65,538	\$ 12,053,013	\$ 12,118,551	\$ 15,755	\$ 0	\$ 0	9,081
Accrued Payroll	0	4,146,546	4,146,546	0	0	0	18,448
Payroll Deductions Payable	207,263	8,623	215,886	4,623	0	0	0
Contracts Payable	209,456	0	209,456	1,559,802	0	0	0
Retainage Payable	11,024	0	11,024	79,189	0	0	0
Compensated Absences Payable	0	4,033,135	4,033,135	0	0	0	0
Accrued Interest Payable	877,069	172,889	1,049,958	42,805	0	0	0
Due to Litigants, Heirs, and Others	2,145	0	2,145	0	0	0	0
Customer Deposits Payable	32,949	0	32,949	0	18,050	0	0
Due to State of Tennessee	1,218	0	1,218	2,322	0	0	0
Deferred Revenue - Current Property Taxes	18,021,610	1,759,584	19,781,194	18,949,761	0	0	0
Noncurrent Liabilities:							
Due Within One Year	8,602,663	6,736,162	15,338,825	1,195,027	326,559		33,160
Due in More Than One Year (net of deferred amount on refunding and unamortized premium on debt)							
Total Liabilities	\$ 82,218,890	\$ 33,441,255	\$ 115,660,145	\$ 6,710,475	\$ 8,022,835	\$ 55,161	\$ 115,850
	\$ 110,249,825	\$ 62,351,207	\$ 172,601,032	\$ 28,559,759	\$ 8,367,444	\$ 115,850	\$ 115,850

(Continued)

Exhibit A

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

	Primary Government		Total	Component Units			
	Governmental Activities	Business-type Activities		Maury County School Department	Board of Public Utilities Water System	Emergency Communications District	
NET ASSETS							
Invested in Capital Assets,							
Net of Related Debt	\$ 47,229,245	\$ 93,094,478	\$ 140,323,723	\$ 0	\$ 16,592,881	\$ 778,779	0
Invested in Capital Assets Restricted for:	0	1,970,337	1,970,337	105,951,532	0	0	0
Capital Projects	6,164,936	0	6,164,936	8,451,512	0	0	0
Debt Service	12,624,111	0	12,624,111	0	1,650,000	0	0
Special Purpose	467,856	0	467,856	0	0	0	0
Highway/Public Works	2,666,547	0	2,666,547	0	0	0	0
Central Cafeteria	0	0	0	1,604,050	0	0	0
Federal Projects	0	0	0	495,640	0	0	0
Central Maintenance Garage	355,725	0	355,725	0	0	0	0
Drug Control	177,604	0	177,604	0	0	0	0
Drug Court	109,118	0	109,118	0	0	0	0
Computer System - Register	111,298	0	111,298	0	0	0	0
Automation Purposes - General Sessions Court	258,342	0	258,342	0	0	0	0
Other Purposes	68,376	0	68,376	313,154	0	0	0
Unrestricted	(65,760,253)	48,270,509	(17,489,744)	(1,653,604)	4,218,008	532,190	0
Total Net Assets	\$ 4,472,905	\$ 143,335,324	\$ 147,808,229	\$ 115,162,284	\$ 22,460,889	\$ 1,310,969	0

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets										
	Program Revenues					Primary Government			Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Governmental Activities	Business-type Activities	Total	Maury County School Department	Board of Public Utilities Water System	Emergency Communications District
Primary Government:											
Governmental Activities:											
General Government	\$ 5,309,465	\$ 1,012,775	\$ 55,779	\$ 679,315	\$ (3,561,596)	\$ 0	\$ (3,561,596)	\$ 0	\$ 0	\$ 0	\$ 0
Finance	2,888,191	2,008,540	24,484	0	(855,167)	0	(855,167)	0	0	0	0
Administration of Justice	2,619,222	1,758,920	14,000	0	(846,302)	0	(846,302)	0	0	0	0
Public Safety	9,403,876	1,076,666	97,449	83,308	(8,146,453)	0	(8,146,453)	0	0	0	0
Public Health and Welfare	3,239,495	118,221	824,161	0	(2,297,113)	0	(2,297,113)	0	0	0	0
Social, Cultural, and Recreational Services	1,401,698	71,883	0	0	(1,329,815)	0	(1,329,815)	0	0	0	0
Agriculture and Natural Resources	167,918	0	0	0	(167,918)	0	(167,918)	0	0	0	0
Highway/Public Works	5,501,741	31,075	2,217,703	1,200,754	(2,052,209)	0	(2,052,209)	0	0	0	0
Education	3,648,690	747,220	0	0	(2,901,470)	0	(2,901,470)	0	0	0	0
Operation of Non-Instructional Services	105,980	0	0	0	(105,980)	0	(105,980)	0	0	0	0
Interest on Long-term Debt	3,572,462	0	348,212	0	(3,224,250)	0	(3,224,250)	0	0	0	0
Other Debt Service	151,014	0	0	0	(151,014)	0	(151,014)	0	0	0	0
Total Governmental Activities	\$ 38,009,752	\$ 6,825,300	\$ 3,581,788	\$ 1,963,377	\$ (25,639,287)	\$ 0	\$ (25,639,287)	\$ 0	\$ 0	\$ 0	\$ 0
Business-type Activities:											
Maury Regional Hospital	\$ 260,167,874	\$ 249,424,520	\$ 0	\$ 0	\$ (10,743,354)	\$ (10,743,354)	\$ (10,743,354)	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal	3,670,338	2,052,573	0	0	(1,617,765)	0	(1,617,765)	0	0	0	0
Total Business-type Activities	\$ 263,838,212	\$ 251,477,093	\$ 0	\$ 0	\$ (12,361,119)	\$ (12,361,119)	\$ (12,361,119)	\$ 0	\$ 0	\$ 0	\$ 0
Total Primary Government	\$ 301,847,964	\$ 258,302,393	\$ 3,581,788	\$ 1,963,377	\$ (25,639,287)	\$ (12,361,119)	\$ (38,000,406)	\$ 0	\$ 0	\$ 0	\$ 0
Component Units:											
Maury County School Department	\$ 93,463,837	\$ 3,010,187	\$ 10,034,190	\$ 2,424,484	\$ 0	\$ 0	\$ 0	\$ (77,994,976)	\$ 0	\$ 0	\$ 0
Board of Public Utilities Water System	2,956,983	3,057,418	0	0	0	0	0	0	100,435	0	0
Emergency Communications District	1,146,425	1,249,895	0	0	0	0	0	0	0	103,470	0
Total Component Units	\$ 97,567,245	\$ 7,317,500	\$ 10,034,190	\$ 2,424,484	\$ 0	\$ 0	\$ 0	\$ (77,994,976)	\$ 100,435	\$ 103,470	\$ 0

(Continued)

Exhibit B

Maury County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Business-type Activities			Component Units	
					Governmental Activities	Total	Maury County School Department	Board of Public Utilities Water System	Emergency Communications District
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 12,645,462	\$ 1,684,879	\$ 14,330,341	\$ 19,056,547	\$ 0
Property Taxes Levied for Debt Service					4,900,958	0	4,900,958	0	0
Local Option Sales Taxes					405,978	0	405,978	10,411,110	0
Hotel/Motel Tax					381,744	0	381,744	0	0
Wheel Tax					1,802,264	0	1,802,264	0	0
Litigation Tax - General					678,825	0	678,825	0	0
Business Tax					883,480	0	883,480	0	0
Mineral Severance Tax					65,745	0	65,745	0	0
Adequate Facilities/Development Tax					554,581	0	554,581	0	0
Wholesale Beer Tax					322,165	0	322,165	0	0
Other Local Taxes					50,871	0	50,871	11,117	0
Grants and Contributions Not Restricted to Specific Programs					4,057,117	797,013	4,854,130	45,855,914	10,000
Unrestricted Investment Earnings					1,849,934	247,719	2,097,653	13,178	6,122
Miscellaneous					506,792	650,581	1,157,373	50,194	0
Gain on Disposal of Capital Assets					89,357	0	89,357	0	4,206
Total General Revenues					\$ 29,195,273	\$ 3,380,192	\$ 32,575,465	\$ 75,398,060	\$ 265,162
Change in Net Assets					\$ 3,555,986	\$ (8,980,927)	\$ (5,424,941)	\$ (2,596,916)	\$ 365,597
Prior-period Adjustment					0	(1,500,000)	(1,500,000)	0	0
Net Assets, July 1, 2008					916,919	153,816,251	154,733,170	117,759,200	22,095,292
Net Assets, June 30, 2009					\$ 4,472,905	\$ 143,335,324	\$ 147,808,229	\$ 115,162,284	\$ 22,460,889

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

Exhibit C-1

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

	Major Funds		Nonmajor Funds	Total Govern- mental Funds
	General	Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 63	\$ 0	\$ 193,587	\$ 193,650
Equity in Pooled Cash and Investments	4,161,349	13,221,207	9,231,123	26,613,679
Accounts Receivable	224,549	2,390	23,326	250,265
Due from Other Governments	512,189	0	526,322	1,038,511
Property Taxes Receivable	10,981,548	5,284,354	2,972,449	19,238,351
Allowance for Uncollectible Property Taxes	(324,223)	(156,017)	(87,760)	(568,000)
Prepaid Items	140,180	0	25,575	165,755
Total Assets	\$ 15,695,655	\$ 18,351,934	\$ 12,884,622	\$ 46,932,211
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 61,752	\$ 0	\$ 3,744	\$ 65,496
Payroll Deductions Payable	171,936	0	30,776	202,712
Contracts Payable	0	0	209,456	209,456
Retainage Payable	0	0	11,024	11,024
Due to State of Tennessee	965	0	253	1,218
Due to Litigants, Heirs, and Others	0	0	2,145	2,145
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	0	32,949	32,949
Deferred Revenue - Current Property Taxes	10,287,013	4,950,142	2,784,455	18,021,610
Deferred Revenue - Delinquent Property Taxes	350,469	168,647	95,460	614,576
Other Deferred Revenues	235,724	0	197,804	433,528
Total Liabilities	\$ 11,107,859	\$ 5,118,789	\$ 3,368,066	\$ 19,594,714
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 90,670	\$ 0	\$ 1,275,513	\$ 1,366,183
Reserved for Litter Enforcement Awards	2,815	0	0	2,815
Reserved for Drug Court	109,118	0	0	109,118
Reserved for Sexual Offender Registration	4,582	0	0	4,582
Reserved for Courthouse and Jail Maintenance	0	3,210,371	0	3,210,371
Reserved for Computer System - Register	111,298	0	0	111,298
Reserved for Automation Purposes - Circuit Court	13,457	0	0	13,457
Reserved for Automation Purposes - General Sessions Court	258,342	0	0	258,342
Reserved for Automation Purposes - Chancery Court	17,255	0	0	17,255
Reserved for Automation Purposes - Sheriff	25,919	0	0	25,919
Reserved for Automation Purposes - County Clerk	4,348	0	0	4,348
Unreserved, Reported In:				
General Fund	3,949,992	0	0	3,949,992
Special Revenue Funds	0	0	3,862,935	3,862,935
Debt Service Funds	0	10,022,774	0	10,022,774
Capital Projects Funds	0	0	4,378,108	4,378,108
Total Fund Balances	\$ 4,587,796	\$ 13,233,145	\$ 9,516,556	\$ 27,337,497
Total Liabilities and Fund Balances	\$ 15,695,655	\$ 18,351,934	\$ 12,884,622	\$ 46,932,211

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

Exhibit C-2

Maury 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)		\$ 27,337,497
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 7,663,650	
Add: construction in progress	2,017,191	
Add: infrastructure net of accumulated depreciation	24,067,698	
Add: buildings and improvements net of accumulated depreciation	29,132,367	
Add: other capital assets net of accumulated depreciation	3,789,370	
Less: capital assets of internal service funds that are also included in item (2) below.	<u>(114,336)</u>	66,555,940
(2) An internal service fund is used by management to charge the costs of a central maintenance garage to applicable profit due business-type funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		355,725
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (20,600,317)	
Less: capital leases payable	(315,056)	
Less: bonds payable	(64,740,000)	
Add: deferred amount on refunding	76,460	
Add: deferred charges - debt issuance costs	874,261	
Less: compensated absences payable	(982,387)	
Less: judgments payable	(3,279,000)	
Less: accrued interest on bonds, notes, and capital leases	(877,069)	
Less: other deferred revenue - premium on debt	<u>(981,253)</u>	(90,824,361)
(4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,048,104</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 4,472,905</u>

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

Exhibit C-3

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

	Major Funds			Nonmajor	Total
	General	Debt	Education	Other	
				Governmental	
	Service	Capital	Funds	Governmental	
		Projects		Funds	Funds
Revenues					
Local Taxes	\$ 12,631,013	\$ 7,640,915	\$ 0	\$ 5,356,406	\$ 25,628,334
Licenses and Permits	271,618	0	0	0	271,618
Fines, Forfeitures, and Penalties	479,853	0	0	110,252	590,105
Charges for Current Services	288,430	0	0	818,335	1,106,765
Other Local Revenues	538,258	1,831,928	0	613,140	2,983,326
Fees Received from County Officials	2,925,870	0	0	0	2,925,870
State of Tennessee	1,701,418	910,724	0	2,711,038	5,323,180
Federal Government	323,158	458	0	30,000	353,616
Other Governments and Citizens Groups	65,840	0	0	178,786	244,626
Total Revenues	\$ 19,225,458	\$ 10,384,025	\$ 0	\$ 9,817,957	\$ 39,427,440
Expenditures					
Current:					
General Government	\$ 3,324,184	\$ 0	\$ 0	\$ 0	\$ 3,324,184
Finance	2,071,962	0	0	745,280	2,817,242
Administration of Justice	2,126,346	0	0	284,633	2,410,979
Public Safety	10,195,601	0	0	333,931	10,529,532
Public Health and Welfare	1,163,369	0	0	430,231	1,593,600
Social, Cultural, and Recreational Services	1,269,693	0	0	0	1,269,693
Agriculture and Natural Resources	161,937	0	0	0	161,937
Other Operations	1,746,207	0	0	407,272	2,153,479
Highways	0	0	0	4,808,212	4,808,212
Operation of Non-Instructional Services	0	0	0	105,980	105,980
Debt Service:					
Principal on Debt	128,079	8,869,558	0	266,758	9,264,395
Interest on Debt	0	3,372,124	0	21,423	3,393,547
Other Debt Service	0	151,014	0	0	151,014
Capital Projects	5,800	0	0	6,002,781	6,008,581
Capital Projects - Donated	58,300	0	2,433,000	506,218	2,997,518
Total Expenditures	\$ 22,251,478	\$ 12,392,696	\$ 2,433,000	\$ 13,912,719	\$ 50,989,893
Excess (Deficiency) of Revenues					
Over Expenditures	\$ (3,026,020)	\$ (2,008,671)	\$ (2,433,000)	\$ (4,094,762)	\$ (11,562,453)
Other Financing Sources (Uses)					
Notes Issued	\$ 640,396	\$ 0	\$ 2,433,000	\$ 567,000	\$ 3,640,396
Capital Leases Issued	0	0	0	125,675	125,675
Insurance Recovery	39,401	0	0	132	39,533
Transfers In	1,255,504	2,000,000	0	392,766	3,648,270
Transfers Out	(160,766)	0	0	(3,520,754)	(3,681,520)
Total Other Financing Sources (Uses)	\$ 1,774,535	\$ 2,000,000	\$ 2,433,000	\$ (2,435,181)	\$ 3,772,354
Net Change in Fund Balances	\$ (1,251,485)	\$ (8,671)	\$ 0	\$ (6,529,943)	\$ (7,790,099)
Fund Balance, July 1, 2008	5,839,281	13,241,816	0	16,046,499	35,127,596
Fund Balance, June 30, 2009	\$ 4,587,796	\$ 13,233,145	\$ 0	\$ 9,516,556	\$ 27,337,497

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

Exhibit C-4

Maury 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)		\$ (7,790,099)
(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	\$ 9,572,750	
Less: current year depreciation expense	<u>(4,850,110)</u>	4,722,640
(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	\$ 1,151,100	
Add: gain on disposal of capital assets	89,357	
Less: revenue from the sale of capital assets	<u>(395,063)</u>	845,394
(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	\$ 1,048,104	
Less: deferred delinquent property taxes and other deferred June 30, 2008	<u>(1,016,886)</u>	31,218
(4) The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Less: note proceeds	\$ (3,640,396)	
Less: capital lease proceeds	(125,675)	
Add: change in premium on debt issuances	348,210	
Less: change in deferred debt issuance costs	(92,891)	
Add: principal payments on bonds	4,645,000	
Add: principal payments on notes	4,352,637	
Add: principal payments on capital leases	266,758	
Less: change in deferred amount on refunding debt	<u>(75,348)</u>	5,678,295
(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	\$ (10,674)	
Change in compensated absences payable	<u>(66,374)</u>	(77,048)
(6) Internal service funds are used by management to charge the costs of a central maintenance garage to applicable profit due business-type funds. The net revenue of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		<u>145,586</u>
Change in net assets of governmental activities (Exhibit B)		<u>\$ 3,555,986</u>

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

Exhibit D-1

Maury County, Tennessee
Statement of Net Assets
Proprietary Funds
June 30, 2009

	Business-type Activities			Governmental
	Major	Nonmajor		Activities -
	Fund	Fund		Internal
	Maury	Solid		Service
	Regional	Waste		Fund
	Hospital	Disposal	Total	Central
				Maintenance
				Garage
ASSETS				
Current Assets:				
Cash	\$ 22,711,086	\$ 200	\$ 22,711,286	\$ 0
Equity in Pooled Cash and Investments	0	3,221,717	3,221,717	227,501
Accounts Receivable	48,750,998	252,064	49,003,062	15,177
Allowance for Uncollectible Accounts	(13,300,000)	0	(13,300,000)	0
Property Taxes Receivable (Net of Allowance for Uncollected Property Taxes)	0	1,762,866	1,762,866	0
Due from Other Governments	0	12,145	12,145	0
Inventories	4,331,860	0	4,331,860	0
Prepaid Items	1,796,859	6,548	1,803,407	3,304
Other	3,430,826	0	3,430,826	0
Total Current Assets	<u>\$ 67,721,629</u>	<u>\$ 5,255,540</u>	<u>\$ 72,977,169</u>	<u>\$ 245,982</u>
Noncurrent Assets:				
Capital Assets:				
Assets not Depreciated:				
Land	\$ 5,098,378	\$ 818,367	\$ 5,916,745	\$ 25,000
Construction in Progress	1,247,264	0	1,247,264	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	93,829,714	310,511	94,140,225	50,400
Other Capital Assets	30,563,669	841,459	31,405,128	38,936
Total Noncurrent Assets	<u>\$ 130,739,025</u>	<u>\$ 1,970,337</u>	<u>\$ 132,709,362</u>	<u>\$ 114,336</u>
Total Assets	<u>\$ 198,460,654</u>	<u>\$ 7,225,877</u>	<u>\$ 205,686,531</u>	<u>\$ 360,318</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 12,051,547	\$ 1,466	\$ 12,053,013	\$ 42
Accrued Payroll	4,146,546	0	4,146,546	0
Payroll Deductions Payable	0	8,623	8,623	4,551
Compensated Absences Payable	3,995,173	37,962	4,033,135	0
Accrued Liability for Landfill Postclosure Care Cost	0	38,154	38,154	0
Accrued Interest Payable	172,889	0	172,889	0
Deferred Revenue - Current Property Taxes	0	1,759,584	1,759,584	0
Current Portion of Long-term Debt	6,698,008	0	6,698,008	0
Total Current Liabilities	<u>\$ 27,064,163</u>	<u>\$ 1,845,789</u>	<u>\$ 28,909,952</u>	<u>\$ 4,593</u>
Noncurrent Liabilities:				
Accrued Liability for Landfill Postclosure Care Cost	\$ 0	\$ 544,716	\$ 544,716	\$ 0
Other Long-term Liabilities	1,950,000	0	1,950,000	0
Bonds and Other Long-term Debt	30,946,539	0	30,946,539	0
Total Noncurrent Liabilities	<u>\$ 32,896,539</u>	<u>\$ 544,716</u>	<u>\$ 33,441,255</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 59,960,702</u>	<u>\$ 2,390,505</u>	<u>\$ 62,351,207</u>	<u>\$ 4,593</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	\$ 93,094,478	\$ 0	\$ 93,094,478	\$ 0
Invested in Capital Assets	0	1,970,337	1,970,337	114,336
Unrestricted	45,405,474	2,865,035	48,270,509	241,389
Total Net Assets	<u>\$ 138,499,952</u>	<u>\$ 4,835,372</u>	<u>\$ 143,335,324</u>	<u>\$ 355,725</u>

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

Exhibit D-2

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

	<u>Business-type Activities</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Major</u>	<u>Nonmajor</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>		
<u>Maury Regional Hospital</u>	<u>Solid Waste Disposal</u>		<u>Central Maintenance Garage</u>	
<u>Operating Revenues</u>				
Charges for Current Services	\$ 243,557,071	\$ 1,927,544	\$ 245,484,615	\$ 1,928,212
Other Local Revenues	5,867,449	125,029	5,992,478	2,049
Total Operating Revenues	<u>\$ 249,424,520</u>	<u>\$ 2,052,573</u>	<u>\$ 251,477,093</u>	<u>\$ 1,930,261</u>
<u>Operating Expenses</u>				
Salaries and Employee Benefits	\$ 151,160,386	\$ 0	\$ 151,160,386	\$ 0
Other General Administration	0	0	0	1,803,246
Other Operations	26,274,151	0	26,274,151	0
Fees and Professional Services	16,549,135	0	16,549,135	0
Insurance	2,022,364	0	2,022,364	0
Supplies and Other Expenses	44,935,553	0	44,935,553	0
Waste Pickup	0	57,572	57,572	0
Convenience Centers	0	905,465	905,465	0
Landfill Operation and Maintenance	0	2,430,578	2,430,578	0
Depreciation and Amortization Expense	17,508,496	276,723	17,785,219	14,679
Total Operating Expenses	<u>\$ 258,450,085</u>	<u>\$ 3,670,338</u>	<u>\$ 262,120,423</u>	<u>\$ 1,817,925</u>
Operating Income (Loss)	<u>\$ (9,025,565)</u>	<u>\$ (1,617,765)</u>	<u>\$ (10,643,330)</u>	<u>\$ 112,336</u>
<u>Nonoperating Revenues (Expenses)</u>				
Local Taxes	\$ 0	\$ 1,684,879	\$ 1,684,879	\$ 0
General Government Grants	0	112,106	112,106	0
Other Local Revenues - Nonrecurring	0	63,094	63,094	0
Contributions	628,987	55,920	684,907	0
Interest Income	184,625	0	184,625	0
Interest Expense	(1,717,789)	0	(1,717,789)	0
Minority Interest in Loss of Subsidiaries	269,810	0	269,810	0
Other	380,771	0	380,771	0
Total Nonoperating Revenues (Expenses)	<u>\$ (253,596)</u>	<u>\$ 1,915,999</u>	<u>\$ 1,662,403</u>	<u>\$ 0</u>
Income(Loss) Before Transfers	\$ (9,279,161)	\$ 298,234	\$ (8,980,927)	\$ 112,336
Transfers In (Out)	0	0	0	33,250
Change in Net Assets	\$ (9,279,161)	\$ 298,234	\$ (8,980,927)	\$ 145,586
Prior-period Adjustment	(1,500,000)	0	(1,500,000)	0
Net Assets, July 1, 2008	<u>149,279,113</u>	<u>4,537,138</u>	<u>153,816,251</u>	<u>210,139</u>
Nets Assets, June 30, 2009	<u>\$ 138,499,952</u>	<u>\$ 4,835,372</u>	<u>\$ 143,335,324</u>	<u>\$ 355,725</u>

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

Maury County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2009

	Business-type Activities			Total	Governmental Activities - Internal Service Fund
	Major Fund	Nonmajor Fund	Capital Fund		
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Receipts from Customers and Users	\$ 256,745,706	\$ 1,804,694	\$ 258,550,400	\$ 1,970,477	
Other Cash Receipts (Payments)	6,220,139	161,148	6,381,287	2,049	
Payments to Suppliers	(90,605,627)	0	(90,605,627)	0	
Payments to Employees	(149,750,283)	0	(149,750,283)	0	
Central Maintenance Garage Activity - Uses	0	0	0	(1,799,119)	
Waste Collection and Disposal Activity - Uses	0	(3,414,257)	(3,414,257)	0	
Net Cash Provided By (Used In) Operating Activities	\$ 22,609,935	\$ (1,448,415)	\$ 21,161,520	\$ 173,407	

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of Capital Assets	\$ (7,948,763)	\$ (225,960)	\$ (8,174,723)	\$ 0
Proceeds from Sale of Equipment	176,730	54,755	231,485	0
Contributions	0	55,920	55,920	0
Proceeds from Issuance of Long-term Debt	50,000	0	50,000	0
Principal Payments on Long-term Debt	(6,514,646)	0	(6,514,646)	0
Interest Paid on Long-term Debt	(1,752,315)	0	(1,752,315)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	\$ (15,988,994)	\$ (115,285)	\$ (16,104,279)	\$ 0

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Grants Received	\$ 0	\$ 112,106	\$ 112,106	\$ 0
Local Taxes	0	1,686,659	1,686,659	0
Contributions and Gifts	628,987	8,339	637,326	0
Operating Transfers In	0	0	0	33,250
Net Cash Provided By (Used In) Noncapital Financing Activities	\$ 628,987	\$ 1,807,104	\$ 2,436,091	\$ 33,250

CASH FLOWS FROM INVESTING ACTIVITIES

Investment Income	\$ 184,625	\$ 0	\$ 184,625	\$ 0
Contribution from Minority Shareholder	245,000	0	245,000	0
Net Cash Provided By (Used In) Investing Activities	\$ 429,625	\$ 0	\$ 429,625	\$ 0
Net Increase (Decrease) in Cash	\$ 7,679,553	\$ 243,404	\$ 7,922,957	\$ 206,657
Cash, July 1, 2008	15,031,533	2,978,513	18,010,046	20,844
Cash, June 30, 2009	\$ 22,711,086	\$ 3,221,917	\$ 25,933,003	\$ 227,501

(Continued)

Maury County, Tennessee
Statement of Cash Flows
Proprietary Funds (Cont.)

	Business-type Activities			Total	Governmental Activities - Internal Service Fund
	Major Fund	Nonmajor Fund	Solid Waste Disposal		
\$ (9,025,565)	\$ (1,617,765)	\$ (10,643,330)	\$	112,336	
17,508,496	276,723	17,785,219	14,679		
31,587,472	0	31,587,472	0		
(18,256,758)	(130,117)	(18,386,875)	39,770		
0	36,119	36,119	0		
248,864	0	248,864	0		
477,626	7,267	484,893	2,495		
210,611	0	210,611	0		
(1,550,914)	(1,285)	(1,552,199)	(63)		
0	7,296	7,296	4,190		
0	(31,179)	(31,179)	0		
0	704	704	0		
450,000	0	450,000	0		
0	3,822	3,822	0		
960,103	0	960,103	0		
\$ 22,609,935	\$ (1,448,415)	\$ 21,161,520	\$ 173,407		
\$ 22,711,086	\$ 200	\$ 22,711,286	\$ 0		
0	3,221,717	3,221,717	227,501		
\$ 22,711,086	\$ 3,221,917	\$ 25,933,003	\$ 227,501		

RECONCILIATION OF OPERATING INCOME (LOSS)
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating Income (Loss)	
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation and Amortization Expense	
Provision for Uncollectible Accounts	
(Increase) Decrease in Accounts Receivable	
(Increase) Decrease in Due from Other Governments	
(Increase) Decrease in Inventories	
(Increase) Decrease in Prepaid Items	
(Increase) Decrease in Other Assets	
Increase (Decrease) in Accounts Payable	
Increase (Decrease) in Payroll Deductions Payable	
Increase (Decrease) in Postclosure Care Costs	
Increase (Decrease) in Due to State of Tennessee	
Increase (Decrease) in Other Long-term Liabilities	
Increase (Decrease) in Accrued Leave	
Increase (Decrease) in Accrued Expenses	
Net Cash Provided By (Used In) Operating Activities	

RECONCILIATION OF CASH WITH STATEMENT OF NET ASSETS

Cash per Net Assets	
Equity in Pooled Cash and Investments per Net Assets	
Cash, June 30, 2009	

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,051,806
Investments	38,181
Due from Other Governments	<u>1,559,797</u>
Total Assets	<u>\$ 3,649,784</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 1,559,797
Due to Litigants, Heirs, and Others	<u>2,089,987</u>
Total Liabilities	<u>\$ 3,649,784</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Maury 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 Maury County:

A. Reporting Entity

Maury County is a public municipal corporation governed by an elected 22-member board. As required by GAAP, these financial statements present Maury 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 Maury County School Department operates the public school system in the county, and the voters of Maury 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 Maury County Board of Public Utilities Water System provides water supply and distribution lines for county residents outside of the city limits. The county mayor appoints, and the County Commission ratifies its governing body. The board's operating budget is subject to the County Commission's approval.

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

Administrative Offices:

Maury County Board of Public
Utilities Water System
1018 South Garden Street
Columbia, TN 38401

Maury County Emergency
Communications District
2907 Cayce Lane
Columbia, TN 38401

B. Government-wide and Fund Financial Statements

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

Maury County issues most debt for the discretely presented Maury County School Department. Net debt issues of \$2,433,000 were contributed by the county to the School Department during the year ended June 30, 2009.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as

all eligibility requirements imposed by the provider have been met and the revenues are available. Maury 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.

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

Maury 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.

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.

Education Capital Projects Fund – This fund accounts for debt issued by Maury County that is subsequently contributed to the discretely presented Maury County School Department for construction and renovation projects.

Maury County reports the following major proprietary fund:

Maury Regional Hospital Fund – This fund accounts for the regional hospital under authority of and in compliance with the provisions of Chapter 373 of the Tennessee Private Acts of 1953.

Additionally, Maury County reports the following fund types:

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

Internal Service Fund – The Central Maintenance/Garage fund is used to account for the county's central vehicle maintenance program.

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 Maury 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 Maury County School Department reports the following major governmental funds:

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

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

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to the same limitations. Maury County has elected not to follow subsequent private-sector guidance.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has three proprietary funds to account for solid waste disposal (enterprise fund), a regional hospital (enterprise fund), and a central maintenance/garage (internal service fund). Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's proprietary funds are charges for services. Operating expenses for the proprietary funds include general operating expenses.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

For purposes of the Statement of Cash Flows of the primary government (excluding the Maury Regional Hospital), cash includes cash on hand and cash on deposit with the county trustee.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds (excluding the Maury Regional Hospital) and the discretely presented Maury 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. In addition, investments are held separately by the Constitutional Officers - Agency Fund. Maury County (excluding the Maury Regional Hospital) and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7

allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to two 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.

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

3. Prepaid Items

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and the business-type columns in the government-wide financial statements. Capital assets are defined by the government (excluding the Maury Regional Hospital) as assets with an initial, individual cost of \$5,000 (infrastructure \$50,000) or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government (excluding Maury Regional Hospital) 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	10 - 50
Other Capital Assets	3 - 7
Infrastructure:	
Roads	5 - 15
Bridges	50

5. Compensated Absences

Primary Government

The policy of Maury County (with the exception of the Maury Regional Hospital) permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Maury 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.

Discretely Presented Maury County School Department

It is the policy of the discretely presented Maury County School Department to permit employees to accumulate varying amounts of earned but unused vacation leave, which will be paid upon retirement, resignation, or termination. It is also the policy of the discretely presented Maury County School Department to permit employees to accumulate varying amounts of earned but unused sick leave. Upon retirement from the School Department, employees will be paid either \$50 (professional) or \$10 (certain nonprofessional) per day for unused sick leave. This payment will be made after the employee's retirement has been approved by the Tennessee Consolidated Retirement System. During the year, 15 employees retired and received sick leave payments totaling \$65,530. All vacation and sick leave is accrued when incurred in the government-wide financial statements for the School Department. A liability for vacation and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

6. Long-term Obligations

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type 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, judgments, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

7. Net Assets and Fund Equity

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

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

As of June 30, 2009, Maury County had \$66,418,925 in outstanding debt for capital purposes for the discretely presented Maury County School Department. This debt is a liability of Maury County, but the capital assets acquired are reported in the financial statements of the Maury County School Department. Therefore, Maury 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>
Primary Government:	
General:	
Libraries	\$ 44,311
Archives	65,708
Nonqualified Retirement	675,001
Emergency Management	47,871
Tower Rentals	18,816
Special Purpose:	
Park Bleachers	100,000
Surplus Equipment	3,692
Data Processing Equipment	13
Discretely Presented School Department:	
General Purpose School:	
At-Risk State Fund	36,423

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 Maury County School Department

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

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

Primary Government

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

Discretely Presented Maury County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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, Other Boards and Committees, County Mayor/Executive, etc.). Management may make revisions within major

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

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

B. Appropriations Exceeding Available Funding

The budget and subsequent amendments submitted to and approved by the County Commission for the Other Special Revenue Fund resulted in appropriations exceeding estimated available funding by \$29,256.

C. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the County Commission in several major appropriation categories (the legal level of control) of the following funds:

<u>Fund/Purpose</u>	<u>Amount Overspent</u>
General:	
General Sessions Court	\$ 17,859
Civil Defense	23,090
Other Emergency Management	32,723
Miscellaneous	8,975
General Debt Service:	
Interest on Debt - Highway and Streets	1,829
Other Debt Service - General Government	3,914
Other Capital Projects:	
Other Charges	684

Such overexpenditures are a violation of state statutes. These overexpenditures were funded by available fund balances.

D. Cash Shortage

The Sheriff's Department had inmate funds of \$540 stolen during January 2010. An internal investigation led the Sheriff's Department to question a former employee regarding the missing funds, and the former employee agreed to reimburse the Sheriff's Department. Details of this cash shortage are discussed in the Schedule of Findings and Questioned Costs section of this report.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and 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, Maury County (excluding the Maury Regional Hospital) had the following investments carried at cost. All investments are in the Constitutional Officers - Agency Fund and were made on behalf of litigants at the direction of a court order.

Investment	Maturities	Cost
Merrill Lynch	Daily	\$ 38,181

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. Maury 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. Maury County has no investment policy that would further limit its investment choices.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Maury County does not have a formal policy that limits custodial credit risk for investments. It should be noted that the above-noted amount is invested on behalf of litigants at the order of the court and the county has no custodial credit risk for this investment.

B. Capital Assets

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

Primary Government (Excluding Maury Regional Hospital)

Governmental Activities (Includes Internal Service Fund):

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 7,663,650	\$ 0	\$ 0	\$ 7,663,650
Construction in Progress	3,442,156	6,291,903	(7,716,868)	2,017,191
Total Capital Assets Not Depreciated	\$ 11,105,806	\$ 6,291,903	\$ (7,716,868)	\$ 9,680,841
Capital Assets Depreciated:				
Buildings and Improvements	\$ 29,663,624	\$ 7,155,385	\$ (363,000)	\$ 36,456,009
Infrastructure	38,748,681	4,307,826	0	43,056,507
Other Capital Assets	11,012,326	685,604	(643,426)	11,054,504
Total Capital Assets Depreciated	\$ 79,424,631	\$ 12,148,815	\$ (1,006,426)	\$ 90,567,020
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 6,842,030	\$ 655,247	\$ (173,635)	\$ 7,323,642
Infrastructure	16,167,069	2,821,740	0	18,988,809
Other Capital Assets	6,404,417	1,387,802	(527,085)	7,265,134
Total Accumulated Depreciation	\$ 29,413,516	\$ 4,864,789	\$ (700,720)	\$ 33,577,585
Total Capital Assets Depreciated, Net	\$ 50,011,115	\$ 7,284,026	\$ (305,706)	\$ 56,989,435
Governmental Activities Capital Assets, Net	\$ 61,116,921	\$ 13,575,929	\$ (8,022,574)	\$ 66,670,276

Business-type Activities (Excluding Maury Regional Hospital):

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 818,367	\$ 0	\$ 0	\$ 818,367
Total Capital Assets Not Depreciated	\$ 818,367	\$ 0	\$ 0	\$ 818,367

Business-type Activities (Excluding Maury Regional Hospital): (Cont.)

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets				
Depreciated:				
Buildings and				
Improvements	\$ 1,266,752	\$ 0	\$ 0	\$ 1,266,752
Other Capital Assets	2,393,888	225,960	(190,680)	2,429,168
Total Capital Assets				
Depreciated	<u>\$ 3,660,640</u>	<u>\$ 225,960</u>	<u>\$ (190,680)</u>	<u>\$ 3,695,920</u>
Less Accumulated				
Depreciation For:				
Buildings and				
Improvements	\$ 901,099	\$ 55,142	\$ 0	\$ 956,241
Other Capital Assets	1,556,808	221,581	(190,680)	1,587,709
Total Accumulated				
Depreciation	<u>\$ 2,457,907</u>	<u>\$ 276,723</u>	<u>\$ (190,680)</u>	<u>\$ 2,543,950</u>
Total Capital Assets				
Depreciated, Net	<u>\$ 1,202,733</u>	<u>\$ (50,763)</u>	<u>\$ 0</u>	<u>\$ 1,151,970</u>
Business-type Activities				
Capital Assets, Net	<u>\$ 2,021,100</u>	<u>\$ (50,763)</u>	<u>\$ 0</u>	<u>\$ 1,970,337</u>

Depreciation expense was charged to functions of the primary government (excluding the Maury Regional Hospital) as follows:

Governmental Activities:

General Government	\$ 381,543
Finance	62,962
Administration of Justice	47,498
Public Safety	914,312
Public Health and Welfare	20,286
Social, Cultural, and Recreational Services	128,508
Agriculture and Natural Resources	5,860
Other Operations	12,637
Highways	<u>3,291,183</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 4,864,789</u></u>

Business-type Activities:

Solid Waste Disposal	<u><u>\$ 276,723</u></u>
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Discretely Presented Maury County School Department

Governmental Activities:

	Balance 7-1-08	Increases	Decreases	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 2,910,813	\$ 109,126	\$ 0	\$ 3,019,939
Construction in Progress	4,675,146	16,829,013	(3,131,312)	18,372,847
Total Capital Assets Not Depreciated	\$ 7,585,959	\$ 16,938,139	\$ (3,131,312)	\$ 21,392,786
Capital Assets Depreciated:				
Buildings and Improvements	\$ 123,504,637	\$ 3,358,818	\$ 0	\$ 126,863,455
Other Capital Assets	12,447,180	1,394,775	(241,562)	13,600,393
Total Capital Assets Depreciated	\$ 135,951,817	\$ 4,753,593	\$ (241,562)	\$ 140,463,848
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 43,621,304	\$ 3,053,108	\$ 0	\$ 46,674,412
Other Capital Assets	8,297,288	1,174,964	(241,562)	9,230,690
Total Accumulated Depreciation	\$ 51,918,592	\$ 4,228,072	\$ (241,562)	\$ 55,905,102
Total Capital Assets Depreciated, Net	\$ 84,033,225	\$ 525,521	\$ 0	\$ 84,558,746
Governmental Activities Capital Assets, Net	\$ 91,619,184	\$ 17,463,660	\$ (3,131,312)	\$ 105,951,532

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

Governmental Activities:

Instruction	\$ 2,778,942
Support Services	1,297,682
Operation of Non-Instructional Services	<u>151,448</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,228,072</u>

C. Construction Commitments

At June 30, 2009, the county (excluding the Maury Regional Hospital) had uncompleted construction contracts of approximately \$32,589 in the Adequate Facilities/Development Fund and \$727,559 in the General Capital Projects Fund. Funding has been received for these future expenditures.

At June 30, 2009, the discretely presented Maury County School Department had uncompleted construction contracts of approximately \$6,023,082 in the Education Capital Projects Fund for the school building program. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
School Department Component Unit: General Purpose School	Nonmajor governmental	\$ 124,174

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

Interfund Transfers

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

Primary Government

Transfers Out	Transfers In			
	General Fund	General Debt Service Fund	Nonmajor Governmental Funds	Internal Service Fund
General Fund	\$ 0	\$ 0	\$ 160,766	\$ 0
Nonmajor governmental funds	1,255,504	2,000,000	232,000	33,250
Total	\$ 1,255,504	\$ 2,000,000	\$ 392,766	\$ 33,250

Discretely Presented Maury County School Department

Transfer Out	Transfer In General Purpose School Fund
Nonmajor governmental fund	\$ 130,679

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. Capital Leases

Primary Government (Excluding Maury Regional Hospital)

On March 20, 2007, Maury County entered into a three-year lease-purchase agreement for data processing equipment. The terms of the agreement require total lease payments of \$355,638 plus interest of 4.9 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the Special Purpose Fund.

On April 17, 2008, Maury County entered into a two-year lease-purchase agreement for data processing equipment. The terms of the agreement require total lease payments of \$344,760 plus interest of 4.5 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the Special Purpose Fund.

On December 1, 2008, Maury County entered into a two-year lease-purchase agreement for data processing equipment. The terms of the agreement require total lease payments of \$125,675 plus interest of 4.8 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the Special Purpose Fund.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2009, were as follows:

Year Ending June 30	Governmental Funds
2010	\$ 288,181
2011	43,921
Total Minimum Lease Payments	<u>\$ 332,102</u>
Less: Amount Representing Interest	<u>(17,046)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 315,056</u></u>

Discretely Presented Maury County School Department

On November 1, 2006, the discretely presented Maury County School Department entered into a seven-year lease-purchase agreement for lighting equipment. The terms of the agreement require total lease payments of \$1,598,657 plus interest of 4.8 percent. Title to the equipment transfers to Maury County at the end of the lease period. The lease payments are made by the General Purpose School Fund.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2009, were as follows:

Year Ending June 30	Governmental Funds
2010	\$ 274,280
2011	274,281
2012	274,281
2013	274,280
2014	274,280
Total Minimum Lease Payments	<u>\$ 1,371,402</u>
Less: Amount Representing Interest	<u>(177,317)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 1,194,085</u></u>

F. Long-term Debt

Primary Government (Excluding Maury Regional Hospital)

General Obligation Bonds and Notes

The county issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund other general obligation bonds.

Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment.

General obligation bonds and capital outlay notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds and capital outlay notes outstanding were issued for original terms of up to 20 years for bonds and ten years for notes. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and notes included in long-term debt as of June 30, 2009, will be retired from the General and General Debt Service funds.

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

Type	Interest Rate	Original Amount of Issue	Balance 6-30-09
General Obligation Bonds	3 to 5%	\$ 59,000,000	\$ 56,920,000
General Obligation Bonds - Refunding	4 to 5	21,420,000	7,820,000
Capital Outlay Notes	2.78 to 4.5	23,082,396	20,600,317
Capital Leases	4.5 to 4.9	826,073	315,056

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2010	\$ 5,005,000	\$ 2,638,357	\$ 7,643,357
2011	5,235,000	2,407,853	7,642,853
2012	3,185,000	2,170,447	5,355,447
2013	3,380,000	2,061,998	5,441,998
2014	3,575,000	1,921,060	5,496,060
2015-2019	21,875,000	7,329,285	29,204,285
2020-2024	13,885,000	3,220,501	17,105,501
2025-2028	8,600,000	905,687	9,505,687
Total	\$ 64,740,000	\$ 22,655,188	\$ 87,395,188

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 2,342,079	\$ 801,260	\$ 3,143,339
2011	2,682,079	683,561	3,365,640
2012	4,413,079	584,414	4,997,493
2013	2,158,080	417,969	2,576,049
2014	2,105,000	331,005	2,436,005
2015-2017	6,900,000	503,785	7,403,785
Total	\$ 20,600,317	\$ 3,321,994	\$ 23,922,311

There is \$13,233,145 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$932, based on the 2000 federal census. Debt per capita, including bonds, notes, and capital leases totaled \$1,221, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the primary government (excluding the Maury Regional Hospital) for the year ended June 30, 2009, was as follows:

Governmental Activities:

	Bonds	Notes	Capital
			Leases
Balance, July 1, 2008	\$ 69,385,000	\$ 21,312,558	\$ 456,139
Additions	0	3,640,396	125,675
Deductions	(4,645,000)	(4,352,637)	(266,758)
Balance, June 30, 2009	\$ 64,740,000	\$ 20,600,317	\$ 315,056
Balance Due Within One Year	\$ 5,005,000	\$ 2,342,079	\$ 273,197

	Compensated	
	Absences	Judgments
Balance, July 1, 2008	\$ 916,013	\$ 3,279,000
Additions	1,133,677	0
Deductions	(1,067,303)	0
Balance, June 30, 2009	\$ 982,387	\$ 3,279,000
Balance Due Within One Year	\$ 982,387	\$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 89,916,760
Less: Due Within One Year	(8,602,663)
Add: Unamortized Premium on Debt	981,253
Less: Deferred Amount on Refunding	<u>(76,460)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u><u>\$ 82,218,890</u></u>

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

Maury County Solid Waste Disposal Fund (Enterprise Fund)

Changes in Long-term Liabilities

Long-term liability activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2009, was as follows:

Business-type Activities:

	<u>Postclosure Care Costs</u>
Balance, July 1, 2008	\$ 614,049
Deductions	<u>(31,179)</u>
Balance, June 30, 2009	<u><u>\$ 582,870</u></u>
Balance Due Within One Year	<u><u>\$ 38,154</u></u>

Discretely Presented Maury County School Department

Notes

The county issues capital outlay notes on-behalf of the School Department to fund capital facilities and other capital outlay purchases such as equipment.

Capital outlay notes are direct obligations and pledge the full faith and credit of the government. Capital outlay notes outstanding were issued for original terms of up to seven years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2009, will be retired from the General Purpose School Fund.

Capital outlay notes and capital leases outstanding as of June 30, 2009, are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-09
Capital Outlay Notes	3%	\$ 500,000	\$ 367,536
Capital Leases	4.8	1,598,657	1,194,085

The annual requirements to amortize all notes outstanding as of June 30, 2009, including interest payments, are presented in the following table:

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 69,227	\$ 11,026	\$ 80,253
2011	71,304	8,949	80,253
2012	73,443	6,810	80,253
2013	75,646	4,607	80,253
2014	77,916	2,337	80,253
Total	\$ 367,536	\$ 33,729	\$ 401,265

Debt per capita for the School Department, including notes and capital leases totaled \$22, based on the 2000 federal census.

Changes in Long-term Liabilities

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

Governmental Activities:

	Notes	Capital Leases
Balance, July 1, 2008	\$ 434,747	\$ 1,401,112
Deductions	(67,211)	(207,027)
Balance, June 30, 2009	\$ 367,536	\$ 1,194,085
Balance Due Within One Year	\$ 69,227	\$ 216,964

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2008	\$ 3,649,715	\$ 1,232,644
Additions	1,000,024	2,381,469
Deductions	(882,364)	(1,037,607)
Balance, June 30, 2009	<u>\$ 3,767,375</u>	<u>\$ 2,576,506</u>
Balance Due Within One Year	<u>\$ 908,836</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2009	\$ 7,905,502
Less: Due Within One Year	<u>(1,195,027)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 6,710,475</u>

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Maury 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 \$349,583 and \$62,874, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

H. Short-term Debt

Maury County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Purpose School Fund. These notes were necessary because funds were not available to meet obligations coming due before current tax collections. Short-term debt activity for the year ended June 30, 2009, was as follows:

	Balance 7-1-08	Issued	Paid	Balance 6-30-09
Tax Anticipation Notes	\$ 0	\$ 4,000,000	\$ (4,000,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

Maury County (excluding the Maury Regional Hospital) is exposed to various risks related to general liability, property, and casualty losses. The county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. 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, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$100,000 for each insured event.

Maury County (excluding the Maury Regional Hospital) and the discretely presented Maury County School Department participate in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established by the Tennessee County Services Association, an association of member counties, to provide for liabilities arising under the workers' compensation law. In accordance with Sections 12-9-101 through 12-9-109, Tennessee Code Annotated (TCA), inclusive, local governments are eligible to participate. The creation of the LGWCF provides for it to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000 for each insured event.

The county (excluding the Maury Regional Hospital) continues to carry commercial insurance for employees' health insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The county does not allow pre-65 age retirees to stay in the health insurance program.

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

The discretely presented Maury County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool

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

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

C. Subsequent Events

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

On October 28, 2009, the county's General Debt Service Fund issued a \$2,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds. On January 29, 2010, the General Purpose School Fund repaid the \$2,000,000 note.

D. Contingent Liabilities

The county is a defendant in the litigation of Express Scripts, Inc., vs. Maury County. The county's insurance carrier advised that the damages sought are unspecified and therefore have the potential to exceed the coverage limits available from the county's insurance policy. In the event of such an excess judgment, the county will be responsible to pay the difference between the available limits of coverage and the amount of the judgment. Therefore, potential exposure to the county has not been determined.

The county is a defendant in litigation alleging that many retired and still employed county employees who were employed prior to 1999 and participated in the county's Life of Georgia Pension Plan in effect until that time should be credited for retirement benefit calculations with up to three years of service. On April 18, 2007, the trial judge ruled that the county is liable for damages and ordered an actuarial study be conducted to determine the damages. The study was completed as of April 6, 2009. Estimated cost of additional benefits payable to the Tennessee Consolidated Retirement System for the county are \$366,000 in retroactive payments and \$2,913,000 in future payments. The future payments could be paid in a lump sum without interest or amortized over 15 or 30 years with a 7.5 percent interest rate. On May 8, 2009, the trial judge awarded the plaintiffs' attorney ten percent of the recovery amount to be paid in a lump sum. The county has appealed the ruling. Maury County has designated \$675,001 in the General Fund to help offset these costs.

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

E. Change in Administration

James Bracken became the director of accounts and budgets effective September 15, 2008, succeeding interim director Buddy Harlan.

F. Landfill Closure/Postclosure Care Costs

Maury County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be

paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Maury County closed its sanitary landfill in 1997. The \$582,870 reported as postclosure care liability at June 30, 2009, represents amounts based on what it would cost to perform all postclosure care in 2009. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

G. Joint Ventures

The Maury County Regional Airport Authority is a joint venture in which the county and the cities of Columbia and Mount Pleasant participate. The authority is governed by a three member-board comprising one appointee from the county and one appointee from each city. During the year ended June 30, 2009, Maury County contributed \$40,000 to the authority.

The discretely presented Maury County School Department participates in the Volunteer State Cooperative (VOLCO), which represents a cost-sharing arrangement. The cooperative was established through a contractual agreement between the Boards of Education of Bedford County, Coffee County, Dickson County, Fayetteville City, Humphreys County, Manchester City, Marshall County, Maury County, Robertson County, and Stewart County. Chapter 49 of Tennessee Code Annotated authorized the cooperative to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Stewart County School Department) and a service provider to provide these services. The cooperative is governed by a Representative Committee, comprising one representative from each of the member districts; and an Executive Council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the Representative Committee.

Maury County and the discretely presented Maury County School Department do not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Maury County Regional Airport Authority and the Volunteer State Cooperative can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Regional Airport Authority
1200 North Main Street
Mt. Pleasant, TN 38474

Volunteer State Cooperative
P.O. Box 433
110 Natcor Drive
Dover, TN 37058

H. Jointly Governed Organization

The Tennessee Southern Railroad Authority (TSRA) was created by the county, in conjunction with Giles and Lawrence counties. The TSRA's board includes the county mayors and a representative appointed by the respective County Commissions from each of the three counties, and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Maury County made no appropriations to the TSRA during the year ended June 30, 2009.

I. Retirement Commitments

Employees

Plan Description

Employees of Maury 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 Maury 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

Maury 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 8.06 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Maury County is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2009, Maury County's annual pension cost of \$1,935,519 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 postretirement increases of three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. Maury 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 13 years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-09	\$1,935,519	100%	\$0
6-30-08	2,055,598	100	0
6-30-07	1,908,417	100	0

Funded Status and Funding Progress

As of July 1, 2007, the most recent actuarial valuation date, the plan was 89.58 percent funded. The actuarial accrued liability for benefits was \$29.7 million, and the actuarial value of assets was \$26.6 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$3.1 million. The covered payroll (annual payroll of active employees covered by the plan) was \$21.34 million, and the ratio of the UAAL to the covered payroll was 14.49 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 Maury County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service, or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly. A cost of living adjustment (COLA) is provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the 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 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 \$2,837,917, \$2,706,551, and \$2,554,776, respectively, equal to the required contributions for each year.

J. Other Postemployment Benefits (OPEB)

Plan Description

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

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employer in the plan develops its 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. During the year ended June 30, 2009, the discretely presented Maury County School Department made contributions totaling \$983,619 for other postemployment benefits.

	<u>Local Education Group Plan</u>
ARC	\$ 2,326,000
Interest on the NPO	55,469
Adjustment to the ARC	<u>(53,988)</u>
Annual OPEB cost	\$ 2,327,481
Amount of contribution	<u>(983,619)</u>
Increase/decrease in NPO	\$ 1,343,862
Net OPEB obligation, 7-1-08	<u>1,232,644</u>
 Net OPEB obligation, 6-30-09	 <u><u>\$ 2,576,506</u></u>

Fiscal Year Ended*	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-08	Local Education Group	\$ 2,301,000	42.0 %	\$ 1,232,644
6-30-09	"	2,327,481	46.4	2,576,506

* Data only available for two years.

Funded Status and Funding Progress

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

	<u>Local Education Group Plan</u>
Actuarial valuation date	7-1-07
Actuarial accrued liability (AAL)	\$ 19,760,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 19,760,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 44,896,000
UAAL as a % of covered payroll	44%

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

Actuarial Methods and Assumptions

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

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

K. Offices of Accounting and Budgeting, and Human Resources

Maury County operates under provisions of Chapter 233, Private Acts of 1963, which provide for a central system of accounting and budgeting covering funds administered by the county mayor and the road superintendent. These funds are maintained in the Office of Accounting and Budgeting under the supervision of the director of accounts and budgets.

Maury County also operates under provisions of Chapter 91, Private Acts of 2004, which provide for an Office of Human Resources under the direction of the administrative committee of the County Commission. The Office of Human Resources handles all human resource duties and responsibilities.

L. Purchasing Laws

Offices of County Mayor and Road Superintendent

Purchasing procedures for the Offices of County Mayor and Road Superintendent are governed by the County Purchasing Law of 1957, Section 5-14-101, et seq., Tennessee Code Annotated (TCA). Purchasing procedures

for the Highway Department are also governed by the Uniform Road Law, Section 54-7-113, TCA. These statutes require that purchase orders be issued for all purchases and sealed bids be solicited on purchases exceeding \$10,000 for the Offices of County Mayor and Road Superintendent.

Office of Director of Schools

Purchasing procedures for the discretely presented Maury County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, TCA, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

VI. OTHER NOTES – MAURY REGIONAL HOSPITAL FUND (ENTERPRISE FUND)

A. Organization

Maury Regional Hospital is operated and maintained by Maury County, Tennessee, under authority of and in compliance with the provisions of Chapter 125 of the Tennessee Private Acts of 1996. The federal, state, and local governments participated in the cost of constructing and equipping the hospital under the Hill-Burton Act. For financial reporting purposes, the hospital is considered an enterprise fund of Maury County, Tennessee.

The hospital's primary mission is to provide healthcare services to the residents of southern and middle Tennessee, including Giles, Hickman, Lawrence, Lewis, Marshall, Maury, Perry, Wayne, and Williamson counties.

The combined financial statements include the accounts of the following entities:

Maury Regional Medical Center, located in Columbia, Tennessee, has been in operation since 1953 and presently has a 275-bed capacity with 20 beds designated for skilled nursing care, and also includes five medical office buildings in its service area.

Marshall Medical Center is an acute-care hospital located in Lewisburg, Tennessee, which was acquired by the hospital in 1995 and, effective January 1, 2005, was designated a critical access hospital with 25 beds.

Wayne Medical Center is an acute-care hospital with an 80-bed capacity located in Waynesboro, Tennessee, and has been leased by the hospital since 1995.

Additionally, the combined financial statements include the following blended component units that provide healthcare services that support the hospital's mission:

Family Health Group (FHG) is a nonprofit corporation that acquires, owns, operates, and manages physician practices in the hospital's service area. FHG is 80 percent owned by the hospital.

South Central Heart Group, Inc., Thoracic and Cardiovascular Associates of Tennessee, Inc., and Pulmonary and Critical Care Associates, Inc., are taxable nonprofit corporations that operate physician practices in the hospital's service area. The hospital is the sole member of each practice.

Maury Regional Ambulatory Care Center, Inc., is a nonprofit corporation that provides medical care to non-emergent patients in the hospital's service area. The hospital is the sole member of the Ambulatory Care Center.

Maury Regional Surgery Center, LLC operates an ambulatory surgery center in Columbia, Tennessee.

Spring Hill Imaging Center, LLC owns and operates an outpatient center that provides diagnostic and radiology services to patients in the hospital's service area. The Imaging Center is owned 51 percent by the hospital, and a minority interest has been recognized, which represents the interests of physician and other investors.

B. Summary of Significant Accounting Policies

Method of Accounting – The hospital utilized the enterprise fund method of accounting. Revenues and expenses are recorded on the accrual basis. Based on Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, as amended, the hospital applies all applicable pronouncements of the Financial Accounting Standards Board (FASB), including pronouncements issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Recently Issued Accounting Pronouncements – In November 2006, GASB issued Statement No. 49, Accounting and Financial Reporting of Pollution Remediation Obligations. This statement provides guidance with respect to evaluating the obligations related to the participation in pollution remediation activities, such as site cleanup, related to existing pollution. The scope of the statement excludes pollution prevention or control obligations with respect to current operations and future pollution remediation activities that are required upon retirement of an asset. Adoption of this statement

during 2009 did not have a material impact on the combined financial statements.

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and expands disclosures about fair value measurements. SFAS No. 157 applies only to fair value measurements that are already required, or permitted, by other accounting standards. The hospital adopted the applicable portions of SFAS No. 157 during 2009. There was no impact on the combined financial statements from adopting this standard.

The hospital adopted the provisions of SFAS No. 165, Subsequent Events, during the fiscal year ended June 30, 2009. SFAS No. 165 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued.

The hospital evaluated all events or transactions that occurred after June 30, 2009, through November 30, 2009, the date the combined financial statements were available to be issued. During this period, management did not note any material recognizable subsequent event that required recognition or disclosure in the accompanying June 30, 2009, combined financial statements.

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

Cash and Cash Equivalents – Cash and cash equivalents include investments with a maturity of three months or less when purchased.

Inventories – Inventories are reported at the lower of cost or market, with cost determined by the average cost method.

Patient Accounts Receivable – Patient accounts receivable are reported net of both an estimated allowance for contractual adjustments and an estimated allowance for uncollectible accounts. The contractual allowance represents the difference between established billing rates and estimated reimbursement for Medicare, TennCare, and other third-party payor programs. Current operations are charged with a provision for bad debts estimated based upon the age of the account, prior experience, and any unusual circumstances, which affect the collectability. The hospital's policy does not require collateral or other security for patient accounts receivable, and the hospital

routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans, or policies.

Property, Plant, and Equipment – Property, plant, and equipment are reported at cost or fair value at the date of gift, if donated. Depreciation is calculated by the straight-line method to allocate the cost of the assets over their estimated useful lives, which range from three to 20 years for equipment and ten to 40 years for buildings and land improvements. Equipment held under capital lease obligations is amortized using the straight line method over the shorter of the useful life or the lease term. This amortization is included with depreciation expense and as part of accumulated depreciation in the combined financial statements.

Interest costs incurred on applicable borrowings outstanding during the construction period of capital assets are capitalized as part of the cost of acquiring the asset and are amortized on the same basis as the related capital asset.

Costs of maintenance and repairs are charged to expense when incurred.

Debt Issue Costs – Debt issue costs are capitalized and amortized using the straight-line method over the life of the related obligation.

Compensated Absences – The hospital's employees earn paid time off at varying rates depending on years of service. An accrual for paid time off is recorded in the period in which the employee earns the right to the compensation. Employees also earn sick leave benefits based on varying rates depending on years of service. Employees may accumulate sick leave up to a specified maximum. Employees are not paid for accumulated sick leave if they leave before retirement. However, employees who retire after the age of 60 may convert accumulated sick leave to termination payments. The estimated amount of sick leave payable as termination payments is reported as a noncurrent liability in the combined financial statements. Due to uncertainties in this estimate, it is at least reasonably possible that management's estimate could change in 2010.

Net Assets – Net assets invested in capital assets, net of related debt, consist of capital assets net of accumulated depreciation and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets. Unrestricted net assets are remaining net assets that do not meet the definition of invested in capital assets, net of related debt.

Net Patient Service Revenue – Net patient service revenue is reported as services are rendered at estimated net realizable amounts, including estimated retroactive revenue adjustments under reimbursement agreements with third-party payors. Estimated settlements under third-party reimbursement agreements are accrued in the period the related services are rendered and adjusted in future periods as final settlements are determined. An estimated provision for bad debts is included in net patient service revenue.

Charity Care – The hospital provides care without charge to patients who meet certain criteria under its charity-care policy. Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Operating Activities – The hospital defines operating activities as reported on the Combined Statement of Revenues, Expenses, and Changes in Net Assets as those that generally result from exchange transactions, such as payments for providing services and payments for goods and services received. Nonexchange transactions, including contributions and grants, as well as interest income and interest expense, are considered nonoperating revenues and expenses.

Contributions and Grants – Revenues from contributions and grants are recognized when all eligibility requirements, including time requirements are met. Contributions and grants may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenue. Amounts restricted to capital acquisitions are reported after nonoperating revenue and expenses.

Income Taxes – The hospital is a not-for-profit entity in accordance with Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the code. The hospital meets the Internal Revenue Service definition of a governmental unit and is exempt from filing a Form 990 based on Internal Revenue Procedure 95-48. Certain combined entities are taxable for federal purposes and account for income taxes in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, Accounting for Income Taxes. Due to current-year and prior-year operating losses, no tax expense or benefit has been recognized in the accompanying combined financial statements.

C. Patient Service Revenue and Accounts Receivable

The hospital has agreements with various third-party payors that provide for payments to the hospital at amounts different from established rates. The difference between the rates charged and the estimated payments from third-party payors is recorded as a reduction of gross patient service charges. Revenues for patient service charges have been adjusted to the amounts estimated to be receivable under third-party payor arrangements. Amounts recorded under these contractual arrangements are subject to review and final determination by various program intermediaries. Management believes that adequate provision has been made for any adjustments, which may result from such reviews. However, due to uncertainties in the estimates, it is at least reasonably possible that management's estimates will change in 2010.

A summary of the payment arrangements with significant third-party payors follows:

Medicare – Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid primarily on a prospective basis. These rates vary according to a patient classification system that is based on clinical diagnosis, procedures utilized, and other factors. The Medicare program continues to reimburse certain other services on a per diem or on a percentage of cost up to predetermined limits. The hospital also receives additional payments from the Medicare program for providing services to a disproportionate share of Medicaid (TennCare) and other low-income patients. Approximately \$9,200,000 of net patient accounts receivable is due from the Medicare program at June 30, 2009.

TennCare – The State of Tennessee’s Medicaid waiver program (TennCare) provides coverage through several managed care organizations. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per diem amounts. Approximately \$2,400,000 of net patient accounts receivable was from the TennCare program at June 30, 2009.

Other – The hospital also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the hospital under these agreements includes prospectively determined rates, discounts from established charges, and prospectively determined per diem amounts.

A reconciliation of the services provided to patients at established rates to net patient service revenue is as follows at June 30, 2009:

Patient service charges	\$ 605,626,458
Estimated contractual adjustments	(318,093,517)
Estimated provision for bad debts	(31,587,472)
Charity care	<u>(12,388,398)</u>
Total	<u>\$ 243,557,071</u>

D. Cash, Cash Equivalents, and Certificates of Deposit

The hospital has a policy of investing only in banks participating in the State of Tennessee Collateral Pool or in banks that provide collateral for all deposits. Additionally, the hospital’s deposits in financial institutions are required by state statute to be secured and collateralized by the institutions. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee’s collateral pool. 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 collateral pool. The securities pledged to protect these accounts are pledged in the aggregate

rather than against each individual 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.

At June 30, 2009, the hospital's cash, cash equivalents, and certificates of deposit reported in the combined balance sheet totaled \$22,711,086. Bank balances for such accounts totaled \$24,271,700, a majority of which was insured by the Federal Deposit Insurance Corporation or by the bank's participation in the State of Tennessee's collateral pool. Deposits totaling \$1,468,798 are collateralized by securities held by the financial institution in the hospital's name.

The hospital holds no investments other than certificates of deposit as of June 30, 2009, which are summarized below:

Interest Rate	Maturity	Amount
2.5 %	July 2009	\$ 300,866
2.02	September 2009	250,000
2.5	December 2009	113,880
2.5	December 2009	113,880
2.5	December 2009	<u>71,925</u>
Total		<u><u>\$ 850,551</u></u>

E. Property, Plant, and Equipment

A summary of changes in properties and related accumulated depreciation for the year ended June 30, 2009, is as follows:

	Balance 7-1-08	Additions/ Transfers	Retirements	Balance 6-30-09
Capital Assets Depreciated:				
Land Improvements	\$ 5,421,136	\$ 0	\$ 0	\$ 5,421,136
Buildings	158,917,834	5,005,938	0	163,923,772
Equipment	124,240,848	8,564,992	(1,961,151)	130,844,689
Total Capital Assets Depreciated	<u>\$ 288,579,818</u>	<u>\$ 13,570,930</u>	<u>\$ (1,961,151)</u>	<u>\$ 300,189,597</u>
Less Accumulated Depreciation For:				
Land Improvements	\$ 3,179,219	\$ 181,745	\$ 0	\$ 3,360,964
Buildings	65,209,763	6,944,467	0	72,154,230
Equipment	91,526,864	10,657,057	(1,902,901)	100,281,020
Total Accumulated Depreciation	<u>\$ 159,915,846</u>	<u>\$ 17,783,269</u>	<u>\$ (1,902,901)</u>	<u>\$ 175,796,214</u>
Total Capital Assets Depreciated, Net	<u>\$ 128,663,972</u>	<u>\$ (4,212,339)</u>	<u>\$ (58,250)</u>	<u>\$ 124,393,383</u>

(Cont.)	Balance 7-1-08	Additions/ Transfers	Retirements	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 5,042,873	\$ 55,505	\$ 0	\$ 5,098,378
Construction in Progress	5,712,655	(4,465,391)	0	1,247,264
Total Capital Assets Not Depreciated	\$ 10,755,528	\$ (4,409,886)	\$ 0	\$ 6,345,642
Total Capital Assets, Net	\$ 139,419,500	\$ (8,622,225)	\$ (58,250)	\$ 130,739,025

During 2009, the hospital capitalized interest expense on construction projects totaling approximately \$75,000. Construction in progress at June 30, 2009, consisted primarily of facility renovations. Total estimated costs required to complete construction projects in progress as of June 30, 2009, totaled approximately \$75,000.

F. Long-term Debt

Long-term debt consists of the following as of June 30, 2009:

Bonds Payable

Series 2006B, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 4% to 4.25%, maturing over a 7-year period, with the final payment due June 1, 2014. \$ 6,050,000

Series 2006, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 4% to 5%, maturing over a 15-year period, with the final payment due June 1, 2021. 15,620,000

Series 2005, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 3% to 4%, maturing over a 15-year period, with the final payment due June 1, 2020. 4,975,000

Series 2004B Refunding, Maury County General Obligation Refunding Bond issued on behalf of the hospital, with interest rates of 5%, maturing over a 10-year period, with the final payment due April 1, 2014. 6,475,000

Total bonds payable \$ 33,120,000

Less unamortized loss on bond refunding \$ (185,856)

Plus premium on bond refunding 1,199,585

Total bonds payable, net of unamortized loss and premiums \$ 34,133,729

Other Long-term Debt

Notes payable with interest rates ranging from 5.8% to 8.94%, maturing through August 2014, and secured by equipment and property with a net book value of \$963,448 at June 30, 2009	\$ 817,218
Lines of credit with interest rates of 4.75% and 5.99%, due in 2009 and 2011, maximum available of \$775,000 and \$170,000, respectively	745,353
Capital lease obligations - see Note H	<u>1,948,247</u>
Total other long-term debt	<u>\$ 3,510,818</u>
Total debt	\$ 37,644,547
Less: current portion	<u>(6,698,008)</u>
Total long-term debt	<u><u>\$ 30,946,539</u></u>

The hospital's bonds payable are general obligation bonds of Maury County, Tennessee. The bonds were issued for the purpose of acquiring property and equipment or the retirement of previously outstanding bonds and notes and are secured by unlimited ad valorem taxes on all taxable property within the county.

The Series 2006 Bonds maturing on or after June 1, 2017, are subject to redemption prior to maturity at the option of the county on June 1, 2016, or thereafter, at a redemption price of par plus accrued interest. The Series 2004B Refunding Bonds maturing on or after April 1, 2013, are subject to redemption prior to maturity at the option of the county on April 1, 2012, at 102 percent of par or on April 1, 2013, at 101 percent of par.

The hospital's scheduled principal maturities on all long-term debt as of June 30, 2009, (including the capital lease obligations and excluding unamortized premiums and loss on refunding) follows:

Year Ending		
June 30	Principal	Interest
2010	\$ 6,698,008	\$ 1,665,174
2011	4,813,423	1,319,676
2012	5,066,805	1,107,498
2013	4,045,897	891,315
2014	4,166,685	712,800
2015-2019	8,725,000	1,807,150
2020-2021	<u>3,115,000</u>	<u>193,684</u>
Total	<u>\$ 36,630,818</u>	<u>\$ 7,697,297</u>

A schedule of changes in long-term debt for the year ended June 30, 2009, follows:

	Balance 7-1-08	Additions/ Amortization	Payments/ Maturities	Balance 6-30-09	Amounts Due Within One Year
Bonds payable, net of premium	\$ 38,235,000	\$ 0	\$ (5,115,000)	\$ 33,120,000	\$ 5,330,000
Unamortized loss on refunding	(225,682)	39,826	0	(185,856)	0
Unamortized premiums	1,406,442	(206,857)	0	1,199,585	0
Other long-term debt	3,648,183	1,262,281	(1,399,646)	3,510,818	1,368,008
Total	\$ 43,063,943	\$ 1,095,250	\$ (6,514,646)	\$ 37,644,547	\$ 6,698,008

G. Employee Benefit Plans

Defined Benefit Plan – Prior to May 1, 1997, all employees of the hospital were eligible to participate in the Maury Regional Hospital Retirement Plan (the plan), a single-employer public retirement system (PERS), accounted for as a separate entity from the hospital. The purpose of the plan is to provide retirement, death, and certain other benefits to employees as specified in the plan. The actuarial method employed to determine contributions to the plan is the entry age actuarial cost method. Although it has not expressed any intention to do so, the hospital has the right under the plan to discontinue its contributions at any time and to terminate the plan subject to the provisions set forth in ERISA. The plan issues separate financial statements, which may be obtained from the hospital.

The plan was amended effective May 1, 1997, to stop accrual of benefit service on April 30, 1997, for participants who made an irrevocable election to participate in the Maury Regional Healthcare System 403(b) plan on May 1, 1997. As of May 1, 2007, 177 participants are earning future service accruals. Employees hired after May 1, 1997, are not eligible to participate in the plan.

Defined Benefit Plan Funding Policy – Voluntary contributions may not be made by participants. The hospital's contributions are based on an actuarially determined rate.

The hospital's annual pension cost and net pension obligation to the plan for 2009 was zero. The annual required contribution for the current year was determined as part of the May 1, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions used included the following:

- Eight percent investment rate of return
- Projected salary increases ranging from four percent to 7.5 percent per year
- Amortization method – level dollar amount

Three-year Trend Information

Fiscal Year	Annual Required Contribution	Percentage Contributed	Pension Obligation
6-30-07	\$ 0	100%	\$ 0
6-30-08	0	100	0
6-30-09	0	100	0

Defined Contribution Plan – Effective May 1, 1997, the hospital implemented a defined contribution plan, which includes a 403(b) feature and an employer-matching provision and covers substantially all hourly and salaried employees. Voluntary contributions may be made by the participants as a percentage of annual compensation not to exceed Internal Revenue Service limits. The hospital’s contribution consists of a base contribution of three percent of annual covered compensation and a matching contribution equal to 50 percent of the employees’ first five percent of annual compensation contributed. The hospital’s contributions for 2009 amounted to approximately \$3,520,000.

H. Leases

Capital Leases – The hospital leases medical equipment under various capital lease agreements with interest rates ranging from 4.7 percent to 7.88 percent. A summary of the leased equipment, which is included in property, plant, and equipment, at June 30, 2009 is as follows:

Equipment acquired under capital leases	\$ 4,170,995
Less: accumulated depreciation	<u>(2,422,971)</u>
Total	<u><u>\$ 1,748,024</u></u>

The following is a schedule, by year, of the future minimum lease payments required under the capital leases as of June 30, 2009:

Year Ending June 30	
2010	\$ 886,255
2011	817,568
2012	<u>398,695</u>
Total minimum lease payments	\$ 2,102,518
Less: amount representing interest	<u>(154,271)</u>
Present value of minimum lease payments	<u><u>\$ 1,948,247</u></u>

Operating Leases – The hospital also rents office space and equipment under various non-cancelable operating lease agreements with varying terms. Rent expense under operating lease agreements totaled approximately \$3,580,000 for the year ended June 30, 2009. Future minimum lease commitments for all significant non-cancelable operating leases are as follows:

Year Ending June 30	
2010	\$ 1,769,822
2011	1,560,139
2012	1,251,473
2013	1,379,127
2014	<u>208,543</u>
Total	<u>\$ 6,169,104</u>

Leases with Physicians – The hospital leases office space in its medical office buildings to physicians under non-cancelable operating leases with varying terms.

Rental income under these lease agreements totaled \$1,370,000 for the year ended June 30, 2009. Future minimum lease commitments to the hospital for all significant non-cancelable operating leases are as follows:

Year Ending June 30	
2010	<u>\$ 785,602</u>

I. Leased Healthcare Facilities

Effective July 1, 2005, the hospital entered into the first of two 5-year renewal options provided under a lease arrangement with the Board of Trustees of Wayne County General Hospital for the operation of several Wayne County healthcare facilities, including the county hospital, nursing home, ambulance service, and medical office buildings. The lease also extends to all equipment, improvements, fixtures, and related personal property. The annual lease expense under the first renewal consists of a base rent of \$175,000 and an annual capital improvement commitment of \$175,000. The annual lease expense under the second renewal will increase to a base rent of \$200,000 and an annual capital improvement commitment of \$200,000 beginning July 1, 2010. The hospital may terminate the lease at any time upon 180 days notice and the payment of \$500,000.

J. Commitments and Contingencies

General Liability Claims – The hospital is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The hospital maintains commercial insurance coverage for each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the hospital.

Malpractice Liability Claims – The hospital is also subject to claims and suits arising in the ordinary course of business from services provided to patients. Losses against the hospital are limited by the Tennessee Governmental Tort Liability Act to \$350,000 for injury or death per person and \$700,000 in the aggregate per occurrence. However, claims against healthcare practitioners are not subject to these limits. The hospital maintains professional liability insurance on a claims made basis with limits of \$1,000,000 per occurrence and \$3,000,000 in the aggregate with a retention of \$250,000 per claim. The hospital has estimated and recorded a liability for reported claims totaling approximately \$1,300,000 at June 30, 2009. In management's opinion, the hospital is currently not a party to any proceeding, the ultimate resolution of which will have a material adverse effect on the hospital's results of operations or financial condition. The hospital has not estimated any liability for claims incurred but not reported.

Workers' Compensation Claims – The hospital is covered for workers' compensation claims through an insurance policy with a deductible of \$500,000 per claim. Management has recorded an accrual for the estimated liability related to claims reported as of June 30, 2009. The hospital has not estimated any liability for claims incurred but not reported.

Healthcare Benefits – The hospital maintains a partially self-insured healthcare plan to provide reimbursement for covered expenses incurred as a result of illness or injury to covered employees and dependants. Stop-loss insurance is purchased for annual claims per individual exceeding \$175,000 with a life time maximum per individual totaling \$850,000. The hospital has estimated and recorded a liability for healthcare claims incurred but not yet reported totaling approximately \$1,610,000 at June 30, 2009. Employees that retire after attaining age 60 and completing 20 years of service will receive continued coverage under the hospital's health benefit program until they attain age 65 or become eligible for Medicare benefits. The estimated amount of retirement benefits payable totaled approximately \$300,000 at June 30, 2009 and is reported as a noncurrent liability in the combined financial statements. Due to uncertainties in the estimate, it is at least reasonably possible that management's estimate could change in 2010.

Healthcare Industry – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation

requirements, reimbursement for patient services, Medicare fraud and abuse, and under the provisions of the Health Insurance Portability and Accountability Act of 1996, patient records privacy and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers, such as the Medicare Recovery Audit Contractor Program. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

K. Fair Value of Financial Instruments

Management believes that book value approximates fair value for the majority of the hospital's financial assets and liabilities. The fair value of bonds payable, which are general obligation bonds of Maury County, are not considered practicable to estimate.

L. Prior-period Adjustment

During 2009, management of the hospital determined that estimated liabilities related to sick pay and retirement healthcare benefits were erroneously omitted in prior periods. A prior-period adjustment was made to reduce net assets by \$1,500,000 as of July 1, 2008, to correct these errors.

VII. OTHER NOTES – DISCRETELY PRESENTED MAURY COUNTY BOARD OF PUBLIC UTILITIES WATER SYSTEM

A. Summary of Significant Accounting Policies

1. General

The Maury County Board of Public Utilities Water System is a discrete component unit of Maury County, Tennessee. The system is governed by a board of directors appointed by the county mayor and ratified by the County Commission. In addition, the County Commission approves the annual budget of the system.

2. Accounting Method

The system generally uses the accrual basis of accounting, except that revenue from water sales is recognized when billed.

The system applies Financial Accounting Standards Board pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, unless those pronouncements conflict

with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails.

3. Organization

The system is operated as an enterprise fund with self-balancing accounting records. The system does not receive any operating revenues from Maury County, Tennessee.

4. Utility Plant and Equipment

The utility plant and equipment are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of property or equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income.

5. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the system considers all investment instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2009. Restricted assets are not treated as part of the entity's cash and cash equivalents.

6. Use of Estimates

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

7. Inventory

The water system's inventory of supplies is stated at cost using the first-in, first-out method. The costs of inventory items are recognized as expenditures in governmental funds when purchased, since they are not a material nature, and are recognized as expenses in the enterprise fund when used.

B. Accounts Receivable

Customer receivables are composed of the following aged categories:

	<u>Amount</u>
Current billings	\$ 241,477
30 days past due	29,090
60 days past due	2,826
90 days past due	<u>7,828</u>
Total	<u>\$ 281,221</u>

Bad debts are determined and written-off only by direct action of the system's board. The amount of \$17,335 was written-off for 2009.

C. Deposits and Investments

The system is subject to the Tennessee statute, which requires deposits in financial institutions be secured and collateralized by such institutions. The collateral must meet certain requirements and must have a total minimum market value of 105 percent of the value of the deposits placed in the institutions, less the amount protected by federal depository insurance. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool.

Custodial credit risk is the risk that in the event of a bank failure, the system's deposits may not be returned to it. As of June 30, 2009, all deposits were insured or collateralized.

Investments consist of certificates of deposit with financial institutions with original maturities of over three months and not over one year. The system's policy is to hold these investments to maturity; and therefore, there is no interest rate risk that will adversely affect the fair value of the investments.

D. Restricted Assets

The restricted assets represent investment of construction reserves and customer deposits. The customer deposits are not available for operation of the system and are held in trust. The deposits at June 30, 2009, included \$18,050 for meter deposits of current customers.

E. Utility Plant, Property, and Equipment

Major classifications of the utility plant and equipment and their respective depreciable lives are summarized as follow:

Assets	Years
Water grid and improvements	50 - 100
Water mains	40
Water towers and stations	40
Water meters	10 - 40
Casting and valves	20 - 50
Other capitalized costs	40
Equipment and fixtures:	
Trucks	5
Small tools and equipment	3 - 5 - 10
Office furniture and equipment	5 - 10

F. Capital Assets

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

	Balance 7-1-08	Additions	Retirements	Balance 6-30-09
Capital Assets Not Depreciated:				
Land	\$ 287,025	\$ 0	\$ 0	\$ 287,025
Construction in Progress	0	0	0	0
Total Capital Assets Not Depreciated	\$ 287,025	\$ 0	\$ 0	\$ 287,025
Capital Assets Depreciated:				
Building	\$ 225,077	\$ 0	\$ 0	\$ 225,077
Water Grid and Improvements	28,424,673	79,380	0	28,504,053
Equipment and Fixtures	619,801	53,899	(20,457)	653,243
Total Capital Assets Depreciated	\$ 29,269,551	\$ 133,279	\$ (20,457)	\$ 29,382,373
Less Accumulated Depreciation For:				
Building	\$ 60,412	\$ 6,548	\$ 0	\$ 66,960
Water Grid and Improvements	3,700,534	540,406	0	4,240,940
Equipment and Fixtures	434,735	60,351	(17,943)	477,143
Total Accumulated Depreciation	\$ 4,195,681	\$ 607,305	\$ (17,943)	\$ 4,785,043
Total Capital Assets Depreciated, Net	\$ 25,073,870	\$ (474,026)	\$ (2,514)	\$ 24,597,330
Business-type Activities Capital Assets, Net	\$ 25,360,895	\$ (474,026)	\$ (2,514)	\$ 24,884,355

G. Accrued Leave

Accumulated annual leave at June 30, 2009, totaled \$25,499. It is the system's policy to accrue vacation annually for full-time personnel and charge employee benefits. The policy provides two weeks of annual leave for personnel with one to five years continuous county service, three weeks for six to 11 years of service, and increasing amounts up to five weeks for service up to 25 years.

H. Risk Management

The system is exposed to losses that could arise from torts; asset theft, damage, or destruction; business interruption; errors or omissions; job-related illnesses or injuries to employees; acts of nature; and accident, health, dental, and other medical benefits to employees. Potential losses are covered by commercial insurance.

The system has not been involved in any significant litigation during the last four fiscal years.

I. Long-term Debt

During 2006, the system entered into a contract for State Revolving Loan Funds – DWSRF 05-065 for \$4,200,000 to finance water line upgrades and improvements. In 2008, principal payments began within 90 days after the project was completed. The principal will be amortized over 20 years with monthly payments of \$21,623 and an interest rate of 2.42 percent.

Maturities of long-term debt are as follows:

Year Ending June 30	Principal	Interest	Total
2010	\$ 168,780	\$ 90,696	\$ 259,476
2011	172,908	86,568	259,476
2012	177,132	82,344	259,476
2013	181,476	78,000	259,476
2014	185,916	73,560	259,476
2015-2027	2,938,729	499,240	3,437,969
Total	\$ 3,824,941	\$ 910,408	\$ 4,735,349

During 2008, the system entered into a contract for State Revolving Loan Funds – DWSRF 07-072 for \$1,650,000 to finance water line upgrades and improvements. In 2009, principal payments began within 90 days after the project was completed. The principal will be amortized over 20 years with monthly payments of \$8,679 and an interest rate of 2.42 percent.

Year Ending June 30	Principal	Interest	Total
2010	\$ 66,252	\$ 37,896	\$ 104,148
2011	67,884	36,264	104,148
2012	69,540	34,608	104,148
2013	71,244	32,904	104,148
2014	72,984	31,164	104,148
2015-2028	1,248,096	227,390	1,475,486
Total	\$ 1,596,000	\$ 400,226	\$ 1,996,226

During 2006, Rural Development obligated a \$2,900,000 loan for the system to finance water line upgrades and extensions. During the year, interim financing was converted to permanent financing upon project completion by the issuance of 4.125 percent bonds with maturities over 38 years with a monthly payment of \$12,615.

Year Ending June 30	Principal	Interest	Total
2010	\$ 33,607	\$ 117,773	\$ 151,380
2011	35,020	116,360	151,380
2012	36,492	114,888	151,380
2013	38,026	113,354	151,380
2014	39,625	111,755	151,380
After 2015	2,687,763	2,098,126	4,785,889
Total	\$ 2,870,533	\$ 2,672,256	\$ 5,542,789

VIII. OTHER NOTES – DISCRETELY PRESENTED MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

1. Nature of Activities

The Maury County Emergency Communications District is a nonprofit organization, established under Tennessee law. The district was organized to provide Emergency 911 services to the residents of Maury County. While 911 has been in use for several years for emergency services, the Enhanced 911 was adopted for Maury County by public referendum on August 4, 1988. The voters of Maury County voted for E911 with an approval majority of 92 percent. Although the district is considered a municipality under its enabling legislation, it cannot levy

or collect taxes, and the charges for services shall not be considered or classified as taxes. The district is managed by a volunteer board of directors who are appointed by the district's primary government.

The district is a discretely presented component unit of Maury County, Tennessee, and the financial statements are presented in both the district's separate financial report and within the Maury County, Tennessee financial report. The district is considered a discretely presented component unit of Maury County as defined under the criteria set forth in Governmental Accounting Standards Board Statement No. 14, because the district would be unable to issue debt without going through Maury County, Tennessee.

2. Basis of Accounting and Financial Statement Presentation

The term basis of accounting is used to determine when a transaction or event is recognized on the district's operating statement. The district uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned, and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

The Governmental Accounting Standards Board (GASB) exercises jurisdiction over accounting and financial reporting for governments. The Financial Accounting Standards Board (FASB) exercises jurisdiction over private enterprises and nonprofits. The Office of the Comptroller of the Treasury requires Tennessee emergency communications districts to follow option one of GASB Statement No. 20. This option requires the district to follow only GASB guidance after November 30, 1989, and not to follow any FASB guidance after that date.

3. Use of Estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

4. Cash and Cash Equivalents

For purposes of the Statement of Net Assets and Statement of Cash Flows, Maury County Emergency Communications District considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

5. Capital Assets

Capital assets are defined by the district as assets with an initial cost of more than \$500 and an estimated useful life in excess of one year. Additions to capital assets are recorded at acquisition cost or estimated market value at the date of donation in the case of donated property. Depreciation and amortization are provided for in amounts sufficient to relate the cost of the assets to operations over their estimated service lives using the straight-line method of depreciation. Estimated useful lives, in years, for depreciable assets are as follows:

<u>Assets</u>	<u>Years</u>
Building and improvements	10 - 40
Furniture and fixtures	7
Office equipment	5 - 10
Communications equipment	5 - 10
Vehicles	5

6. Income Taxes

Maury County Emergency Communications District is a tax-exempt organization under Section 115 of the Internal Revenue Code and, accordingly, no provision for federal income taxes has been made.

7. Operating Revenues and Expenses

The district distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a district's principal ongoing operations. The principal operating revenues of the district are emergency telephone service charges to residents for providing emergency 911 services. Operating expenses include payroll expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

8. Budgetary Data

The district is required by state statute to adopt an annual budget. The annual budget is prepared on the basis in which current available funds must be sufficient to meet current expenditures. The district utilizes cash basis accounting for the budget as depreciation is not budgeted, and outlays for capital items are budgeted as expenses. Therefore the budget is not intended to be presented in accordance with generally accepted accounting principles. The budget may be amended by the board as conditions warrant throughout the year.

9. Compensated Absences

It is the policy of the district that unused leave at the end of a fiscal year does not carry over to the next year. Vacation and sick leave expenditures are recognized when paid. Therefore, no accrual for accumulated unpaid leave is necessary.

B. Cash and Depository Collateral

The district's current policies limit deposits of funds to accounts with commercial banks, which are required to pledge securities as collateral for the deposits should they be in excess of Federal Deposit Insurance Corporation (FDIC) coverage of \$250,000. The financial institution used by the district is a participant in the Tennessee Collateral Pool, which was established to provide security for public funds deposits in excess of FDIC coverage.

At year-end, the district's deposits of cash and certificates of deposit were fully insured by the FDIC or collateralized by the Tennessee Collateral Pool.

C. Certificate of Deposit

At June 30, 2009, the certificate of deposit was as follows:

	<u>Amount</u>
First Farmers and Merchants Bank, 1.8% maturing November 6, 2009	<u>\$ 150,000</u>

D. Accounts Receivable

The following schedule reflects the components of accounts receivable as of June 30, 2009:

	<u>Amount</u>
Emergency telephone service charges	\$ 45,273
State emergency communications board-shared wireless	36,602
State emergency communications board-operational funding	<u>29,436</u>
Total	<u>\$ 111,311</u>

E. Capital Assets

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

	Balance 7-1-08	Additions	Balance 6-30-09
Capital Assets Not Depreciated:			
Land	\$ 74,380	\$ 0	\$ 74,380
Total Capital Assets Not Depreciated	<u>\$ 74,380</u>	<u>\$ 0</u>	<u>\$ 74,380</u>
Capital Assets Depreciated:			
Building	\$ 493,082	\$ 0	\$ 493,082
Office Equipment	22,155	4,327	26,482
Furniture and Fixtures	3,482	0	3,482
Communications Equipment	442,516	14,654	457,170
Vehicles	26,247	0	26,247
Total Capital Assets Depreciated	<u>\$ 987,482</u>	<u>\$ 18,981</u>	<u>\$ 1,006,463</u>
Less Accumulated Depreciation For:			
Building	\$ 23,930	\$ 12,327	\$ 36,257
Office Equipment	2,083	1,435	3,518
Furniture and Fixtures	598	292	890
Communications Equipment	117,506	45,833	163,339
Vehicles	4,489	5,250	9,739
Total Accumulated Depreciation	<u>\$ 148,606</u>	<u>\$ 65,137</u>	<u>\$ 213,743</u>
Total Capital Assets Depreciated, Net	<u>\$ 838,876</u>	<u>\$ (46,156)</u>	<u>\$ 792,720</u>
Business-type Activities Capital Assets, Net	<u>\$ 913,256</u>	<u>\$ (46,156)</u>	<u>\$ 867,100</u>

Depreciation charged to expense for the current year totaled \$65,137.

F. Accrued Expenses

Accrued expenses at June 30, 2009, consisted of the following:

	<u>Amount</u>
Accrued payroll	\$ 15,466
Accrued payroll taxes	<u>2,982</u>
Total	<u>\$ 18,448</u>

G. Long-term Debt

Long-term debt activity for the current year was as follows:

	Balance 7-1-08	Reductions	Balance 6-30-09
First Farmers and Merchants Bank	\$ 119,323	\$ (31,002)	\$ 88,321

	Amount Due Within One Year
First Farmers and Merchants Bank	<u>\$ 33,160</u>

At June 30, 2009, long-term debt consisted of the following:

Original mortgage of \$280,000 with First Farmers and Merchants Bank for the new building on 2907 Cayce Lane, Columbia, Tennessee, payable at 6.1% interest and monthly payments of \$3,135, maturing December 20, 2011.	<u>\$ 88,321</u>
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Current principal and interest payments are as follows:

Year Ending June 30	Principal	Interest
2010	\$ 33,160	\$ 4,458
2011	35,241	2,378
2012	19,920	368
Total	<u>\$ 88,321</u>	<u>\$ 7,204</u>

H. Major Revenue Source

Revenue for operation and maintenance of the district is generated by a surcharge placed on residential and business phone lines. The surcharge is collected by AT&T Telephone Company and remitted to the district monthly less a one percent administrative fee. In fiscal year 2000, the district began collecting revenue generated by wireless phone users. The Tennessee Emergency Communications Board collects the revenue and distributes 25 percent of

funds to the Emergency Communications District based on the proportion of the population of each district to that of the state, according to the latest census.

I. Retirement Plan

The district has elected to participate in the Tennessee Consolidated Retirement System. The district assumed the employer and employee liability for five years of prior service for each person who was employed full-time on the date of participation. The district also elected to provide cost-of-living increases to retirees. The initial contribution rate for the district is 9.24 percent. Current-year contributions totaled \$51,029.

J. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the year ended June 30, 2009, the district was insured against potential losses associated with these risks through the purchase of commercial insurance for management liability and through a blanket general liability policy purchased by Maury County. There have been no losses in excess of insurance coverage during the last three years.

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**REQUIRED SUPPLEMENTARY
INFORMATION**

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Exhibit F-1

Maury 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	
<u>Revenues</u>							
Local Taxes	\$ 12,631,013	\$ 0	\$ 0	\$ 12,631,013	\$ 12,126,899	\$ 12,126,899	\$ 504,114
Licenses and Permits	271,618	0	0	271,618	307,000	307,000	(35,382)
Fines, Forfeitures, and Penalties	479,853	0	0	479,853	419,100	457,919	21,934
Charges for Current Services	288,430	0	0	288,430	307,250	328,450	(40,020)
Other Local Revenues	538,258	0	0	538,258	129,300	483,721	54,537
Fees Received from County Officials	2,925,870	0	0	2,925,870	3,125,000	3,125,000	(199,130)
State of Tennessee	1,701,418	0	0	1,701,418	1,981,191	1,981,191	(279,773)
Federal Government	323,158	0	0	323,158	72,519	92,443	230,715
Other Governments and Citizens Groups	65,840	0	0	65,840	101,100	101,100	(35,260)
Total Revenues	\$ 19,225,458	\$ 0	\$ 0	\$ 19,225,458	\$ 18,569,359	\$ 19,003,723	\$ 221,735
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 73,574	\$ 0	\$ 75	\$ 73,649	\$ 94,327	\$ 94,327	\$ 20,678
Board of Equalization	923	0	0	923	1,615	1,615	692
Other Boards and Committees	5,752	0	0	5,752	10,753	10,753	5,001
County Mayor/Executive	247,238	0	0	247,238	207,084	249,462	2,224
Personnel Office	219,429	0	0	219,429	222,772	222,772	3,343
County Attorney	59,908	0	0	59,908	65,645	65,645	5,737
Election Commission	360,478	0	400	360,878	362,441	364,441	3,563
Register of Deeds	298,499	0	0	298,499	348,567	348,567	50,068
Development	440,364	(14,125)	18,275	444,514	575,063	575,063	130,549
County Buildings	810,760	(3,067)	200	807,893	881,816	902,276	94,383
Other General Administration	685,386	(32,265)	0	653,121	693,131	695,131	42,010
Preservation of Records	121,873	0	0	121,873	147,025	147,025	25,152

(Continued)

Exhibit F-1

Maury 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>Finance</u>							
Accounting and Budgeting	\$ 464,903	\$ (5,006)	0	\$ 459,897	\$ 640,053	\$ 515,736	\$ 55,839
Purchasing	184,386	0	0	184,386	77,545	201,862	17,476
Property Assessor's Office	542,857	(10,126)	6,350	539,081	584,207	584,207	45,126
Reappraisal Program	162,508	0	0	162,508	196,160	196,160	33,652
County Trustee's Office	297,725	0	0	297,725	306,304	306,304	8,579
County Clerk's Office	181,190	0	0	181,190	204,357	208,057	26,867
Data Processing	238,393	0	0	238,393	253,226	253,226	14,833
<u>Administration of Justice</u>							
Circuit Court	965,445	0	0	965,445	1,025,499	1,025,499	60,054
General Sessions Court	960,163	(27,656)	0	932,507	903,498	914,648	(17,859)
Chancery Court	91,869	0	518	92,387	116,587	116,587	24,200
District Attorney General	76,200	0	0	76,200	101,075	101,075	24,875
Courtroom Security	32,669	0	0	32,669	6,500	34,169	1,500
<u>Public Safety</u>							
Sheriff's Department	5,585,392	(352)	13,130	5,598,170	5,883,968	5,913,519	315,349
Jail	3,799,661	(250)	27,947	3,827,358	3,730,557	3,970,094	142,736
Juvenile Services	293,807	0	0	293,807	218,543	299,753	5,946
Civil Defense	253,868	(17,967)	0	235,901	144,593	212,811	(23,090)
Other Emergency Management	218,579	0	0	218,579	169,501	185,856	(32,723)
County Coroner/Medical Examiner	5,786	0	0	5,786	26,000	26,000	20,214
Public Safety Grant Programs	38,508	(7,122)	0	31,386	27,000	36,803	5,417
<u>Public Health and Welfare</u>							
Local Health Center	777,670	(712)	750	777,708	961,200	961,200	183,492
Rabies and Animal Control	104,461	0	0	104,461	136,888	136,888	32,427

(Continued)

Exhibit F-1

Maury 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 Health and Welfare (Cont.)</u>							
Regional Mental Health Center	\$ 9,000	\$ 0	\$ 0	\$ 9,000	\$ 0	\$ 9,000	0
Appropriation to State	66,516	0	0	66,516	69,900	69,900	3,384
Other Local Welfare Services	10,941	0	0	10,941	11,000	11,000	59
Other Public Health and Welfare	194,781	0	0	194,781	194,657	194,782	1
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	34,000	0	0	34,000	34,000	34,000	0
Libraries	589,106	0	0	589,106	619,134	619,134	30,028
Parks and Fair Boards	646,587	(5,510)	13,885	654,962	705,215	705,215	50,253
<u>Agriculture and Natural Resources</u>							
Agriculture Extension Service	114,739	0	0	114,739	128,449	128,449	13,710
Forest Service	2,000	0	0	2,000	2,000	2,000	0
Soil Conservation	45,198	0	0	45,198	45,398	45,398	200
<u>Other Operations</u>							
Tourism	378,199	(3,000)	8,140	383,339	389,633	407,133	23,794
Industrial Development	184,242	0	1,000	185,242	183,400	185,400	158
Other Economic and Community Development	4,085	0	0	4,085	12,000	12,000	7,915
Airport	40,000	0	0	40,000	40,000	40,000	0
Veterans' Services	65,441	0	0	65,441	65,606	65,606	165
Contributions to Other Agencies	29,415	0	0	29,415	29,415	29,415	0
Employee Benefits	15,013	0	0	15,013	33,000	33,000	17,987
Miscellaneous	1,029,812	0	0	1,029,812	379,380	1,020,837	(8,975)
<u>Principal on Debt</u>							
General Government	128,079	0	0	128,079	0	128,079	0

(Continued)

Exhibit F-1

Maury 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>Capital Projects</u>							
Public Utility Projects	\$ 5,800	\$ (5,800)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Projects - Donated	58,300	0	0	58,300	0	58,300	0
Capital Projects Donated to School Department	\$ 22,251,478	\$ (132,958)	\$ 90,670	\$ 22,209,190	\$ 22,265,687	\$ 23,676,179	\$ 1,466,989
Total Expenditures	\$ (3,026,020)	\$ 132,958	\$ (90,670)	\$ (2,983,732)	\$ (3,696,328)	\$ (4,672,456)	\$ 1,688,724
Excess (Deficiency) of Revenues Over Expenditures	\$ 640,396	\$ 0	\$ 0	\$ 640,396	\$ 0	\$ 640,396	\$ 0
<u>Other Financing Sources (Uses)</u>							
Notes Issued	39,401	0	0	39,401	0	25,931	13,470
Insurance Recovery	1,255,504	0	0	1,255,504	2,035,000	1,255,504	0
Transfers In	(160,766)	0	0	(160,766)	(638,600)	(177,360)	16,594
Transfers Out	\$ 1,774,535	\$ 0	\$ 0	\$ 1,774,535	\$ 1,396,400	\$ 1,744,471	\$ 30,064
Total Other Financing Sources (Uses)	\$ (1,251,485)	\$ 132,958	\$ (90,670)	\$ (1,209,197)	\$ (2,299,928)	\$ (2,927,985)	\$ 1,718,788
Net Change in Fund Balance Fund Balance, July 1, 2008	5,839,281	(132,958)	0	5,706,323	5,921,354	5,921,354	(215,031)
Fund Balance, June 30, 2009	\$ 4,587,796	\$ 0	\$ (90,670)	\$ 4,497,126	\$ 3,621,426	\$ 2,993,369	\$ 1,503,757

Exhibit F-2

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

(Dollar amounts in thousands)

Plans	Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
County Employees and School Department	6-30-09	7-1-07 #	\$ 26,608	\$ 29,702	\$ 3,094	89.58 %	\$ 21,348	14.49 %
"	6-30-08	7-1-07 #	26,608	29,702	3,094	89.58	21,348	14.49
Hospital Employees	6-30-09	5-1-07 *	42,314,713	39,373,681	(2,941,032)	100	6,877,594	(42.80)
"	6-30-08	5-1-08 *	43,136,990	41,325,850	(1,811,140)	100	6,645,042	(27.30)
"	6-30-07	5-1-09 *	38,788,798	42,379,105	3,590,307	92	6,225,197	57.70

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.

* Entry age cost method is utilized for determining the unfunded actuarial liability.

Exhibit F-3

Maury County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plan
Discretely Presented Maury County School Department
June 30, 2009

(Dollar amounts in thousands)

Plan	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)
Local Education Group	6-30-08	7-1-07	\$ 0	\$ 19,760	\$ 19,760	0	\$ 51,832	38 %
"	6-30-09	7-1-07	0	19,760	19,760	0	51,832	38

*Data only available for two years.

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

A. BUDGETARY INFORMATION

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

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

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, Other Boards and Committees, County Mayor/Executive, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

B. EXPENDITURES EXCEEDED APPROPRIATIONS

Expenditures exceeded appropriations approved by the County Commission in several major appropriation categories (the legal level of control) of the General Fund:

Fund/Major Category	Amount Overspent
General:	
General Sessions Court	\$ 17,859
Civil Defense	23,090
Other Emergency Management	32,723
Miscellaneous	8,975

Such overexpenditures are a violation of state statute. These overexpenditures were funded by available fund balance.

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

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Nonmajor Governmental Funds

Special Revenue Funds

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

Special Purpose Fund – The Special Purpose Fund is used primarily to account for in-lieu-of taxes paid by the Saturn Corporation.

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

Adequate Facilities/Development Tax Fund – The Adequate Facilities/Development Tax Fund is used to account for the fee assessed on square footage on all new residential and commercial buildings.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions of the county’s animal shelter.

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.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county’s Highway Department.

Capital Projects Funds

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 of the county.

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

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

Exhibit G-1

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

Special Purpose	Special Revenue Funds						Total
	Drug Control	Adequate Facilities/Development Tax	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works		
\$	0 \$	0 \$	0 \$	193,587 \$	0 \$	0 \$	193,587
475,779	176,502	995,279	65,514	0	2,149,502	0	3,862,576
0	1,102	0	0	1,445	20,779	0	23,326
0	0	0	0	0	526,322	0	526,322
0	0	0	0	0	2,311,905	0	2,311,905
0	0	0	0	0	(68,258)	0	(68,258)
0	0	0	2,732	0	22,843	0	25,575
\$	475,779 \$	177,604 \$	995,279 \$	68,246 \$	195,032 \$	4,963,093 \$	6,875,033

ASSETS

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

Total Assets

LIABILITIES AND FUND BALANCES

Liabilities

Accounts Payable
 Payroll Deductions Payable
 Contracts Payable
 Retainage Payable
 Due to State of Tennessee
 Due to Litigants, Heirs, and Others
 Current Liabilities Payable from Restricted Assets:
 Customer Deposits Payable
 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

\$	364 \$	0 \$	0 \$	1,863 \$	0 \$	833 \$	3,060
0	0	0	3,239	0	27,537	0	30,776
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	193	0	60	253	253
0	0	0	0	2,145	0	0	2,145
0	0	0	32,949	0	0	0	32,949
0	0	0	0	0	2,165,687	0	2,165,687
0	0	0	0	0	73,783	0	73,783
0	0	0	0	0	197,804	0	197,804
\$	364 \$	0 \$	38,244 \$	2,145 \$	2,465,704 \$	0 \$	2,506,457
\$	28,042 \$	100 \$	47,439 \$	0 \$	430,060 \$	0 \$	505,641
447,373	177,504	947,840	30,002	192,887	2,067,329	0	3,862,935
\$	475,415 \$	177,604 \$	995,279 \$	30,002 \$	192,887 \$	2,497,389 \$	4,368,576
\$	475,779 \$	177,604 \$	995,279 \$	68,246 \$	195,032 \$	4,963,093 \$	6,875,033

(Continued)

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

	Capital Projects Funds				Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Other Capital Projects	Total	
\$	0	0	0	0	0
Cash	0	0	0	0	193,587
Equity in Pooled Cash and Investments	4,610,810	85,653	672,084	5,368,547	9,231,123
Accounts Receivable	0	0	0	0	23,326
Due from Other Governments	0	0	0	0	526,322
Property Taxes Receivable	0	0	660,544	660,544	2,972,449
Allowance for Uncollectible Property Taxes	0	0	(19,502)	(19,502)	(87,760)
Prepaid Items	0	0	0	0	25,575
Total Assets	\$ 4,610,810	\$ 85,653	\$ 1,313,126	\$ 6,009,589	\$ 12,884,622

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities	\$	0	0	684	684	3,744
Accounts Payable	0	0	0	0	0	30,776
Payroll Deductions Payable	209,456	0	0	209,456	209,456	209,456
Contracts Payable	11,024	0	0	11,024	11,024	11,024
Retainage Payable	0	0	0	0	0	253
Due to State of Tennessee	0	0	0	0	0	2,145
Due to Litigants, Heirs, and Others	0	0	0	0	0	32,949
Current Liabilities Payable from Restricted Assets:	0	0	0	0	0	2,784,455
Customer Deposits Payable	0	0	618,768	618,768	618,768	95,460
Deferred Revenue - Current Property Taxes	0	0	21,677	21,677	21,677	197,804
Deferred Revenue - Delinquent Property Taxes	0	0	0	0	0	197,804
Other Deferred Revenues	0	0	0	0	0	3,368,066
Total Liabilities	\$ 220,480	\$ 0	\$ 641,129	\$ 861,609	\$ 861,609	\$ 3,368,066
Fund Balances	\$	727,559	42,313	0	769,872	1,275,513
Reserved for Encumbrances	3,662,771	43,340	671,997	4,378,108	8,241,043	8,241,043
Unreserved	\$ 4,390,330	\$ 85,653	\$ 671,997	\$ 5,147,980	\$ 9,516,556	9,516,556
Total Fund Balances	\$ 4,610,810	\$ 85,653	\$ 1,313,126	\$ 6,009,589	\$ 12,884,622	12,884,622
Total Liabilities and Fund Balances	\$ 4,610,810	\$ 85,653	\$ 1,313,126	\$ 6,009,589	\$ 12,884,622	12,884,622

Maury 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
	Special Purpose	Drug Control	Adequate Facilities/ Development Tax	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works		
<u>Revenues</u>								
Local Taxes	\$ 2,250,000	\$ 0	\$ 554,581	\$ 0	\$ 0	\$ 2,236,947	\$ 5,041,528	
Fines, Forfeitures, and Penalties	0	110,252	0	0	0	0	110,252	
Charges for Current Services	0	0	0	0	818,335	0	818,335	
Other Local Revenues	22,842	32	0	134,350	0	70,974	228,198	
State of Tennessee	0	0	0	0	0	2,711,038	2,711,038	
Federal Government	0	0	30,000	0	0	0	30,000	
Other Governments and Citizens Groups	0	0	5,000	169,222	0	4,564	178,786	
Total Revenues	\$ 2,272,842	\$ 110,284	\$ 589,581	\$ 303,572	\$ 818,335	\$ 5,023,523	\$ 9,118,137	
<u>Expenditures</u>								
Current:								
Finance	\$ 219,736	\$ 0	\$ 0	\$ 0	\$ 525,544	\$ 0	\$ 745,280	
Administration of Justice	0	0	0	0	284,633	0	284,633	
Public Safety	40,492	77,368	0	0	101	0	117,961	
Public Health and Welfare	0	0	0	430,231	0	0	430,231	
Other Operations	395,963	0	0	0	0	0	395,963	
Highways	0	0	0	0	0	4,808,212	4,808,212	
Operation of Non-Instructional Services	105,980	0	0	0	0	0	105,980	
Debt Service:								
Principal on Debt	266,758	0	0	0	0	0	266,758	
Interest on Debt	21,423	0	0	0	0	0	21,423	
Capital Projects	221,920	0	992,814	0	0	81,123	1,295,857	
Capital Projects - Donated	125,675	0	261,072	0	0	0	386,747	
Total Expenditures	\$ 1,397,947	\$ 77,368	\$ 1,253,886	\$ 430,231	\$ 810,278	\$ 4,889,335	\$ 8,859,045	
Excess (Deficiency) of Revenues Over Expenditures	\$ 874,895	\$ 32,916	\$ (664,305)	\$ (126,659)	\$ 8,057	\$ 134,188	\$ 259,092	

(Continued)

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

	Special Revenue Funds							Total
	Special Purpose	Drug Control	Adequate Facilities/ Development Tax	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works		
<u>Other Financing Sources (Uses)</u>								
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Capital Leases Issued	125,675	0	0	0	0	0	0	125,675
Insurance Recovery	132	0	0	0	0	0	0	132
Transfers In	0	3,600	0	157,166	0	0	0	160,766
Transfers Out	(1,168,250)	0	0	0	0	0	0	(1,168,250)
Total Other Financing Sources (Uses)	\$ (1,042,443)	\$ 3,600	\$ 0	\$ 157,166	\$ 0	\$ 0	\$ 0	\$ (881,677)
Net Change in Fund Balances	\$ (167,548)	\$ 36,516	\$ (664,305)	\$ 30,507	\$ 8,057	\$ 134,188	\$ (622,585)	
Fund Balance, July 1, 2008	642,963	141,088	1,659,584	(505)	184,830	2,363,201	4,991,161	
Fund Balance, June 30, 2009	\$ 475,415	\$ 177,604	\$ 995,279	\$ 30,002	\$ 192,887	\$ 2,497,389	\$ 4,368,576	

(Continued)

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

	Capital Projects Funds			Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Other Capital Projects	
<u>Revenues</u>				
Local Taxes	\$ 0	\$ 0	\$ 314,878	\$ 5,356,406
Fines, Forfeitures, and Penalties	0	0	0	110,252
Charges for Current Services	0	0	0	818,335
Other Local Revenues	347,800	0	37,142	613,140
State of Tennessee	0	0	0	2,711,038
Federal Government	0	0	0	30,000
Other Governments and Citizens Groups	0	0	0	178,786
Total Revenues	\$ 347,800	\$ 0	\$ 352,020	\$ 699,820
				\$ 9,817,957
<u>Expenditures</u>				
Current:				
Finance	\$ 0	\$ 0	\$ 0	\$ 745,280
Administration of Justice	0	0	0	284,633
Public Safety	215,970	0	0	333,931
Public Health and Welfare	0	0	0	430,231
Other Operations	0	0	11,309	407,272
Highways	0	0	0	4,808,212
Operation of Non-Instructional Services	0	0	0	105,980
Debt Service:				
Principal on Debt	0	0	0	266,758
Interest on Debt	0	0	0	21,423
Capital Projects	4,436,825	270,099	0	6,002,781
Capital Projects - Donated	0	0	119,471	506,218
Total Expenditures	\$ 4,652,795	\$ 270,099	\$ 130,780	\$ 13,912,719
				\$ 5,053,674
Excess (Deficiency) of Revenues Over Expenditures	\$ (4,304,995)	\$ (270,099)	\$ 221,240	\$ (4,094,762)

(Continued)

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

	Capital Projects Funds			Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Other Capital Projects	
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 567,000	\$ 0	\$ 0	\$ 567,000
Capital Leases Issued	0	0	0	125,675
Insurance Recovery	0	0	0	132
Transfers In	0	232,000	0	392,766
Transfers Out	(2,232,000)	0	(120,504)	(3,520,754)
<u>Total Other Financing Sources (Uses)</u>	<u>\$ (1,665,000)</u>	<u>\$ 232,000</u>	<u>\$ (120,504)</u>	<u>\$ (1,553,504)</u>
<u>Net Change in Fund Balances</u>	<u>\$ (5,969,995)</u>	<u>\$ (38,099)</u>	<u>\$ 100,736</u>	<u>\$ (6,529,943)</u>
Fund Balance, July 1, 2008	10,360,325	123,752	571,261	16,046,499
<u>Fund Balance, June 30, 2009</u>	<u>\$ 4,390,330</u>	<u>\$ 85,653</u>	<u>\$ 671,997</u>	<u>\$ 9,516,556</u>

Exhibit G-3

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Special Purpose Fund
For the Year Ended June 30, 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	\$ 2,250,000	\$ 0	\$ 0	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 0
Other Local Revenues	22,842	0	0	22,842	16,000	16,000	6,842
Total Revenues	\$ 2,272,842	\$ 0	\$ 0	\$ 2,272,842	\$ 2,266,000	\$ 2,266,000	\$ 6,842
<u>Expenditures</u>							
<u>Finance</u>							
Data Processing	\$ 219,736	\$ (22,020)	\$ 9,753	\$ 207,469	\$ 340,128	\$ 340,804	\$ 133,335
<u>Public Safety</u>							
Drug Enforcement	0	0	0	0	0	110	110
Fire Prevention and Control	40,492	0	0	40,492	33,312	40,492	0
<u>Other Operations</u>							
Contributions to Other Agencies	77,570	0	0	77,570	77,571	77,571	1
Payments to Cities	250,000	0	0	250,000	250,000	250,000	0
Miscellaneous	68,393	0	0	68,393	25,000	68,393	0
<u>Operation of Non-Instructional Services</u>							
Early Childhood Education	105,980	0	14,099	120,079	164,000	120,079	0
<u>Principal on Debt</u>							
Education	266,758	0	0	266,758	222,837	266,758	0
<u>Interest on Debt</u>							
Education	21,423	0	0	21,423	21,423	21,423	0
<u>Capital Projects</u>							
General Administration Projects	71,920	(24,764)	4,190	51,346	106,000	105,324	53,978
Public Utility Projects	150,000	0	0	150,000	0	150,000	0
<u>Capital Projects - Donated</u>							
Capital Projects Donated to School Department	125,675	0	0	125,675	0	125,675	0
Total Expenditures	\$ 1,397,947	\$ (46,784)	\$ 28,042	\$ 1,379,205	\$ 1,240,271	\$ 1,566,629	\$ 187,424

(Continued)

Exhibit G-3

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Special Purpose 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	
Excess (Deficiency) of Revenues Over Expenditures	\$ 874,895	\$ 46,784	\$ (28,042)	\$ 893,637	\$ 1,025,729	\$ 699,371	\$ 194,266
Other Financing Sources (Uses)							
Capital Leases Issued	\$ 125,675	\$ 0	\$ 0	\$ 125,675	\$ 0	\$ 125,675	\$ 0
Insurance Recovery	132	0	0	132	0	0	132
Transfers Out	(1,168,250)	0	0	(1,168,250)	(1,168,250)	(1,168,250)	0
Total Other Financing Sources (Uses)	\$ (1,042,443)	\$ 0	\$ 0	\$ (1,042,443)	\$ (1,168,250)	\$ (1,042,575)	\$ 132
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ (167,548)	\$ 46,784	\$ (28,042)	\$ (148,806)	\$ (142,521)	\$ (343,204)	\$ 194,398
Fund Balance, June 30, 2009	642,963	(46,784)	0	596,179	823,492	823,492	(227,313)
	\$ 475,415	\$ 0	\$ (28,042)	\$ 447,373	\$ 680,971	\$ 480,288	\$ (32,915)

Exhibit G-4

Maury 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)	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	\$ 110,252	0	\$ 110,252	\$ 62,474	\$ 62,474	\$ 47,778
Other Local Revenues	32	0	32	0	0	32
Total Revenues	\$ 110,284	0	\$ 110,284	\$ 62,474	\$ 62,474	\$ 47,810
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 77,368	100	\$ 77,468	\$ 109,950	\$ 109,950	\$ 32,482
Other Operations	0	0	0	110	110	110
Miscellaneous						
Total Expenditures	\$ 77,368	100	\$ 77,468	\$ 110,060	\$ 110,060	\$ 32,592
Excess (Deficiency) of Revenues Over Expenditures	\$ 32,916	(100)	\$ 32,816	\$ (47,586)	\$ (47,586)	\$ 80,402
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 3,600	0	\$ 3,600	0	0	\$ 3,600
Total Other Financing Sources (Uses)	\$ 3,600	0	\$ 3,600	0	0	\$ 3,600
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 36,516	(100)	\$ 36,416	\$ (47,586)	\$ (47,586)	\$ 84,002
	141,088	0	141,088	140,897	140,897	191
Fund Balance, June 30, 2009	\$ 177,604	(100)	\$ 177,504	\$ 93,311	\$ 93,311	\$ 84,193

Exhibit G-5

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Adequate Facilities/Development Tax 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	\$ 554,581	\$ 0	\$ 0	\$ 554,581	\$ 950,000	\$ 950,000	\$ (395,419)
Federal Government	30,000	0	0	30,000	0	0	30,000
Other Governments and Citizens Groups	5,000	0	0	5,000	0	0	5,000
Total Revenues	\$ 589,581	\$ 0	\$ 0	\$ 589,581	\$ 950,000	\$ 950,000	\$ (360,419)
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 207,769	\$ (207,769)	\$ 0	\$ 0	\$ 10,000	\$ 92,793	\$ 92,793
Social, Cultural, and Recreation Projects	29,350	(29,350)	0	0	0	0	0
Public Utility Projects	0	0	0	0	150,000	0	0
Other General Government Projects	133,750	(148,500)	14,850	100	0	100	0
Highway and Street Capital Projects	621,945	(55,138)	32,589	599,396	631,000	631,000	31,604
Education Capital Projects	0	0	0	0	261,000	0	0
<u>Capital Projects - Donated</u>							
Capital Projects Donated to School Department	261,072	0	0	261,072	0	261,072	0
Total Expenditures	\$ 1,253,886	\$ (440,757)	\$ 47,439	\$ 860,568	\$ 1,052,000	\$ 984,965	\$ 124,397
Excess (Deficiency) of Revenues Over Expenditures	\$ (664,305)	\$ 440,757	\$ (47,439)	\$ (270,987)	\$ (102,000)	\$ (34,965)	\$ (236,022)
Net Change in Fund Balance	\$ (664,305)	\$ 440,757	\$ (47,439)	\$ (270,987)	\$ (102,000)	\$ (34,965)	\$ (236,022)
Fund Balance, July 1, 2008	1,659,584	(440,757)	0	1,218,827	1,383,573	1,383,573	(164,746)
Fund Balance, June 30, 2009	\$ 995,279	\$ 0	\$ (47,439)	\$ 947,840	\$ 1,281,573	\$ 1,348,608	\$ (400,768)

Exhibit G-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Other Local Revenues	\$ 134,350	\$ 0	\$ 134,350	\$ 481,851	\$ 155,463	\$ (21,113)
Other Governments and Citizens Groups	169,222	0	169,222	0	169,222	0
Total Revenues	\$ 303,572	\$ 0	\$ 303,572	\$ 481,851	\$ 324,685	\$ (21,113)
<u>Expenditures</u>						
Public Health and Welfare	\$ 430,231	(441)	\$ 429,790	\$ 481,851	\$ 506,013	\$ 76,223
Rabies and Animal Control	430,231	(441)	429,790	481,851	506,013	76,223
Total Expenditures	\$ (126,659)	\$ 441	\$ (126,218)	\$ 0	\$ (181,328)	\$ 55,110
Excess (Deficiency) of Revenues Over Expenditures						
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 157,166	\$ 0	\$ 157,166	\$ 0	\$ 157,166	\$ 0
Total Other Financing Sources (Uses)	\$ 157,166	\$ 0	\$ 157,166	\$ 0	\$ 157,166	\$ 0
Net Change in Fund Balance	\$ 30,507	\$ 441	\$ 30,948	\$ 0	\$ (24,162)	\$ 55,110
Fund Balance, July 1, 2008	(505)	(441)	(946)	(5,094)	(5,094)	4,148
Fund Balance, June 30, 2009	\$ 30,002	\$ 0	\$ 30,002	\$ (5,094)	\$ (29,256)	\$ 59,258

Exhibit G-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2008	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,236,947	\$ 0	\$ 0	\$ 2,236,947	\$ 2,321,990	\$ 2,321,990	\$ (85,043)
Other Local Revenues	70,974	0	0	70,974	0	29,666	41,308
State of Tennessee	2,711,038	0	0	2,711,038	3,271,667	3,271,667	(560,629)
Other Governments and Citizens Groups	4,564	0	0	4,564	0	0	4,564
Total Revenues	\$ 5,023,523	\$ 0	\$ 0	\$ 5,023,523	\$ 5,593,657	\$ 5,623,323	\$ (599,800)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 188,815	\$ 0	\$ 0	\$ 188,815	\$ 219,230	\$ 219,231	\$ 30,416
Highway and Bridge Maintenance	2,840,213	(35,972)	306,042	3,110,283	3,212,221	3,265,029	154,746
Operation and Maintenance of Equipment	631,062	(1,180)	1,500	631,382	962,500	962,500	331,118
Other Charges	409,826	(1,520)	759	409,065	417,834	423,292	14,227
Employee Benefits	687	0	0	687	8,500	8,500	7,813
Capital Outlay	737,609	(47,393)	52,004	742,220	1,336,712	1,527,972	785,752
<u>Capital Projects</u>							
Highway and Street Capital Projects	81,123	(45,280)	69,755	105,598	373,000	373,000	267,402
Total Expenditures	\$ 4,889,335	\$ (131,345)	\$ 430,060	\$ 5,188,050	\$ 6,529,997	\$ 6,779,524	\$ 1,591,474
Excess (Deficiency) of Revenues Over Expenditures	\$ 134,188	\$ 131,345	\$ (430,060)	\$ (164,527)	\$ (936,340)	\$ (1,156,201)	\$ 991,674
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 134,188	\$ 131,345	\$ (430,060)	\$ (164,527)	\$ (936,340)	\$ (1,156,201)	\$ 991,674
	2,363,201	(131,345)	0	2,231,856	2,303,808	2,303,808	(71,952)
Fund Balance, June 30, 2009	\$ 2,497,389	\$ 0	\$ (430,060)	\$ 2,067,329	\$ 1,367,468	\$ 1,147,607	\$ 919,722

Exhibit G-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 314,878	\$ 575,246	\$ 575,246	\$ (260,368)
Other Local Revenues	37,142	10,000	10,000	27,142
Total Revenues	<u>\$ 352,020</u>	<u>\$ 585,246</u>	<u>\$ 585,246</u>	<u>\$ (233,226)</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 4,940	\$ 0	\$ 4,256	\$ (684)
Miscellaneous	6,369	12,500	8,244	1,875
<u>Capital Projects - Donated</u>				
Capital Projects Donated to School Department	119,471	0	119,500	29
Total Expenditures	<u>\$ 130,780</u>	<u>\$ 12,500</u>	<u>\$ 132,000</u>	<u>\$ 1,220</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 221,240</u>	<u>\$ 572,746</u>	<u>\$ 453,246</u>	<u>\$ (232,006)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (120,504)	\$ (385,000)	\$ (265,500)	\$ 144,996
Total Other Financing Sources (Uses)	<u>\$ (120,504)</u>	<u>\$ (385,000)</u>	<u>\$ (265,500)</u>	<u>\$ 144,996</u>
Net Change in Fund Balance	\$ 100,736	\$ 187,746	\$ 187,746	\$ (87,010)
Fund Balance, July 1, 2008	<u>571,261</u>	<u>587,385</u>	<u>587,385</u>	<u>(16,124)</u>
Fund Balance, June 30, 2009	<u>\$ 671,997</u>	<u>\$ 775,131</u>	<u>\$ 775,131</u>	<u>\$ (103,134)</u>

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Major Governmental Fund

General Debt Service Fund

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

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Exhibit H

Maury 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	\$ 7,640,915	\$ 7,150,048	\$ 7,150,048	\$ 490,867
Other Local Revenues	1,831,928	1,000,000	1,000,000	831,928
State of Tennessee	910,724	475,000	475,000	435,724
Federal Government	458	0	0	458
Total Revenues	<u>\$ 10,384,025</u>	<u>\$ 8,625,048</u>	<u>\$ 8,625,048</u>	<u>\$ 1,758,977</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,240,254	\$ 1,240,255	\$ 1,240,255	\$ 1
Highways and Streets	584,904	584,904	584,904	0
Education	7,044,400	5,284,398	7,284,398	239,998
<u>Interest on Debt</u>				
General Government	700,732	703,381	703,381	2,649
Highways and Streets	71,145	69,316	69,316	(1,829)
Education	2,600,247	2,646,831	2,646,831	46,584
<u>Other Debt Service</u>				
General Government	151,014	145,000	147,100	(3,914)
Total Expenditures	<u>\$ 12,392,696</u>	<u>\$ 10,674,085</u>	<u>\$ 12,676,185</u>	<u>\$ 283,489</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,008,671)</u>	<u>\$ (2,049,037)</u>	<u>\$ (4,051,137)</u>	<u>\$ 2,042,466</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 2,000,000	\$ 0	\$ 2,000,000	\$ 0
Total Other Financing Sources (Uses)	<u>\$ 2,000,000</u>	<u>\$ 0</u>	<u>\$ 2,000,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (8,671)	\$ (2,049,037)	\$ (2,051,137)	\$ 2,042,466
Fund Balance, July 1, 2008	13,241,816	13,205,064	13,205,064	36,752
Fund Balance, June 30, 2009	<u>\$ 13,233,145</u>	<u>\$ 11,156,027</u>	<u>\$ 11,153,927</u>	<u>\$ 2,079,218</u>

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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.

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Exhibit I-1

Maury 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	\$ 2,051,806	\$ 2,051,806
Investments	0	38,181	38,181
Due from Other Governments	1,559,797	0	1,559,797
Total Assets	<u>\$ 1,559,797</u>	<u>\$ 2,089,987</u>	<u>\$ 3,649,784</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 1,559,797	\$ 0	\$ 1,559,797
Due to Litigants, Heirs, and Others	0	2,089,987	2,089,987
Total Liabilities	<u>\$ 1,559,797</u>	<u>\$ 2,089,987</u>	<u>\$ 3,649,784</u>

Exhibit I-2

Maury 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	\$ 9,252,560	\$ 9,252,560	\$ 0
Due from Other Governments	1,619,182	1,559,797	1,619,182	1,559,797
Total Assets	\$ 1,619,182	\$ 10,812,357	\$ 10,871,742	\$ 1,559,797
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,619,182	\$ 10,812,357	\$ 10,871,742	\$ 1,559,797
Total Liabilities	\$ 1,619,182	\$ 10,812,357	\$ 10,871,742	\$ 1,559,797
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,160,457	\$ 17,826,267	\$ 17,934,918	\$ 2,051,806
Investments	37,490	38,181	37,490	38,181
Total Assets	\$ 2,197,947	\$ 17,864,448	\$ 17,972,408	\$ 2,089,987
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,197,947	\$ 17,864,448	\$ 17,972,408	\$ 2,089,987
Total Liabilities	\$ 2,197,947	\$ 17,864,448	\$ 17,972,408	\$ 2,089,987
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,160,457	\$ 17,826,267	\$ 17,934,918	\$ 2,051,806
Equity in Pooled Cash and Investments	0	9,252,560	9,252,560	0
Due from Other Governments	1,619,182	1,559,797	1,619,182	1,559,797
Investments	37,490	38,181	37,490	38,181
Total Assets	\$ 3,817,129	\$ 28,676,805	\$ 28,844,150	\$ 3,649,784
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,619,182	\$ 10,812,357	\$ 10,871,742	\$ 1,559,797
Due to Litigants, Heirs, and Others	2,197,947	17,864,448	17,972,408	2,089,987
Total Liabilities	\$ 3,817,129	\$ 28,676,805	\$ 28,844,150	\$ 3,649,784

Maury County School Department

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

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

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

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

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

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Exhibit J-1

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

Functions/Programs	Program Revenues			Expenses	Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Total	Governmental Activities
Governmental Activities:						
Instruction	\$ 56,279,539	\$ 144,456	\$ 6,590,113	\$ 0	\$ (49,544,970)	
Support Services	30,582,743	314,561	85,739	2,424,484	(27,757,959)	
Operation of Non-Instructional Services	6,528,724	2,551,170	3,358,338	0	(619,216)	
Interest on Long-term Debt	72,831	0	0	0	(72,831)	
Total Governmental Activities	\$ 93,463,837	\$ 3,010,187	\$ 10,034,190	\$ 2,424,484	\$ (77,994,976)	
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 19,056,547	
Local Option Sales Taxes					10,411,110	
Other Local Taxes					11,117	
Grants and Contributions Not Restricted to Specific Programs					45,855,914	
Unrestricted Investment Earnings					13,178	
Miscellaneous					50,194	
Total General Revenues					\$ 75,398,060	
Change in Net Assets					\$ (2,596,916)	
Net Assets, July 1, 2008					117,759,200	
Net Assets, June 30, 2009					\$ 115,162,284	

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
			<u>Other</u>	
<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Governmental</u>	
<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>	
				<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 8,215	\$ 8,215
Equity in Pooled Cash and Investments	3,555,618	10,090,503	2,093,698	15,739,819
Accounts Receivable	30,287	0	23	30,310
Due from Other Governments	2,175,812	0	184,442	2,360,254
Due from Other Funds	124,174	0	0	124,174
Property Taxes Receivable	20,229,167	0	0	20,229,167
Allowance for Uncollectible Property Taxes	(597,254)	0	0	(597,254)
Total Assets	<u>\$ 25,517,804</u>	<u>\$ 10,090,503</u>	<u>\$ 2,286,378</u>	<u>\$ 37,894,685</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 12,806	\$ 0	\$ 2,949	\$ 15,755
Payroll Deductions Payable	0	0	4,623	4,623
Contracts Payable	0	1,559,802	0	1,559,802
Retainage Payable	0	79,189	0	79,189
Due to Other Funds	0	0	124,174	124,174
Due to State of Tennessee	0	0	2,322	2,322
Deferred Revenue - Current Property Taxes	18,949,761	0	0	18,949,761
Deferred Revenue - Delinquent Property Taxes	645,004	0	0	645,004
Other Deferred Revenues	1,169,424	0	0	1,169,424
Total Liabilities	<u>\$ 20,776,995</u>	<u>\$ 1,638,991</u>	<u>\$ 134,068</u>	<u>\$ 22,550,054</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	\$ 184,732	\$ 6,023,082	\$ 472	\$ 6,208,286
Reserved for Career Ladder - Extended Contract	27,690	0	0	27,690
Reserved for Career Ladder Program	13,296	0	0	13,296
Reserved for Special Education - Grants to States	0	0	476,960	476,960
Other Federal Reserves	0	0	18,680	18,680
Unreserved, Reported In:				
General Fund	4,515,091	0	0	4,515,091
Special Revenue Funds	0	0	1,656,198	1,656,198
Capital Projects Funds	0	2,428,430	0	2,428,430
Total Fund Balances	<u>\$ 4,740,809</u>	<u>\$ 8,451,512</u>	<u>\$ 2,152,310</u>	<u>\$ 15,344,631</u>
Total Liabilities and Fund Balances	<u>\$ 25,517,804</u>	<u>\$ 10,090,503</u>	<u>\$ 2,286,378</u>	<u>\$ 37,894,685</u>

Maury County, Tennessee
Discretely Presented Maury County School Department
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 J-2)	\$ 15,344,631	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 3,019,939	
Add: construction in progress	18,372,847	
Add: building and improvements net of accumulated depreciation	80,189,043	
Add: other capital assets net of accumulated depreciation	<u>4,369,703</u>	105,951,532
(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	\$ (367,536)	
Less: capital leases payable	(1,194,085)	
Less: accrued interest on notes payable and capital leases	(42,805)	
Less: other postemployment benefits liability	(2,576,506)	
Less: compensated absences payable	<u>(3,767,375)</u>	(7,948,307)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,814,428</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 115,162,284</u>

Exhibit J-4

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Governmental</u>	<u>Funds</u>
			<u>Funds</u>	
<u>Revenues</u>				
Local Taxes	\$ 29,471,474	\$ 0	\$ 0	\$ 29,471,474
Licenses and Permits	5,567	0	0	5,567
Charges for Current Services	282,917	0	2,550,810	2,833,727
Other Local Revenues	97,843	0	38,765	136,608
State of Tennessee	46,053,692	0	57,897	46,111,589
Federal Government	446,520	0	8,873,733	9,320,253
Other Governments and Citizens Groups	0	2,424,484	0	2,424,484
Total Revenues	<u>\$ 76,358,013</u>	<u>\$ 2,424,484</u>	<u>\$ 11,521,205</u>	<u>\$ 90,303,702</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 48,664,049	\$ 0	\$ 3,428,184	\$ 52,092,233
Support Services	26,234,577	0	2,259,130	28,493,707
Operation of Non-Instructional Services	921,198	0	5,114,863	6,036,061
Capital Outlay	45,405	0	0	45,405
Debt Service:				
Principal on Debt	274,238	0	0	274,238
Interest on Debt	80,295	0	0	80,295
Capital Projects	0	19,245,952	0	19,245,952
Total Expenditures	<u>\$ 76,219,762</u>	<u>\$ 19,245,952</u>	<u>\$ 10,802,177</u>	<u>\$ 106,267,891</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 138,251</u>	<u>\$ (16,821,468)</u>	<u>\$ 719,028</u>	<u>\$ (15,964,189)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 130,679	\$ 0	\$ 0	\$ 130,679
Transfers Out	0	0	(130,679)	(130,679)
Total Other Financing Sources (Uses)	<u>\$ 130,679</u>	<u>\$ 0</u>	<u>\$ (130,679)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 268,930	\$ (16,821,468)	\$ 588,349	\$ (15,964,189)
Fund Balance, July 1, 2008	4,471,879	25,272,980	1,563,961	31,308,820
Fund Balance, June 30, 2009	<u>\$ 4,740,809</u>	<u>\$ 8,451,512</u>	<u>\$ 2,152,310</u>	<u>\$ 15,344,631</u>

Exhibit J-5

Maury County, Tennessee
Discretely Presented Maury County School Department
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 J-4)		\$ (15,964,189)
(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	\$ 18,560,420	
Less: current year depreciation expense	<u>(4,228,072)</u>	14,332,348
(2) 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	\$ 1,814,428	
Less: deferred delinquent property taxes and other deferred June 30, 2008	<u>(1,599,683)</u>	214,745
(3) The issuance of long-term debt (e.g., notes, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Add: principal payments on notes	\$ 67,211	
Add: principal payments on capital leases	<u>207,027</u>	274,238
(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 accrued interest payable	\$ 7,464	
Change in compensated absences payable	(117,660)	
Change in other postemployment benefits liability	<u>(1,343,862)</u>	(1,454,058)
Change in net assets of governmental activities (Exhibit B)		<u>\$ (2,596,916)</u>

Exhibit J-6

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

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Nonmajor</u>
	<u>Federal</u>	<u>Cafeteria</u>	<u>Governmental</u>
	<u>Projects</u>		<u>Funds</u>
<u>ASSETS</u>			
Cash	\$ 0	\$ 8,215	\$ 8,215
Equity in Pooled Cash and Investments	472,763	1,620,935	2,093,698
Accounts Receivable	0	23	23
Due from Other Governments	150,000	34,442	184,442
Total Assets	<u>\$ 622,763</u>	<u>\$ 1,663,615</u>	<u>\$ 2,286,378</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 2,949	\$ 0	\$ 2,949
Payroll Deductions Payable	0	4,623	4,623
Due to Other Funds	124,174	0	124,174
Due to State of Tennessee	0	2,322	2,322
Total Liabilities	<u>\$ 127,123</u>	<u>\$ 6,945</u>	<u>\$ 134,068</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	\$ 0	\$ 472	\$ 472
Reserved for Special Education - Grants to States	476,960	0	476,960
Other Federal Reserves	18,680	0	18,680
Unreserved	0	1,656,198	1,656,198
Total Fund Balances	<u>\$ 495,640</u>	<u>\$ 1,656,670</u>	<u>\$ 2,152,310</u>
Total Liabilities and Fund Balances	<u>\$ 622,763</u>	<u>\$ 1,663,615</u>	<u>\$ 2,286,378</u>

Exhibit J-7

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

	<u>Special Revenue Funds</u>		Total
	School	Central	Nonmajor
	Federal	Cafeteria	Governmental
	Projects		Funds
<u>Revenues</u>			
Charges for Current Services	\$ 0	\$ 2,550,810	\$ 2,550,810
Other Local Revenues	0	38,765	38,765
State of Tennessee	0	57,897	57,897
Federal Government	5,985,941	2,887,792	8,873,733
Total Revenues	<u>\$ 5,985,941</u>	<u>\$ 5,535,264</u>	<u>\$ 11,521,205</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 3,428,184	\$ 0	\$ 3,428,184
Support Services	2,192,259	66,871	2,259,130
Operation of Non-Instructional Services	0	5,114,863	5,114,863
Total Expenditures	<u>\$ 5,620,443</u>	<u>\$ 5,181,734</u>	<u>\$ 10,802,177</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 365,498</u>	<u>\$ 353,530</u>	<u>\$ 719,028</u>
<u>Other Financing Sources (Uses)</u>			
Transfers Out	\$ (130,679)	\$ 0	\$ (130,679)
Total Other Financing Sources (Uses)	<u>\$ (130,679)</u>	<u>\$ 0</u>	<u>\$ (130,679)</u>
Net Change in Fund Balances	\$ 234,819	\$ 353,530	\$ 588,349
Fund Balance, July 1, 2008	260,821	1,303,140	1,563,961
Fund Balance, June 30, 2009	<u>\$ 495,640</u>	<u>\$ 1,656,670</u>	<u>\$ 2,152,310</u>

Exhibit J-8

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Maury 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	\$ 29,471,474	\$ 0	\$ 0	\$ 29,471,474	\$ 29,306,374	\$ 29,306,374	\$ 165,100
Licenses and Permits	5,567	0	0	5,567	5,400	5,400	167
Charges for Current Services	282,917	0	0	282,917	345,000	345,000	(62,083)
Other Local Revenues	97,843	0	0	97,843	10,000	79,012	18,831
State of Tennessee	46,053,692	0	0	46,053,692	44,319,096	46,180,049	(126,357)
Federal Government	446,520	0	0	446,520	75,000	425,317	21,203
Total Revenues	\$ 76,358,013	\$ 0	\$ 0	\$ 76,358,013	\$ 74,060,870	\$ 76,341,152	\$ 16,861
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 38,321,709	\$ (9,175)	\$ 23,045	\$ 38,335,579	\$ 38,461,462	\$ 38,569,993	\$ 234,414
Alternative Instruction Program	383,429	0	0	383,429	462,810	398,112	14,683
Special Education Program	7,213,802	(865)	5,200	7,218,137	7,312,789	7,370,129	151,992
Vocational Education Program	2,745,109	(22,133)	7,449	2,730,425	2,738,414	2,758,415	27,990
<u>Support Services</u>							
Attendance	494,156	(26)	860	494,990	491,207	502,175	7,185
Health Services	372,202	(12,273)	464	360,393	274,595	379,595	19,202
Other Student Support	1,783,062	(1,014)	6,740	1,788,788	1,684,571	1,805,484	16,696
Regular Instruction Program	2,507,632	(6,284)	2,393	2,503,741	2,567,372	2,595,476	91,735
Alternative Instruction Program	146,666	(57)	390	146,999	150,295	152,383	5,384
Special Education Program	980,523	(180)	0	980,343	966,525	984,005	3,662
Vocational Education Program	141,338	(2,823)	1,464	139,979	145,446	145,446	5,467
Other Programs	412,457	0	0	412,457	0	412,457	0
Board of Education	2,012,187	(6)	0	2,012,181	2,159,237	2,102,656	90,475
Director of Schools	298,540	(3,062)	306	295,784	298,595	304,078	8,294
Office of the Principal	5,257,089	(222)	7	5,256,874	5,222,128	5,306,993	50,119
Fiscal Services	590,677	(11,753)	1,924	580,848	584,663	584,663	3,815

(Continued)

Exhibit J-8

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Maury 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>							
Human Services/Personnel	\$ 242,236	\$ 0	\$ 123	\$ 242,359	\$ 264,494	\$ 264,494	\$ 22,135
Operation of Plant	5,444,510	(75)	385	5,444,820	5,406,079	5,934,492	489,672
Maintenance of Plant	1,189,023	(4,900)	828	1,184,951	1,227,066	1,227,066	42,115
Transportation	3,475,247	(2,583)	23,373	3,496,037	3,565,137	3,575,137	79,100
Central and Other	887,032	(41,053)	106,696	952,675	848,750	963,150	10,475
<u>Operation of Non-Instructional Services</u>							
Early Childhood Education	921,198	0	3,085	924,283	0	925,385	1,102
Capital Outlay							
Regular Capital Outlay	45,405	0	0	45,405	0	45,900	495
Principal on Debt							
Education	274,238	0	0	274,238	274,238	274,238	0
Interest on Debt							
Education	80,295	0	0	80,295	80,297	80,297	2
Total Expenditures	\$ 76,219,762	\$ (118,484)	\$ 184,732	\$ 76,286,010	\$ 75,186,170	\$ 77,662,219	\$ 1,376,209
Excess (Deficiency) of Revenues Over Expenditures	\$ 138,251	\$ 118,484	\$ (184,732)	\$ 72,003	\$ (1,125,300)	\$ (1,321,067)	\$ 1,393,070
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 130,679	\$ 0	\$ 0	\$ 130,679	\$ 130,000	\$ 123,000	\$ 7,679
Transfers Out	0	0	0	0	(4,000)	(4,000)	4,000
Total Other Financing Sources (Uses)	\$ 130,679	\$ 0	\$ 0	\$ 130,679	\$ 126,000	\$ 119,000	\$ 11,679
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 268,930	\$ 118,484	\$ (184,732)	\$ 202,682	\$ (999,300)	\$ (1,202,067)	\$ 1,404,749
Fund Balance, July 1, 2008	4,471,879	(118,484)	0	4,353,395	4,186,681	4,186,681	166,714
Fund Balance, June 30, 2009	\$ 4,740,809	\$ 0	\$ (184,732)	\$ 4,556,077	\$ 3,187,381	\$ 2,984,614	\$ 1,571,463

Exhibit J-9

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Maury 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	\$ 5,985,941	\$ 7,387,826	\$ 8,043,212	\$ (2,057,271)
Total Revenues	\$ 5,985,941	\$ 7,387,826	\$ 8,043,212	\$ (2,057,271)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,687,680	\$ 1,999,212	\$ 1,996,709	\$ 309,029
Special Education Program	1,591,078	2,145,719	2,597,397	1,006,319
Vocational Education Program	149,426	149,425	149,426	0
<u>Support Services</u>				
Health Services	203,184	341,584	352,434	149,250
Other Student Support	98,519	118,930	118,930	20,411
Regular Instruction Program	1,201,680	1,626,955	1,629,624	427,944
Special Education Program	324,346	367,178	516,318	191,972
Vocational Education Program	1,000	1,000	1,000	0
Maintenance of Plant	0	15,850	15,850	15,850
Transportation	363,530	450,860	478,528	114,998
Total Expenditures	\$ 5,620,443	\$ 7,216,713	\$ 7,856,216	\$ 2,235,773
Excess (Deficiency) of Revenues Over Expenditures	\$ 365,498	\$ 171,113	\$ 186,996	\$ 178,502
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 353,559	\$ 58,772	\$ (58,772)
Transfers Out	(130,679)	(524,672)	(243,205)	112,526
Total Other Financing Sources (Uses)	\$ (130,679)	\$ (171,113)	\$ (184,433)	\$ 53,754
Net Change in Fund Balance	\$ 234,819	\$ 0	\$ 2,563	\$ 232,256
Fund Balance, July 1, 2008	260,821	260,822	260,822	(1)
Fund Balance, June 30, 2009	\$ 495,640	\$ 260,822	\$ 263,385	\$ 232,255

Exhibit J-10

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 2,550,810	\$ 0	\$ 2,550,810	\$ 2,713,759	\$ 2,713,759	\$ (162,949)
Other Local Revenues	38,765	0	38,765	69,000	69,000	(30,235)
State of Tennessee	57,897	0	57,897	58,000	58,000	(103)
Federal Government	2,887,792	0	2,887,792	2,681,345	2,681,345	206,447
Total Revenues	\$ 5,535,264	\$ 0	\$ 5,535,264	\$ 5,522,104	\$ 5,522,104	\$ 13,160
<u>Expenditures</u>						
<u>Support Services</u>						
Board of Education	\$ 66,871	\$ 0	\$ 66,871	\$ 60,000	\$ 66,871	\$ 0
<u>Operation of Non-Instructional Services</u>						
Food Service	5,114,863	472	5,115,335	6,712,198	6,805,327	1,689,992
Total Expenditures	\$ 5,181,734	\$ 472	\$ 5,182,206	\$ 6,772,198	\$ 6,872,198	\$ 1,689,992
Excess (Deficiency) of Revenues Over Expenditures	\$ 353,530	\$ (472)	\$ 353,058	\$ (1,250,094)	\$ (1,350,094)	\$ 1,703,152
Net Change in Fund Balance Fund Balance, July 1, 2008	\$ 353,530	\$ (472)	\$ 353,058	\$ (1,250,094)	\$ (1,350,094)	\$ 1,703,152
	1,303,140	0	1,303,140	1,364,682	1,364,682	(61,542)
Fund Balance, June 30, 2009	\$ 1,656,670	\$ (472)	\$ 1,656,198	\$ 114,588	\$ 14,588	\$ 1,641,610

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MISCELLANEOUS SCHEDULES

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Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-08	Issued During Period	Matured During Period	Outstanding 6-30-09
PRIMARY GOVERNMENT								
NOTES PAYABLE								
Payable through General Fund	\$ 640,396	4.5 %	11-30-08	11-1-12	\$ 0	\$ 640,396	\$ 128,079	\$ 512,317
Animal Shelter					\$ 0	\$ 640,396	\$ 128,079	\$ 512,317
Total Payable through General Fund					\$ 0	\$ 640,396	\$ 128,079	\$ 512,317
Payable through General Debt Service Fund								
County Buildings, Equipment, Vehicles, School Renovations	2,000,000	3.69	12-28-05	12-28-08	\$ 340,558	\$ 0	\$ 340,558	\$ 0
Jail and Fire Station Buildings, Equipment, Vehicles, School Buildings, School Buses, and Refunding	15,185,000	3.64	12-19-06	4-1-17	14,715,000	0	465,000	14,250,000
Various Construction Projects and Equipment	4,257,000	3.49	10-9-07	4-1-11	4,257,000	0	1,419,000	2,838,000
Construction of Middle School	2,000,000	2.78	2-28-08	4-1-09	2,000,000	0	2,000,000	0
Various Construction Projects, Vehicles, and Equipment	3,000,000	3.53	12-12-08	4-1-12	0	3,000,000	0	3,000,000
Total Payable through General Debt Service Fund					\$ 21,312,558	\$ 3,000,000	\$ 4,224,558	\$ 20,088,000
Total Notes Payable					\$ 21,312,558	\$ 3,640,396	\$ 4,352,637	\$ 20,600,317
CAPITAL LEASES PAYABLE								
Payable through Special Purpose Fund								
School Computers	355,638	4.9	3-20-07	10-1-09	\$ 231,382	\$ 0	\$ 112,926	\$ 118,456
School Computers	344,760	4.5	4-17-08	5-5-10	224,757	0	109,911	114,846
School Computers	125,675	4.8	12-1-08	11-30-10	0	125,675	43,921	81,754
Total Capital Leases Payable					\$ 456,139	\$ 125,675	\$ 266,758	\$ 315,056
BONDS PAYABLE								
Payable through General Debt Service Fund								
Refunding Bond	21,420,000	4 to 5	3-1-04	4-1-11	\$ 11,520,000	\$ 0	\$ 3,700,000	\$ 7,820,000
School and Public Improvement	16,000,000	3 to 5	11-1-04	4-1-20	15,700,000	0	100,000	15,600,000
School Buses and Improvements	14,000,000	3.1 to 5	9-1-05	4-1-20	13,165,000	0	845,000	12,320,000
Criminal Justice Center and School Construction	29,000,000	3.5 to 5	6-12-08	4-1-28	29,000,000	0	0	29,000,000
Total Bonds Payable					\$ 69,385,000	\$ 0	\$ 4,645,000	\$ 64,740,000

(Continued)

Exhibit K-1

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

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	Paid and/or Outstanding 6-30-09
<u>DISCRETELY PRESENTED MAURY COUNTY</u>								
<u>SCHOOL DEPARTMENT</u>								
<u>NOTES PAYABLE</u>								
<u>Payable through General Purpose School Fund</u>								
Energy Efficiency Improvements	\$ 500,000	3 %	2-12-07	2-1-14	\$ 434,747	\$ 0	\$ 67,211	\$ 367,536
Total Notes Payable					\$ 434,747	\$ 0	\$ 67,211	\$ 367,536
<u>CAPITAL LEASES PAYABLE</u>								
<u>Payable through General Purpose School Fund</u>								
Lighting Equipment	1,598,657	4.8	11-1-06	11-1-13	\$ 1,401,112	\$ 0	\$ 207,027	\$ 1,194,085
Total Capital Leases Payable					\$ 1,401,112	\$ 0	\$ 207,027	\$ 1,194,085

Exhibit K-2

Maury County, Tennessee
Schedule of Long-term Debt Requirements by Year
Primary Government and Discretely Presented
Maury County School Department

PRIMARY GOVERNMENT

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 2,342,079	\$ 801,260	\$ 3,143,339
2011	2,682,079	683,561	3,365,640
2012	4,413,079	584,414	4,997,493
2013	2,158,080	417,969	2,576,049
2014	2,105,000	331,005	2,436,005
2015	2,195,000	246,805	2,441,805
2016	2,305,000	169,980	2,474,980
2017	2,400,000	87,000	2,487,000
Total	<u>\$ 20,600,317</u>	<u>\$ 3,321,994</u>	<u>\$ 23,922,311</u>

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2010	\$ 273,197	\$ 14,984	\$ 288,181
2011	41,859	2,062	43,921
Total	<u>\$ 315,056</u>	<u>\$ 17,046</u>	<u>\$ 332,102</u>

Year Ending June 30	Bonds		
	Principal	Interest	Total
2010	\$ 5,005,000	\$ 2,638,357	\$ 7,643,357
2011	5,235,000	2,407,853	7,642,853
2012	3,185,000	2,170,447	5,355,447
2013	3,380,000	2,061,998	5,441,998
2014	3,575,000	1,921,060	5,496,060
2015	3,985,000	1,788,035	5,773,035
2016	3,800,000	1,641,475	5,441,475
2017	3,965,000	1,475,475	5,440,475
2018	5,005,000	1,306,875	6,311,875

(Continued)

Exhibit K-2

Maury County, Tennessee
Schedule of Long-term Debt Requirements by Year
Primary Government and Discretely Presented
Maury County School Department (Cont.)

PRIMARY GOVERNMENT (Cont.)

Year Ending June 30	Bonds (Cont.)		
	Principal	Interest	Total
2019	\$ 5,120,000	\$ 1,117,425	\$ 6,237,425
2020	5,235,000	918,001	6,153,001
2021	2,200,000	706,125	2,906,125
2022	2,150,000	618,125	2,768,125
2023	2,150,000	532,125	2,682,125
2024	2,150,000	446,125	2,596,125
2025	2,150,000	360,125	2,510,125
2026	2,150,000	271,437	2,421,437
2027	2,150,000	182,750	2,332,750
2028	2,150,000	91,375	2,241,375
Total	\$ 64,740,000	\$ 22,655,188	\$ 87,395,188

DISCRETELY PRESENTED MAURY COUNTY
SCHOOL DEPARTMENT

Year Ending June 30	Notes		
	Principal	Interest	Total
2010	\$ 69,227	\$ 11,026	\$ 80,253
2011	71,304	8,949	80,253
2012	73,443	6,810	80,253
2013	75,646	4,607	80,253
2014	77,916	2,337	80,253
Total	\$ 367,536	\$ 33,729	\$ 401,265

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2010	\$ 216,964	\$ 57,316	\$ 274,280
2011	227,379	46,902	274,281
2012	238,293	35,988	274,281
2013	249,731	24,549	274,280
2014	261,718	12,562	274,280
Total	\$ 1,194,085	\$ 177,317	\$ 1,371,402

Exhibit K-3

Maury County, Tennessee
Schedule of Investments
June 30, 2009

Fund and Type	Date of Purchase	Date of Maturity	Interest Rates	Amount
<u>Constitutional Officers - Agency Fund</u>				
<u>Clerk and Master</u>				
Merrill Lynch - NOW Account	Various	None	Varies	<u>\$ 38,181</u>

Exhibit K-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Drug Control	Allocation of phone commissions	\$ 3,600
Special Purpose	General	Industrial development	160,000
Special Purpose	General	Operations	900,000
Special Purpose	General	Library operations	75,000
Special Purpose	Central Maintenance/Garage	Operations	33,250
General	Other Special Revenue	"	157,166
General Capital Projects	Highway Capital Projects	"	232,000
Other Capital Outlay	General	To purchase equipment	120,504
General Capital Projects	General Debt Service	Transfer unused funds to retire debt	2,000,000
Total Transfers Primary Government			<u>\$ 3,681,520</u>
<u>DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 130,679
Total Transfers Discretely Presented Maury County School Department			<u>\$ 130,679</u>

Exhibit K-5

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <u>TCA</u>	\$ 86,592	\$ 50,000	RLI Insurance Company
Road Superintendent	Section 8-24-102, <u>TCA</u>	79,440	100,000	"
Director of Schools	State Board of Education and Local Board of Education	122,284 (1)	(5)	RLI Insurance Company
Trustee	Section 8-24-102, <u>TCA</u>	72,216	2,563,697	"
Assessor of Property	Section 8-24-102, <u>TCA</u>	72,966 (2)	10,000	Cincinnati Insurance Company
County Clerk	Section 8-24-102, <u>TCA</u>	72,216	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <u>TCA</u>	72,216	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u> , and Chancery Court Judge	72,216 (3)	50,000	"
Register	Section 8-24-102, <u>TCA</u>	72,216	25,000	Cincinnati Insurance Company
Sheriff	Section 8-24-102, <u>TCA</u> , and County Commission	83,064 (4)	25,000	"
Director of Accounts and Budgets:				
Buddy Harlan, Interim (7-1-08 through 9-14-08)	Chapter 233, Private Acts of 1963, as amended	13,992	25,000	RLI Insurance Company
James Bracken (9-15-08 through 6-30-09)	Chapter 233, Private Acts of 1963, as amended	53,590	25,000	"
Director of Human Resources	Chapter 91, Private Acts of 2004	64,563	(6)	"
Purchasing Agent	County Commission	42,830	25,000	"
<u>Other Bonds</u>				
Public Employee Dishonesty			150,000	Local Government Insurance Pool
School Employee Blanket Bond			50,000	Indiana Insurance Company

- (1) Includes \$2,000 chief executive officer training supplement.
- (2) Includes \$750 state board of equalization salary supplement.
- (3) Does not include \$1,557 special commissioner fees.
- (4) Includes \$3,024 for serving as workhouse superintendent and \$600 for a law enforcement training supplement for the period.
- (5) Covered under the school's blanket bond.
- (6) Covered under the county's blanket bond.

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

	Special Revenue Funds				
	General	Special Purpose	Drug Control	Adequate Facilities/Development Tax	Other Special Revenue
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 9,629,207	\$ 0	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	315,180	0	0	0	0
Trustee's Collections - Bankruptcy	7,855	0	0	0	0
Circuit/Clerk & Master Collections - Prior Years	144,412	0	0	0	0
Interest and Penalty	58,891	0	0	0	0
Pick-up Taxes	14,160	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	2,250,000	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	409,323	0	0	0	0
Hotel/Motel Tax	381,744	0	0	0	0
Wheel Tax	0	0	0	0	0
Litigation Tax - General	462,944	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	883,480	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
Adequate Facilities/Development Tax	0	0	0	554,581	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	0	0
Wholesale Beer Tax	322,165	0	0	0	0
Interstate Telecommunications Tax	1,652	0	0	0	0
Total Local Taxes	\$ 12,631,013	\$ 2,250,000	\$ 0	\$ 554,581	\$ 0
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 171,720	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>					
Beer Permits	1,364	0	0	0	0
Building Permits	86,696	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Special Purpose	Drug Control	Adequate Facilities/Development Tax	Other Special Revenue
<u>Licenses and Permits (Cont.)</u>					
<u>Permits (Cont.)</u>					
Other Permits	\$ 11,838	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 271,618	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 12,340	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	13,700	0	0	0	0
Drug Control Fines	0	0	6,100	0	0
Drug Court Fees	39,892	0	0	0	0
DUI Treatment Fines	5,772	0	0	0	0
Data Entry Fee - Circuit Court	1,970	0	0	0	0
Courtroom Security Fee	1,245	0	0	0	0
<u>General Sessions Court</u>					
Fines	143,870	0	0	0	0
Fines for Littering	8,801	0	0	0	0
Officers Costs	112,750	0	0	0	0
Game and Fish Fines	1,622	0	0	0	0
Drug Control Fines	0	0	14,355	0	0
DUI Treatment Fines	27,501	0	0	0	0
Data Entry Fee - General Sessions Court	58,754	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	11,024	0	0	0	0
Data Entry Fee - Chancery Court	3,871	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	36,741	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	89,797	0	0
Total Fines, Forfeitures, and Penalties	\$ 479,853	\$ 0	\$ 110,252	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				
	General	Special Purpose	Drug Control	Adequate Facilities/Development Tax	Other Special Revenue
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 21	\$ 0	\$ 0	\$ 0	\$ 0
Work Release Charges for Board Fees	17,560	0	0	0	0
Subdivision Lot Fees	18,150	0	0	0	0
Recreation Fees	25,081	0	0	0	0
Copy Fees	11,572	0	0	0	0
Library Fees	18,017	0	0	0	0
Telephone Commissions	93,462	0	0	0	0
Vending Machine Collections	283	0	0	0	0
Tourism Fees	51,678	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0
Data Processing Fee - Register	31,408	0	0	0	0
Data Processing Fee - Sheriff	9,591	0	0	0	0
Sexual Offender Registration Fees - Sheriff	3,509	0	0	0	0
Data Processing Fee - County Clerk	8,048	0	0	0	0
<u>Other Charges for Services</u>	50	0	0	0	0
Other Charges for Services	\$ 288,430	\$ 0	\$ 0	\$ 0	\$ 0
Total Charges for Current Services					
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 6	\$ 18,000	\$ 0	\$ 0	\$ 0
Lease/Rentals	100,515	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	1,918
Sale of Animals/Livestock	0	0	0	0	116,282
Miscellaneous Refunds	6,868	133	0	0	0
<u>Nonrecurring Items</u>					
Sale of Equipment	31,441	4,659	0	0	0
Sale of Property	4,424	0	0	0	0
Contributions and Gifts	5,588	0	0	0	16,150

(Continued)

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

	Special Revenue Funds				
	General	Special Purpose	Drug Control	Adequate Facilities/Development Tax	Other Special Revenue
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items (Cont.)</u>					
Performance Bond Forfeitures	\$ 0 \$	0 \$	0 \$	0 \$	0
<u>Other Local Revenues</u>	389,416	50	32	0	0
Total Other Local Revenues	\$ 538,258 \$	22,842 \$	32 \$	0 \$	134,350
<u>Fees Received from County Officials</u>					
<u>Excess Fees</u>					
County Clerk	\$ 204,252 \$	0 \$	0 \$	0 \$	0
Clerk and Master	45,552	0	0	0	0
<u>Fees in-Lieu-of Salary</u>					
Circuit Court Clerk	924,281	0	0	0	0
Register	408,460	0	0	0	0
Sheriff	97,462	0	0	0	0
Trustee	1,245,863	0	0	0	0
Total Fees Received from County Officials	\$ 2,925,870 \$	0 \$	0 \$	0 \$	0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 14,000 \$	0 \$	0 \$	0 \$	0
State Reappraisal Grant	24,484	0	0	0	0
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	44,400	0	0	0	0
Health and Welfare Grants					
Other Health and Welfare Grants	654,939	0	0	0	0
<u>Public Works Grants</u>					
Bridge Program	0	0	0	0	0
<u>Other State Revenues</u>					
Beer Tax	18,701	0	0	0	0
Alcoholic Beverage Tax	94,709	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Special Purpose	Drug Control	Adequate Facilities/Development Tax	Other Special Revenue
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues (Cont.)</u>					
Board of Jurors	\$ 8,014	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Prisoner Boarding	810,705	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	10,817	0	0	0	0
Other State Grants	4,500	0	0	0	0
Other State Revenues	16,149	0	0	0	0
Total State of Tennessee	\$ 1,701,418	\$ 0	\$ 0	\$ 0	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Homeland Security Grants	\$ 69,508	\$ 0	\$ 0	\$ 0	\$ 0
Law Enforcement Grants	13,800	0	0	0	0
Other Federal through State	194,815	0	0	30,000	0
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	45,035	0	0	0	0
Total Federal Government	\$ 323,158	\$ 0	\$ 0	\$ 30,000	\$ 0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Paving and Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	28,813	0	0	0	169,222
Contracted Services	0	0	0	5,000	0
<u>Citizens Groups</u>					
Donations	37,027	0	0	0	0
Total Other Governments and Citizens Groups	\$ 65,840	\$ 0	\$ 0	\$ 5,000	\$ 169,222
Total	\$ 19,225,458	\$ 2,272,842	\$ 110,284	\$ 589,581	\$ 303,572

(Continued)

Exhibit K-6

Maury 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			
Local Taxes									
<u>County Property Taxes</u>									
Current Property Tax	\$ 0	2,027,206	\$ 4,633,582	\$ 0	\$ 0	289,622	\$ 16,579,617		
Trustee's Collections - Prior Year	0	66,339	151,665	0	0	19,057	552,241		
Trustee's Collections - Bankruptcy	0	1,705	3,792	0	0	194	13,546		
Circuit/Clerk & Master Collections - Prior Years	0	30,394	69,473	0	0	2,282	246,561		
Interest and Penalty	0	12,406	28,342	0	0	3,187	102,826		
Pick-up Taxes	0	2,981	6,814	0	0	536	24,491		
Payments in-Lieu-of Taxes - T.V.A.	0	0	9,360	0	0	0	9,360		
Payments in-Lieu-of Taxes - Local Utilities	0	0	306,808	0	0	0	306,808		
Payments in-Lieu-of Taxes - Other	0	0	219,949	0	0	0	2,469,949		
<u>County Local Option Taxes</u>									
Local Option Sales Tax	0	0	0	0	0	0	409,323		
Hotel/Motel Tax	0	0	0	0	0	0	381,744		
Wheel Tax	0	0	1,802,264	0	0	0	1,802,264		
Litigation Tax - General	0	0	215,881	0	0	0	678,825		
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	49,219	0	0	0	49,219		
Business Tax	0	0	0	0	0	0	883,480		
Mineral Severance Tax	0	95,916	0	0	0	0	95,916		
Adequate Facilities/Development Tax	0	0	0	0	0	0	554,581		
<u>Statutory Local Taxes</u>									
Bank Excise Tax	0	0	143,766	0	0	0	143,766		
Wholesale Beer Tax	0	0	0	0	0	0	322,165		
Interstate Telecommunications Tax	0	0	0	0	0	0	1,652		
Total Local Taxes	\$ 0	2,236,947	\$ 7,640,915	\$ 0	\$ 0	314,878	\$ 25,628,334		
<u>Licenses and Permits</u>									
Licenses									
Cable TV Franchise	\$ 0	0	0	0	0	0	171,720		
Permits									
Beer Permits	0	0	0	0	0	0	1,364		
Building Permits	0	0	0	0	0	0	86,696		

(Continued)

Exhibit K-6

Maury 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>Licenses and Permits (Cont.)</u>								
<u>Permits (Cont.)</u>								
Other Permits	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	11,838
Total Licenses and Permits	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	271,618
<u>Fines, Forfeitures, and Penalties</u>								
<u>Circuit Court</u>								
Fines	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	12,340
Officers Costs	0	0	0	0	0	0	0	13,700
Drug Control Fines	0	0	0	0	0	0	0	6,100
Drug Court Fees	0	0	0	0	0	0	0	39,892
DUI Treatment Fines	0	0	0	0	0	0	0	5,772
Data Entry Fee - Circuit Court	0	0	0	0	0	0	0	1,970
Courtroom Security Fee	0	0	0	0	0	0	0	1,245
<u>General Sessions Court</u>								
Fines	0	0	0	0	0	0	0	143,870
Fines for Littering	0	0	0	0	0	0	0	8,801
Officers Costs	0	0	0	0	0	0	0	112,750
Game and Fish Fines	0	0	0	0	0	0	0	1,622
Drug Control Fines	0	0	0	0	0	0	0	14,355
DUI Treatment Fines	0	0	0	0	0	0	0	27,501
Data Entry Fee - General Sessions Court	0	0	0	0	0	0	0	58,754
<u>Chancery Court</u>								
Officers Costs	0	0	0	0	0	0	0	11,024
Data Entry Fee - Chancery Court	0	0	0	0	0	0	0	3,871
<u>Other Courts - In-county</u>								
Fines	0	0	0	0	0	0	0	36,741
<u>Other Fines, Forfeitures, and Penalties</u>								
Proceeds from Confiscated Property	0	0	0	0	0	0	0	89,797
Total Fines, Forfeitures, and Penalties	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	590,105

(Continued)

Exhibit K-6

Maury 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>Charges for Current Services</u>									
<u>General Service Charges</u>									
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21
Work Release Charges for Board Fees	0	0	0	0	0	0	0	0	17,560
Subdivision Lot Fees	0	0	0	0	0	0	0	0	18,150
Recreation Fees	0	0	0	0	0	0	0	0	25,081
Copy Fees	0	0	0	0	0	0	0	0	11,572
Library Fees	0	0	0	0	0	0	0	0	18,017
Telephone Commissions	0	0	0	0	0	0	0	0	93,462
Vending Machine Collections	0	0	0	0	0	0	0	0	283
Tourism Fees	0	0	0	0	0	0	0	0	51,678
Constitutional Officers' Fees and Commissions	818,335	0	0	0	0	0	0	0	818,335
Data Processing Fee - Register	0	0	0	0	0	0	0	0	31,408
Data Processing Fee - Sheriff	0	0	0	0	0	0	0	0	9,591
Sexual Offender Registration Fees - Sheriff	0	0	0	0	0	0	0	0	3,509
Data Processing Fee - County Clerk	0	0	0	0	0	0	0	0	8,048
<u>Other Charges for Services</u>									
Other Charges for Services	0	0	0	0	0	0	0	0	50
Total Charges for Current Services	\$ 818,335	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,106,765
<u>Other Local Revenues</u>									
<u>Recurring Items</u>									
Investment Income	\$ 0	\$ 0	\$ 1,831,928	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,849,934
Lease/Rentals	0	0	0	0	0	0	0	0	100,515
Sale of Materials and Supplies	0	8,671	0	0	0	0	0	0	10,589
Sale of Animals/Livestock	0	0	0	0	0	0	0	0	116,282
Miscellaneous Refunds	0	0	0	0	0	0	0	0	7,001
<u>Nonrecurring Items</u>									
Sale of Equipment	0	39,899	0	0	0	0	0	37,142	113,141
Sale of Property	0	0	0	0	0	347,800	0	0	352,224
Contributions and Gifts	0	0	0	0	0	0	0	0	21,738

(Continued)

Maury 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	General Capital Projects	Other Capital Projects		
<u>Other Local Revenues (Cont.)</u>								
<u>Nonrecurring Items (Cont.)</u>								
Performance Bond Forfeitures	\$ 0	22,404	0	0	0	0	0	22,404
<u>Other Local Revenues</u>	0	0	0	0	0	0	0	389,498
Total Other Local Revenues	\$ 0	70,974	1,831,928	347,800	37,142	0	0	2,983,326
<u>Fees Received from County Officials</u>								
<u>Excess Fees</u>								
County Clerk	0	0	0	0	0	0	0	204,252
Clerk and Master	0	0	0	0	0	0	0	45,552
<u>Fees in-Lieu-of Salary</u>								
Circuit Court Clerk	0	0	0	0	0	0	0	924,281
Register	0	0	0	0	0	0	0	408,460
Sheriff	0	0	0	0	0	0	0	97,462
Trustee	0	0	0	0	0	0	0	1,245,863
Total Fees Received from County Officials	\$ 0	0	0	0	0	0	0	2,925,870
<u>State of Tennessee</u>								
<u>General Government Grants</u>								
Juvenile Services Program	0	0	0	0	0	0	0	14,000
State Reappraisal Grant	0	0	0	0	0	0	0	24,484
<u>Public Safety Grants</u>								
Law Enforcement Training Programs	0	0	0	0	0	0	0	44,400
Health and Welfare Grants	0	0	0	0	0	0	0	654,939
Other Health and Welfare Grants	0	0	0	0	0	0	0	63,155
<u>Public Works Grants</u>								
Bridge Program	0	63,155	0	0	0	0	0	63,155
<u>Other State Revenues</u>								
Beer Tax	0	0	0	0	0	0	0	18,701
Alcoholic Beverage Tax	0	0	0	0	0	0	0	94,709
State Revenue Sharing - T.V.A.	0	0	910,724	0	0	0	0	910,724

(Continued)

Maury 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>Other State Revenues (Cont.)</u>									
Board of Jurors	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,014	
Contracted Prisoner Boarding	0	0	0	0	0	0	0	810,705	
Gasoline and Motor Fuel Tax	0	2,155,570	0	0	0	0	0	2,155,570	
Petroleum Special Tax	0	55,814	0	0	0	0	0	55,814	
Registrar's Salary Supplement	0	0	0	0	0	0	0	10,817	
Other State Grants	0	0	0	0	0	0	0	4,500	
Other State Revenues	0	436,499	0	0	0	0	0	452,648	
Total State of Tennessee	\$ 0	\$ 2,711,038	\$ 910,724	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,323,180	
<u>Federal Government</u>									
<u>Federal Through State</u>									
Homeland Security Grants	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 69,508	
Law Enforcement Grants	0	0	0	0	0	0	0	13,800	
Other Federal through State	0	0	0	0	0	0	0	224,815	
<u>Direct Federal Revenue</u>									
Other Direct Federal Revenue	0	0	458	0	0	0	0	45,493	
Total Federal Government	\$ 0	\$ 0	\$ 458	\$ 0	\$ 0	\$ 0	\$ 0	\$ 353,616	
<u>Other Governments and Citizens Groups</u>									
<u>Other Governments</u>									
Paving and Maintenance	\$ 0	\$ 4,564	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,564	
Contributions	0	0	0	0	0	0	0	198,035	
Contracted Services	0	0	0	0	0	0	0	5,000	
<u>Citizens Groups</u>									
Donations	0	0	0	0	0	0	0	37,027	
Total Other Governments and Citizens Groups	\$ 0	\$ 4,564	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 244,626	
Total	\$ 818,335	\$ 5,023,523	\$ 10,384,025	\$ 347,800	\$ 352,020	\$ 39,427,440			

Exhibit K-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 18,027,590	\$ 0	\$ 0	\$ 0	\$ 18,027,590
Trustee's Collections - Prior Year	572,707	0	0	0	572,707
Trustee's Collections - Bankruptcy	15,665	0	0	0	15,665
Circuit/Clerk & Master Collections - Prior Years	270,291	0	0	0	270,291
Interest and Penalty	108,967	0	0	0	108,967
Pick-up Taxes	26,400	0	0	0	26,400
County Local Option Taxes					
Local Option Sales Tax	10,438,737	0	0	0	10,438,737
Statutory Local Taxes					
Interstate Telecommunications Tax	11,117	0	0	0	11,117
Total Local Taxes	\$ 29,471,474	\$ 0	\$ 0	\$ 0	\$ 29,471,474
Licenses and Permits					
Licenses					
Marriage Licenses	\$ 5,567	\$ 0	\$ 0	\$ 0	\$ 5,567
Total Licenses and Permits	\$ 5,567	\$ 0	\$ 0	\$ 0	\$ 5,567
Charges for Current Services					
Fees					
Vending Machine Collections	\$ 360	\$ 0	\$ 0	\$ 0	\$ 360
Education Charges					
Tuition - Regular Day Students	40,759	0	0	0	40,759
Tuition - Other	320	0	0	0	320
Lunch Payments - Children	0	0	1,435,872	0	1,435,872
Lunch Payments - Adults	0	0	152,734	0	152,734
Income from Breakfast	0	0	132,438	0	132,438
A la carte Sales	0	0	752,662	0	752,662
Receipts from Individual Schools	241,478	0	0	0	241,478
Other Charges for Services					
Other Charges for Services	0	0	77,104	0	77,104
Total Charges for Current Services	\$ 282,917	\$ 0	\$ 2,550,810	\$ 0	\$ 2,833,727
Other Local Revenues					
Recurring Items					
Investment Income	\$ 0	\$ 0	\$ 13,178	\$ 0	\$ 13,178
Lease/Rentals	2,501	0	0	0	2,501
Sale of Materials and Supplies	1,570	0	0	0	1,570
Refund of Telecommunication and Internet Fees (E-Rate)	69,012	0	0	0	69,012
Miscellaneous Refunds	15,695	0	25,587	0	41,282
Nonrecurring Items					
Sale of Equipment	3,006	0	0	0	3,006
Sale of Property	500	0	0	0	500
Damages Recovered from Individuals	5,344	0	0	0	5,344
Contributions and Gifts	153	0	0	0	153
Other Local Revenues					
Other Local Revenues	62	0	0	0	62
Total Other Local Revenues	\$ 97,843	\$ 0	\$ 38,765	\$ 0	\$ 136,608

(Continued)

Exhibit K-7

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

	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-Behalf Contributions for OPEB	\$ 412,457	\$ 0	\$ 0	\$ 0	\$ 412,457
<u>State Education Funds</u>					
Basic Education Program	43,477,002	0	0	0	43,477,002
School Food Service	0	0	57,897	0	57,897
Other State Education Funds	1,489,580	0	0	0	1,489,580
Career Ladder Program	556,472	0	0	0	556,472
<u>Other State Revenues</u>					
Mixed Drink Tax	61,192	0	0	0	61,192
Other State Grants	56,989	0	0	0	56,989
Total State of Tennessee	\$ 46,053,692	\$ 0	\$ 57,897	\$ 0	\$ 46,111,589
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,193,119	\$ 0	\$ 2,193,119
Breakfast	0	0	691,602	0	691,602
USDA - Other	0	0	3,071	0	3,071
Vocational Education - Basic Grants to States	0	203,825	0	0	203,825
Title I Grants to Local Education Agencies	0	2,312,000	0	0	2,312,000
Special Education - Grants to States	144,817	2,674,000	0	0	2,818,817
Special Education Preschool Grants	0	89,642	0	0	89,642
English Language Acquisition Grants	0	44,024	0	0	44,024
Safe and Drug-Free Schools - State Grants	0	59,000	0	0	59,000
Eisenhower Professional Development State Grants	0	574,700	0	0	574,700
Other Federal through State	193,151	28,750	0	0	221,901
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	103,377	0	0	0	103,377
Other Direct Federal Revenue	5,175	0	0	0	5,175
Total Federal Government	\$ 446,520	\$ 5,985,941	\$ 2,887,792	\$ 0	\$ 9,320,253
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 0	\$ 0	\$ 0	\$ 2,424,484	\$ 2,424,484
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 2,424,484	\$ 2,424,484
Total	\$ 76,358,013	\$ 5,985,941	\$ 5,535,264	\$ 2,424,484	\$ 90,303,702

Exhibit K-8

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	65,880	
Social Security		4,085	
Employer Medicare		955	
Legal Notices, Recording, and Court Costs		1,469	
Food Supplies		654	
Office Supplies		476	
Other Charges		55	
Total County Commission			\$ 73,574

Board of Equalization

Board and Committee Members Fees	\$	861	
Social Security		50	
Employer Medicare		12	
Total Board of Equalization			923

Other Boards and Committees

Other Per Diem and Fees	\$	150	
Social Security		9	
Employer Medicare		2	
Legal Services		880	
Legal Notices, Recording, and Court Costs		554	
Postal Charges		126	
Office Supplies		94	
Other Supplies and Materials		3,937	
Total Other Boards and Committees			5,752

County Mayor/Executive

County Official/Administrative Officer	\$	86,592	
Assistant(s)		34,707	
Clerical Personnel		33,015	
Longevity Pay		750	
Social Security		9,653	
State Retirement		12,498	
Life Insurance		166	
Medical Insurance		15,273	
Dental Insurance		686	
Disability Insurance		739	
Unemployment Compensation		112	
Employer Medicare		2,258	
Communication		306	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Dues and Memberships	\$	1,850	
Maintenance Agreements		835	
Postal Charges		1,121	
Printing, Stationery, and Forms		522	
Travel		1,289	
Office Supplies		1,530	
Periodicals		958	
Other Capital Outlay		42,378	
Total County Mayor/Executive	\$		247,238

Personnel Office

County Official/Administrative Officer	\$	64,563	
Clerical Personnel		94,120	
Longevity Pay		1,150	
Social Security		9,318	
State Retirement		12,883	
Life Insurance		221	
Medical Insurance		20,345	
Dental Insurance		915	
Disability Insurance		759	
Unemployment Compensation		216	
Employer Medicare		2,179	
Dues and Memberships		160	
Legal Notices, Recording, and Court Costs		1,348	
Maintenance Agreements		3,658	
Postal Charges		548	
Printing, Stationery, and Forms		100	
Travel		1,434	
Other Contracted Services		552	
Office Supplies		1,524	
Other Charges		3,240	
Furniture and Fixtures		196	
Total Personnel Office			219,429

County Attorney

County Official/Administrative Officer	\$	48,879	
Social Security		2,539	
State Retirement		3,940	
Life Insurance		37	
Medical Insurance		3,404	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Attorney (Cont.)

Dental Insurance	\$	153	
Disability Insurance		163	
Unemployment Compensation		112	
Employer Medicare		594	
Postal Charges		87	
Total County Attorney			\$ 59,908

Election Commission

County Official/Administrative Officer	\$	64,998
Clerical Personnel		60,377
Part-time Personnel		12,951
Longevity Pay		1,400
Overtime Pay		512
Other Salaries and Wages		1,481
Election Commission		4,560
Election Workers		100,200
Social Security		12,213
State Retirement		10,379
Life Insurance		166
Medical Insurance		15,273
Dental Insurance		686
Disability Insurance		572
Unemployment Compensation		162
Employer Medicare		2,856
Communication		417
Contracts with Public Carriers		4,000
Data Processing Services		3,600
Dues and Memberships		250
Legal Notices, Recording, and Court Costs		4,747
Maintenance Agreements		7,197
Maintenance and Repair Services - Buildings		388
Maintenance and Repair Services - Equipment		14,412
Pest Control		128
Postal Charges		11,028
Printing, Stationery, and Forms		9,343
Rentals		1,910
Travel		1,790
Data Processing Supplies		837
Electricity		3,182
Natural Gas		1,980

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Office Supplies	\$	1,983	
Other Capital Outlay		4,500	
Total Election Commission			\$ 360,478

Register of Deeds

County Official/Administrative Officer	\$	72,216	
Clerical Personnel		137,972	
Longevity Pay		1,750	
Social Security		13,112	
State Retirement		17,083	
Life Insurance		304	
Medical Insurance		25,455	
Dental Insurance		1,144	
Disability Insurance		1,032	
Unemployment Compensation		280	
Employer Medicare		3,067	
Data Processing Services		13,877	
Dues and Memberships		684	
Maintenance Agreements		4,812	
Maintenance and Repair Services - Office Equipment		550	
Postal Charges		1,280	
Data Processing Supplies		379	
Office Supplies		2,442	
Data Processing Equipment		1,060	
Total Register of Deeds			298,499

Development

County Official/Administrative Officer	\$	58,596	
Assistant(s)		41,621	
Secretary(ies)		37,731	
Clerical Personnel		31,055	
Longevity Pay		3,950	
Other Salaries and Wages		108,051	
Social Security		17,285	
State Retirement		22,550	
Life Insurance		363	
Medical Insurance		33,077	
Dental Insurance		1,489	
Disability Insurance		1,403	
Unemployment Compensation		360	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Employer Medicare	\$	4,042	
Communication		812	
Consultants		53,750	
Dues and Memberships		585	
Legal Services		2,860	
Legal Notices, Recording, and Court Costs		2,604	
Maintenance Agreements		1,698	
Maintenance and Repair Services - Office Equipment		300	
Maintenance and Repair Services - Vehicles		2,163	
Postal Charges		2,039	
Printing, Stationery, and Forms		289	
Travel		1,587	
Gasoline		5,475	
Lubricants		15	
Office Supplies		3,390	
Periodicals		286	
Tires and Tubes		354	
Vehicle Parts		12	
Furniture and Fixtures		130	
Office Equipment		48	
Other Equipment		394	
Total Development			\$ 440,364

County Buildings

Supervisor/Director	\$	45,906
Custodial Personnel		71,675
Longevity Pay		5,800
Overtime Pay		8,509
Other Salaries and Wages		166,655
Social Security		18,363
State Retirement		21,788
Life Insurance		442
Medical Insurance		40,728
Dental Insurance		1,830
Disability Insurance		1,246
Unemployment Compensation		604
Employer Medicare		4,294
Communication		6,816
Dues and Memberships		35
Janitorial Services		850

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Laundry Service	\$	1,254	
Licenses		1,000	
Maintenance Agreements		18,004	
Maintenance and Repair Services - Buildings		51,649	
Maintenance and Repair Services - Equipment		619	
Maintenance and Repair Services - Vehicles		1,672	
Pest Control		2,839	
Postal Charges		6	
Disposal Fees		7,122	
Other Contracted Services		28,287	
Custodial Supplies		8,324	
Electricity		153,387	
Equipment and Machinery Parts		927	
Gasoline		6,937	
Natural Gas		28,191	
Office Supplies		98	
Small Tools		211	
Other Supplies and Materials		953	
Boiler Insurance		8,566	
Building and Contents Insurance		72,102	
Other Charges		360	
Other Equipment		2,250	
Other Capital Outlay		20,461	
Total County Buildings			\$ 810,760

Other General Administration

Audit Services	\$	20,845
Consultants		7,007
Dues and Memberships		8,934
Legal Services		57,920
Maintenance and Repair Services - Vehicles		1,612
Pest Control		250
Other Contracted Services		5,624
Gasoline		1,823
Natural Gas		185
Judgments		8,456
Liability Insurance		177,874
Premiums on Corporate Surety Bonds		1,090
Vehicle and Equipment Insurance		71,717
Workers' Compensation Insurance		319,616

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Other Charges	\$ 2,433	
Total Other General Administration		\$ 685,386

Preservation of Records

County Official/Administrative Officer	\$ 50,568	
Assistant(s)	31,096	
Part-time Personnel	5,917	
Longevity Pay	350	
Social Security	5,394	
State Retirement	6,610	
Life Insurance	110	
Medical Insurance	10,182	
Dental Insurance	457	
Disability Insurance	391	
Unemployment Compensation	159	
Employer Medicare	1,261	
Communication	417	
Dues and Memberships	60	
Janitorial Services	1,500	
Maintenance Agreements	2,616	
Postal Charges	294	
Printing, Stationery, and Forms	283	
Travel	85	
Custodial Supplies	318	
Library Books/Media	1,503	
Office Supplies	2,080	
Other Charges	43	
Furniture and Fixtures	179	
Total Preservation of Records		121,873

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$ 67,582
Assistant(s)	34,823
Accountants/Bookkeepers	99,008
Clerical Personnel	151,258
Longevity Pay	3,900
Social Security	21,622
State Retirement	28,644
Life Insurance	403

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Medical Insurance	\$	30,569	
Dental Insurance		1,553	
Disability Insurance		1,584	
Unemployment Compensation		560	
Employer Medicare		5,057	
Communication		110	
Dues and Memberships		135	
Maintenance Agreements		921	
Maintenance and Repair Services - Office Equipment		95	
Postal Charges		3,128	
Printing, Stationery, and Forms		507	
Travel		985	
Office Supplies		5,282	
Periodicals		111	
Other Supplies and Materials		4	
Other Charges		673	
Furniture and Fixtures		5,367	
Office Equipment		1,022	
Total Accounting and Budgeting			\$ 464,903

Purchasing

County Official/Administrative Officer	\$	42,830	
Accountants/Bookkeepers		96,304	
Longevity Pay		2,300	
Social Security		8,678	
State Retirement		11,400	
Life Insurance		140	
Medical Insurance		12,953	
Dental Insurance		581	
Disability Insurance		456	
Unemployment Compensation		168	
Employer Medicare		2,030	
Communication		121	
Dues and Memberships		390	
Legal Notices, Recording, and Court Costs		969	
Postal Charges		357	
Printing, Stationery, and Forms		96	
Travel		2,126	
Office Supplies		1,137	
Furniture and Fixtures		1,350	
Total Purchasing			184,386

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office

County Official/Administrative Officer	\$	72,966	
Clerical Personnel		128,366	
Longevity Pay		5,050	
Other Salaries and Wages		169,427	
Social Security		22,742	
State Retirement		20,074	
Life Insurance		524	
Medical Insurance		45,819	
Dental Insurance		2,059	
Disability Insurance		1,656	
Unemployment Compensation		517	
Employer Medicare		5,319	
Audit Services		18,375	
Communication		490	
Data Processing Services		28,042	
Dues and Memberships		1,908	
Maintenance Agreements		984	
Maintenance and Repair Services - Office Equipment		93	
Maintenance and Repair Services - Vehicles		1,756	
Postal Charges		2,779	
Printing, Stationery, and Forms		565	
Travel		2,829	
Data Processing Supplies		1,302	
Gasoline		3,603	
Office Supplies		3,051	
Other Charges		562	
Data Processing Equipment		1,999	
Total Property Assessor's Office			\$ 542,857

Reappraisal Program

Clerical Personnel	\$	28,791
Temporary Personnel		14,097
Longevity Pay		1,450
Overtime Pay		180
Other Salaries and Wages		67,722
Social Security		6,959
State Retirement		7,910
Life Insurance		166
Medical Insurance		15,273
Dental Insurance		686

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Disability Insurance	\$	461	
Unemployment Compensation		251	
Employer Medicare		1,628	
Communication		493	
Data Processing Services		10,052	
Maintenance Agreements		539	
Maintenance and Repair Services - Vehicles		703	
Postal Charges		748	
Travel		15	
Data Processing Supplies		84	
Gasoline		1,540	
Office Supplies		668	
Data Processing Equipment		2,092	
Total Reappraisal Program			\$ 162,508

County Trustee's Office

County Official/Administrative Officer	\$	72,216	
Clerical Personnel		128,806	
Temporary Personnel		11,138	
Longevity Pay		2,900	
Social Security		12,929	
State Retirement		16,436	
Life Insurance		262	
Medical Insurance		24,190	
Dental Insurance		1,086	
Disability Insurance		938	
Unemployment Compensation		333	
Employer Medicare		3,104	
Data Processing Services		8,985	
Dues and Memberships		684	
Legal Notices, Recording, and Court Costs		226	
Maintenance Agreements		540	
Postal Charges		9,230	
Printing, Stationery, and Forms		55	
Travel		1,689	
Office Supplies		1,879	
Periodicals		99	
Total County Trustee's Office			297,725

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office

State Retirement	\$	39,382	
Life Insurance		800	
Medical Insurance		76,364	
Dental Insurance		3,446	
Disability Insurance		2,410	
Unemployment Compensation		756	
Data Processing Services		13,013	
Dues and Memberships		734	
Maintenance Agreements		1,640	
Postal Charges		20,951	
Printing, Stationery, and Forms		8,901	
Travel		84	
Data Processing Supplies		776	
Office Supplies		3,848	
Periodicals		587	
Data Processing Equipment		3,700	
Furniture and Fixtures		469	
Office Equipment		3,329	
Total County Clerk's Office			\$ 181,190

Data Processing

County Official/Administrative Officer	\$	74,778	
Data Processing Personnel		108,842	
Longevity Pay		1,300	
Overtime Pay		3,910	
Social Security		11,576	
State Retirement		15,195	
Life Insurance		166	
Medical Insurance		15,273	
Dental Insurance		686	
Disability Insurance		808	
Unemployment Compensation		168	
Employer Medicare		2,707	
Communication		793	
Postal Charges		40	
Travel		1,339	
Office Supplies		535	
Periodicals		85	
Small Tools		192	
Total Data Processing			238,393

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	72,216	
Clerical Personnel		505,897	
Part-time Personnel		37,413	
Longevity Pay		7,850	
Overtime Pay		2,746	
Jury and Witness Fees		53,020	
Other Per Diem and Fees		19,294	
Social Security		39,928	
State Retirement		42,342	
Life Insurance		881	
Medical Insurance		83,584	
Dental Insurance		3,650	
Disability Insurance		2,728	
Unemployment Compensation		1,090	
Employer Medicare		9,338	
Data Processing Services		13,303	
Dues and Memberships		654	
Legal Notices, Recording, and Court Costs		372	
Maintenance Agreements		5,683	
Postal Charges		10,151	
Printing, Stationery, and Forms		15,258	
Travel		508	
Office Supplies		8,925	
Periodicals		476	
Other Charges		27,665	
Office Equipment		227	
Other Equipment		246	
Total Circuit Court			\$ 965,445

General Sessions Court

Judge(s)	\$	421,974
Clerical Personnel		119,331
Temporary Personnel		54,854
Longevity Pay		2,800
Other Salaries and Wages		120,095
Social Security		37,668
State Retirement		52,074
Life Insurance		478
Medical Insurance		44,132
Dental Insurance		1,982

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Disability Insurance	\$	2,479	
Unemployment Compensation		650	
Employer Medicare		10,251	
Communication		4,777	
Dues and Memberships		480	
Licenses		800	
Maintenance Agreements		1,667	
Maintenance and Repair Services - Buildings		3	
Pest Control		391	
Printing, Stationery, and Forms		1,335	
Travel		3,003	
Drug Treatment		30,430	
Electricity		6,604	
Office Supplies		1,620	
Periodicals		711	
Other Charges		195	
Data Processing Equipment		37,208	
Furniture and Fixtures		2,171	
Total General Sessions Court			\$ 960,163

Chancery Court

State Retirement	\$	21,098	
Life Insurance		386	
Medical Insurance		35,637	
Dental Insurance		1,601	
Disability Insurance		1,242	
Unemployment Compensation		324	
Data Processing Services		6,947	
Dues and Memberships		654	
Maintenance Agreements		1,039	
Postal Charges		13,043	
Printing, Stationery, and Forms		4,502	
Travel		560	
Office Supplies		4,235	
Periodicals		487	
Other Charges		15	
Furniture and Fixtures		99	
Total Chancery Court			91,869

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General

Contributions	\$	2,500	
Medical and Dental Services		73,700	
Total District Attorney General			\$ 76,200

Courtroom Security

Other Charges	\$	32,669	
Total Courtroom Security			32,669

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	79,440	
Deputy(ies)		2,014,112	
Investigator(s)		486,348	
Captain(s)		101,868	
Lieutenant(s)		221,774	
Sergeant(s)		368,508	
Dispatchers/Radio Operators		176,746	
Clerical Personnel		171,874	
Part-time Personnel		22,559	
Longevity Pay		34,650	
Overtime Pay		257,045	
In-Service Training		44,400	
Social Security		242,261	
State Retirement		298,684	
Life Insurance		4,659	
Medical Insurance		430,356	
Dental Insurance		19,137	
Disability Insurance		18,495	
Unemployment Compensation		5,331	
Employer Medicare		56,658	
Communication		24,127	
Data Processing Services		46,199	
Dues and Memberships		3,775	
Maintenance Agreements		10,307	
Maintenance and Repair Services - Equipment		993	
Maintenance and Repair Services - Vehicles		31,088	
Postal Charges		4,758	
Printing, Stationery, and Forms		2,806	
Travel		30,605	
Veterinary Services		571	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Contracted Services	\$	4,359	
Animal Food and Supplies		752	
Custodial Supplies		16	
Data Processing Supplies		6,863	
Drugs and Medical Supplies		129	
Food Supplies		108	
Gasoline		193,712	
Law Enforcement Supplies		21,629	
Lubricants		5,790	
Office Supplies		9,944	
Periodicals		1,844	
Tires and Tubes		17,362	
Uniforms		32,483	
Vehicle Parts		36,836	
Other Charges		709	
Communication Equipment		6,283	
Data Processing Equipment		3,980	
Furniture and Fixtures		1,601	
Law Enforcement Equipment		30,439	
Office Equipment		400	
Other Equipment		19	
Total Sheriff's Department			\$ 5,585,392

Jail

County Official/Administrative Officer	\$	3,024
Maintenance Personnel		39,666
Longevity Pay		8,800
Overtime Pay		271,084
Other Salaries and Wages		1,743,182
Social Security		126,433
State Retirement		157,797
Life Insurance		2,971
Medical Insurance		274,089
Dental Insurance		12,265
Disability Insurance		6,761
Unemployment Compensation		3,803
Employer Medicare		29,569
Communication		4,355
Laundry Service		60
Licenses		305

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Maintenance Agreements	\$	11,488	
Maintenance and Repair Services - Buildings		47,872	
Maintenance and Repair Services - Equipment		530	
Maintenance and Repair Services - Vehicles		4,061	
Medical and Dental Services		201,148	
Pest Control		1,887	
Postal Charges		4,383	
Printing, Stationery, and Forms		4,129	
Travel		6,618	
Disposal Fees		2,343	
Other Contracted Services		5,872	
Custodial Supplies		28,913	
Diesel Fuel		47	
Drugs and Medical Supplies		236,527	
Electricity		158,733	
Food Supplies		251,259	
Gasoline		27,236	
Law Enforcement Supplies		692	
Lubricants		881	
Natural Gas		63,157	
Prisoners Clothing		12,554	
Tires and Tubes		941	
Uniforms		10,391	
Vehicle Parts		4,817	
Other Supplies and Materials		115	
Other Charges		386	
Communication Equipment		5,986	
Food Service Equipment		1,824	
Law Enforcement Equipment		418	
Other Equipment		20,289	
Total Jail			\$ 3,799,661

Juvenile Services

Assistant(s)	\$	27,359
Probation Officer(s)		28,163
Youth Service Officer(s)		43,704
Longevity Pay		1,000
Social Security		6,135
State Retirement		4,507
Life Insurance		166

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Medical Insurance	\$	15,273	
Dental Insurance		686	
Disability Insurance		475	
Unemployment Compensation		158	
Employer Medicare		1,435	
Communication		247	
Dues and Memberships		90	
Postal Charges		44	
Printing, Stationery, and Forms		26	
Travel		7,258	
Other Contracted Services		156,510	
Drugs and Medical Supplies		250	
Office Supplies		141	
Periodicals		180	
Total Juvenile Services			\$ 293,807

Civil Defense

Contributions	\$	115,825	
Vehicle and Equipment Insurance		28,766	
Other Charges		2,358	
Other Capital Outlay		106,919	
Total Civil Defense			253,868

Other Emergency Management

Clerical Personnel	\$	31,021	
Overtime Pay		2,262	
Social Security		2,015	
State Retirement		2,673	
Life Insurance		55	
Medical Insurance		5,091	
Dental Insurance		229	
Disability Insurance		149	
Unemployment Compensation		56	
Employer Medicare		471	
Communication		5,580	
Consultants		5,850	
Dues and Memberships		140	
Maintenance Agreements		869	
Maintenance and Repair Services - Equipment		2,177	
Maintenance and Repair Services - Vehicles		1,300	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Postal Charges	\$	34	
Printing, Stationery, and Forms		3,287	
Travel		4,827	
Other Contracted Services		1,422	
Gasoline		3,270	
Instructional Supplies and Materials		2,695	
Office Supplies		1,938	
Periodicals		111	
Small Tools		2,429	
Tires and Tubes		248	
Uniforms		7,427	
Vehicle Parts		2,234	
Chemicals		38,480	
Other Supplies and Materials		25,441	
Vehicle and Equipment Insurance		6,471	
Other Charges		207	
Office Equipment		8,206	
Other Equipment		49,914	
Total Other Emergency Management			\$ 218,579

County Coroner/Medical Examiner

Medical and Dental Services	\$	5,786	
Total County Coroner/Medical Examiner			5,786

Public Safety Grant Programs

Travel	\$	1,900	
Uniforms		8,893	
Law Enforcement Equipment		27,715	
Total Public Safety Grant Programs			38,508

Public Health and Welfare

Local Health Center

Medical Personnel	\$	358,288	
Clerical Personnel		93,261	
Part-time Personnel		31,694	
Longevity Pay		1,450	
Social Security		29,829	
State Retirement		33,698	
Life Insurance		814	
Medical Insurance		75,119	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Dental Insurance	\$	3,374	
Disability Insurance		1,804	
Unemployment Compensation		1,410	
Employer Medicare		6,976	
Communication		9,385	
Dues and Memberships		150	
Janitorial Services		34,800	
Licenses		80	
Maintenance Agreements		10,229	
Maintenance and Repair Services - Buildings		4,180	
Medical and Dental Services		516	
Pest Control		561	
Postal Charges		210	
Printing, Stationery, and Forms		221	
Travel		9,706	
Other Contracted Services		1,684	
Electricity		40,128	
Natural Gas		20,421	
Office Supplies		2,892	
Other Supplies and Materials		24	
Liability Insurance		618	
Workers' Compensation Insurance		3,436	
Other Charges		712	
Total Local Health Center			\$ 777,670

Rabies and Animal Control

Longevity Pay	\$	700
Other Salaries and Wages		68,598
Social Security		4,144
State Retirement		2,651
Life Insurance		110
Medical Insurance		10,182
Dental Insurance		457
Disability Insurance		426
Unemployment Compensation		112
Employer Medicare		969
Advertising		335
Communication		1,056
Maintenance and Repair Services - Vehicles		5,503
Printing, Stationery, and Forms		47

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Animal Food and Supplies	\$	365	
Drugs and Medical Supplies		1,800	
Gasoline		6,806	
Law Enforcement Supplies		122	
Office Supplies		78	
Total Rabies and Animal Control			\$ 104,461

Regional Mental Health Center

Contributions	\$	9,000	
Total Regional Mental Health Center			9,000

Appropriation to State

Contracts with Government Agencies	\$	66,516	
Total Appropriation to State			66,516

Other Local Welfare Services

Other Contracted Services	\$	10,941	
Total Other Local Welfare Services			10,941

Other Public Health and Welfare

Other Contracted Services	\$	194,781	
Total Other Public Health and Welfare			194,781

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	34,000	
Total Senior Citizens Assistance			34,000

Libraries

County Official/Administrative Officer	\$	46,470	
Librarians		234,609	
Part-time Personnel		39,901	
Longevity Pay		4,200	
Social Security		19,714	
State Retirement		22,533	
Life Insurance		529	
Medical Insurance		49,223	
Dental Insurance		2,211	
Disability Insurance		1,305	
Unemployment Compensation		872	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Employer Medicare	\$	4,611	
Communication		1,774	
Data Processing Services		676	
Janitorial Services		4,416	
Licenses		350	
Maintenance Agreements		11,203	
Maintenance and Repair Services - Buildings		7,402	
Pest Control		646	
Postal Charges		689	
Printing, Stationery, and Forms		79	
Travel		240	
Other Contracted Services		276	
Custodial Supplies		2,667	
Electricity		24,407	
Instructional Supplies and Materials		718	
Library Books/Media		58,223	
Natural Gas		6,429	
Office Supplies		6,685	
Periodicals		1,050	
Building and Contents Insurance		1,050	
Liability Insurance		237	
Other Charges		230	
Other Capital Outlay		33,481	
Total Libraries			\$ 589,106

Parks and Fair Boards

County Official/Administrative Officer	\$	63,552
Assistant(s)		76,206
Laborers		148,079
Clerical Personnel		19,911
Temporary Personnel		47,382
Longevity Pay		2,650
Overtime Pay		4,503
Social Security		22,301
State Retirement		24,666
Life Insurance		497
Medical Insurance		45,819
Dental Insurance		2,059
Disability Insurance		1,435
Unemployment Compensation		914

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Employer Medicare	\$	5,215	
Communication		1,295	
Dues and Memberships		440	
Laundry Service		3,825	
Licenses		500	
Maintenance Agreements		588	
Maintenance and Repair Services - Buildings		336	
Maintenance and Repair Services - Equipment		3,676	
Maintenance and Repair Services - Vehicles		2,399	
Pest Control		646	
Postal Charges		162	
Printing, Stationery, and Forms		80	
Rentals		472	
Travel		1,456	
Other Contracted Services		11,660	
Custodial Supplies		5,986	
Electricity		80,856	
Equipment Parts - Light		3,017	
Fertilizer, Lime, and Seed		7,964	
Gasoline		17,638	
Lubricants		1,210	
Natural Gas		10,153	
Office Supplies		699	
Tires and Tubes		283	
Uniforms		594	
Other Supplies and Materials		14,566	
Building Improvements		6,552	
Furniture and Fixtures		669	
Other Capital Outlay		3,676	
Total Parks and Fair Boards			\$ 646,587

Agriculture and Natural Resources

Agriculture Extension Service

Board and Committee Members Fees	\$	625
Social Security		39
Employer Medicare		9
Contracts with Government Agencies		106,595
Dues and Memberships		255
Postal Charges		176
Travel		4,290

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Office Supplies	\$ 2,750	
Total Agriculture Extension Service		\$ 114,739

Forest Service

Contributions	\$ 2,000	
Total Forest Service		2,000

Soil Conservation

Other Salaries and Wages	\$ 34,258	
Social Security	2,094	
State Retirement	2,761	
Life Insurance	55	
Medical Insurance	5,091	
Dental Insurance	229	
Disability Insurance	164	
Unemployment Compensation	56	
Employer Medicare	490	
Total Soil Conservation		45,198

Other Operations

Tourism

County Official/Administrative Officer	\$ 55,765
Part-time Personnel	16,927
Longevity Pay	850
Other Salaries and Wages	71,949
Social Security	8,996
State Retirement	10,362
Life Insurance	166
Medical Insurance	10,182
Dental Insurance	686
Disability Insurance	621
Unemployment Compensation	267
Employer Medicare	2,104
Advertising	93,879
Communication	481
Dues and Memberships	2,730
Maintenance Agreements	475
Maintenance and Repair Services - Vehicles	684
Postal Charges	3,804
Printing, Stationery, and Forms	11,460

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Tourism (Cont.)

Travel	\$	6,757	
Other Contracted Services		58,250	
Electricity		1,334	
Gasoline		510	
Natural Gas		289	
Office Supplies		2,369	
Periodicals		186	
Other Supplies and Materials		6,772	
Other Charges		7,565	
Furniture and Fixtures		1,779	
Total Tourism			\$ 378,199

Industrial Development

Contributions	\$	175,000	
Other Contracted Services		8,500	
Electricity		742	
Total Industrial Development			184,242

Other Economic and Community Development

Travel	\$	638	
Other Contracted Services		3,408	
Other Charges		39	
Total Other Economic and Community Development			4,085

Airport

Contributions	\$	40,000	
Total Airport			40,000

Veterans' Services

Clerical Personnel	\$	31,468	
Part-time Personnel		18,870	
Longevity Pay		900	
Social Security		3,177	
State Retirement		2,609	
Life Insurance		55	
Medical Insurance		5,091	
Dental Insurance		229	
Disability Insurance		151	
Unemployment Compensation		112	
Employer Medicare		743	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Dues and Memberships	\$	25	
Maintenance Agreements		550	
Postal Charges		484	
Printing, Stationery, and Forms		35	
Travel		563	
Office Supplies		359	
Periodicals		20	
Total Veterans' Services			\$ 65,441

Contributions to Other Agencies

Contributions	\$	29,415	
Total Contributions to Other Agencies			29,415

Employee Benefits

Medical and Dental Services	\$	10,491	
Other Supplies and Materials		4,522	
Total Employee Benefits			15,013

Miscellaneous

Other Contracted Services	\$	21,840	
Trustee's Commission		246,975	
Tax Relief Program		120,601	
Other Capital Outlay		640,396	
Total Miscellaneous			1,029,812

Principal on Debt

General Government

Principal on Notes	\$	128,079	
Total General Government			128,079

Capital Projects

Public Utility Projects

Other Capital Outlay	\$	5,800	
Total Public Utility Projects			5,800

Capital Projects - Donated

Capital Projects Donated to School Department

Land	\$	58,300	
Total Capital Projects Donated to School Department			58,300

Total General Fund \$ 22,251,478

(Continued)

Exhibit K-8

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

Special Purpose Fund

Finance

Data Processing

Communication	\$	72,532	
Data Processing Services		24,359	
Maintenance Agreements		29,552	
Maintenance and Repair Services - Equipment		36	
Data Processing Supplies		4,738	
Communication Equipment		168	
Data Processing Equipment		59,724	
Other Capital Outlay		28,627	
Total Data Processing			\$ 219,736

Public Safety

Fire Prevention and Control

Motor Vehicles	\$	40,492	
Total Fire Prevention and Control			40,492

Other Operations

Contributions to Other Agencies

Contributions	\$	77,570	
Total Contributions to Other Agencies			77,570

Payments to Cities

Contracts with Government Agencies	\$	250,000	
Total Payments to Cities			250,000

Miscellaneous

Trustee's Commission	\$	22,680	
Other Capital Outlay		45,713	
Total Miscellaneous			68,393

Operation of Non-Instructional Services

Early Childhood Education

Instructional Supplies and Materials	\$	105,980	
Total Early Childhood Education			105,980

Principal on Debt

Education

Principal on Capital Leases	\$	266,758	
Total Education			266,758

(Continued)

Exhibit K-8

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

Special Purpose Fund (Cont.)

Interest on Debt

Education

Interest on Capital Leases	\$ 21,423	
Total Education		\$ 21,423

Capital Projects

General Administration Projects

Engineering Services	\$ 98	
Other Equipment	2,006	
Other Capital Outlay	69,816	
Total General Administration Projects		71,920

Public Utility Projects

Other Construction	\$ 150,000	
Total Public Utility Projects		150,000

Capital Projects - Donated

Capital Projects Donated to School Department

Data Processing Equipment	\$ 125,675	
Total Capital Projects Donated to School Department		125,675

Total Special Purpose Fund \$ 1,397,947

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$ 5,077
Data Processing Services	600
Confidential Drug Enforcement Payments	10,000
Dues and Memberships	175
Maintenance Agreements	165
Maintenance and Repair Services - Vehicles	3,588
Printing, Stationery, and Forms	231
Rentals	16,800
Travel	2,601
Data Processing Supplies	102
Electricity	5,905
Gasoline	15,028
Instructional Supplies and Materials	5,108
Law Enforcement Supplies	270
Office Supplies	236
Tires and Tubes	1,030

(Continued)

Exhibit K-8

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Uniforms	\$	2,000	
Vehicle Parts		232	
Trustee's Commission		1,091	
Other Charges		3,073	
Communication Equipment		1,379	
Law Enforcement Equipment		1,736	
Motor Vehicles		941	
Total Drug Enforcement			<u>\$ 77,368</u>

Total Drug Control Fund \$ 77,368

Adequate Facilities/Development Tax Fund

Capital Projects

General Administration Projects

Building Construction	\$	<u>207,769</u>	
Total General Administration Projects			\$ 207,769

Social, Cultural, and Recreation Projects

Other Capital Outlay	\$	<u>29,350</u>	
Total Social, Cultural, and Recreation Projects			29,350

Other General Government Projects

Other Charges	\$	<u>133,750</u>	
Total Other General Government Projects			133,750

Highway and Street Capital Projects

Highway Construction	\$	<u>621,945</u>	
Total Highway and Street Capital Projects			621,945

Capital Projects - Donated

Capital Projects Donated to School Department

Other Capital Outlay	\$	<u>261,072</u>	
Total Capital Projects Donated to School Department			<u>261,072</u>

Total Adequate Facilities/Development Tax Fund 1,253,886

Other Special Revenue Fund

Public Health and Welfare

Rabies and Animal Control

Temporary Personnel	\$	186,680	
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(Continued)

Exhibit K-8

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

Other Special Revenue Fund (Cont.)
Public Health and Welfare (Cont.)
Rabies and Animal Control (Cont.)

Overtime Pay	\$	21	
Social Security		11,467	
State Retirement		4,523	
Life Insurance		83	
Medical Insurance		35,847	
Dental Insurance		343	
Unemployment Compensation		596	
Employer Medicare		2,682	
Communication		5,638	
Consultants		191	
Dues and Memberships		15	
Licenses		190	
Maintenance Agreements		1,665	
Maintenance and Repair Services - Buildings		2,180	
Maintenance and Repair Services - Equipment		1,234	
Maintenance and Repair Services - Vehicles		493	
Medical and Dental Services		1,814	
Postal Charges		252	
Printing, Stationery, and Forms		879	
Travel		385	
Veterinary Services		35,622	
Animal Food and Supplies		2,863	
Custodial Supplies		9,059	
Drugs and Medical Supplies		24,302	
Electricity		23,209	
Gasoline		1,128	
Natural Gas		27,922	
Office Supplies		1,612	
Periodicals		20	
Other Supplies and Materials		19,422	
Refunds		15,242	
Vehicle and Equipment Insurance		539	
Workers' Compensation Insurance		10,162	
Other Charges		215	
Furniture and Fixtures		500	
Other Equipment		1,236	
Total Rabies and Animal Control		<u>1,236</u>	\$ <u>430,231</u>
Total Other Special Revenue Fund			\$ 430,231

(Continued)

Exhibit K-8

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

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 525,544	
Total County Clerk's Office		\$ 525,544

Administration of Justice

Circuit Court

Constitutional Officers' Operating Expenses	\$ 1,674	
Total Circuit Court		1,674

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 1,557	
Constitutional Officers' Operating Expenses	281,402	
Total Chancery Court		282,959

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$ 101	
Total Sheriff's Department		101

Total Constitutional Officers - Fees Fund		\$ 810,278
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Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 79,440
Clerical Personnel	12,262
Longevity Pay	1,000
Other Salaries and Wages	50,571
Social Security	8,892
State Retirement	11,459
Life Insurance	185
Medical Insurance	11,869
Dental Insurance	534
Disability Insurance	566
Unemployment Compensation	56
Employer Medicare	2,080
Dues and Memberships	3,853
Legal Notices, Recording, and Court Costs	226
Maintenance Agreements	590
Maintenance and Repair Services - Office Equipment	912
Postal Charges	500

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Printing, Stationery, and Forms	\$	329	
Travel		856	
Office Supplies		1,143	
Other Charges		335	
Furniture and Fixtures		1,157	
Total Administration			\$ 188,815

Highway and Bridge Maintenance

Foremen	\$	64,566	
Mechanic(s)		256,797	
Equipment Operators - Heavy		403,858	
Equipment Operators - Light		290,382	
Truck Drivers		355,708	
Laborers		46,293	
Guards		62,196	
Longevity Pay		24,050	
Overtime Pay		13,462	
Other Salaries and Wages		129,288	
Social Security		100,350	
State Retirement		125,486	
Life Insurance		2,542	
Medical Insurance		235,684	
Dental Insurance		10,693	
Disability Insurance		7,722	
Unemployment Compensation		2,771	
Employer Medicare		23,469	
Advertising		113	
Rentals		520	
Other Contracted Services		4,500	
Asphalt		277,642	
Concrete		27,777	
Crushed Stone		268,001	
Fertilizer, Lime, and Seed		1,614	
Other Road Supplies		14,989	
Pipe		39,191	
Road Signs		41,695	
Wood Products		4,037	
Geotextile Materials		4,665	
Other Charges		152	
Total Highway and Bridge Maintenance			2,840,213

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

Communication	\$	3,812	
Freight Expenses		207	
Maintenance Agreements		60	
Maintenance and Repair Services - Buildings		1,638	
Maintenance and Repair Services - Equipment		9,558	
Maintenance and Repair Services - Vehicles		7,880	
Custodial Supplies		2,009	
Diesel Fuel		321,276	
Drugs and Medical Supplies		987	
Equipment and Machinery Parts		88,289	
Garage Supplies		7,819	
Gasoline		35,549	
Lubricants		19,181	
Small Tools		8,807	
Tires and Tubes		46,532	
Vehicle Parts		56,376	
Other Supplies and Materials		21,082	
Total Operation and Maintenance of Equipment	\$		631,062

Other Charges

Communication	\$	3,503	
Consultants		1,056	
Contributions		20,000	
Laundry Service		12,926	
Pest Control		510	
Electricity		15,149	
Natural Gas		3,123	
Uniforms		983	
Building and Contents Insurance		1,927	
Liability Insurance		64,660	
Trustee's Commission		66,084	
Vehicle and Equipment Insurance		31,275	
Workers' Compensation Insurance		182,213	
Other Charges		6,417	
Total Other Charges			409,826

Employee Benefits

Medical and Dental Services	\$	687	
Total Employee Benefits			687

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

Bridge Construction	\$	156,288	
Data Processing Equipment		156	
Highway Construction		381,086	
Highway Equipment		166,504	
Motor Vehicles		33,575	
Total Capital Outlay			\$ 737,609

Capital Projects

Highway and Street Capital Projects

Bridge Construction	\$	35,324	
Other Capital Outlay		45,799	
Total Highway and Street Capital Projects			81,123

Total Highway/Public Works Fund \$ 4,889,335

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	733,034	
Principal on Notes		507,220	
Total General Government			\$ 1,240,254

Highways and Streets

Principal on Bonds	\$	214,284	
Principal on Notes		370,620	
Total Highways and Streets			584,904

Education

Principal on Bonds	\$	3,697,682	
Principal on Notes		3,346,718	
Total Education			7,044,400

Interest on Debt

General Government

Interest on Bonds	\$	343,658	
Interest on Notes		357,074	
Total General Government			700,732

Highways and Streets

Interest on Bonds	\$	33,361	
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(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Highways and Streets (Cont.)

Interest on Notes	\$ 37,784	
Total Highways and Streets		\$ 71,145

Education

Interest on Bonds	\$ 2,250,727	
Interest on Notes	349,520	
Total Education		2,600,247

Other Debt Service

General Government

Bank Charges	\$ 2,040	
Trustee's Commission	148,974	
Total General Government		151,014

Total General Debt Service Fund		\$ 12,392,696
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General Capital Projects Fund

Public Safety

Sheriff's Department

Motor Vehicles	\$ 215,970	
Total Sheriff's Department		\$ 215,970

Capital Projects

General Administration Projects

Solid Waste Equipment	\$ 84,382	
Total General Administration Projects		84,382

Administration of Justice Projects

Architects	\$ 154,296	
Total Administration of Justice Projects		154,296

Public Safety Projects

Architects	\$ 27,487	
Other Construction	2,586,689	
Other Capital Outlay	107,987	
Total Public Safety Projects		2,722,163

Public Health and Welfare Projects

Architects	\$ 4,000	
Building Construction	1,358,893	

(Continued)

Exhibit K-8

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Health and Welfare Projects (Cont.)

Other Capital Outlay	\$ 18,912	
Total Public Health and Welfare Projects		\$ 1,381,805

Social, Cultural, and Recreation Projects

Motor Vehicles	\$ 28,516	
Other Equipment	30,000	
Total Social, Cultural, and Recreation Projects		58,516

Other General Government Projects

Other Debt Issuance Charges	\$ 1,985	
Total Other General Government Projects		1,985

Highway and Street Capital Projects

Architects	\$ 33,678	
Total Highway and Street Capital Projects		33,678

Total General Capital Projects Fund		\$ 4,652,795
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Highway Capital Projects Fund

Capital Projects

Highway and Street Capital Projects

Communication Equipment	\$ 43,026	
Highway Construction	206,289	
Other Construction	20,784	
Total Highway and Street Capital Projects		\$ 270,099

Total Highway Capital Projects Fund		270,099
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Education Capital Projects Fund

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 2,424,484	
Other Debt Issuance Charges	8,516	
Total Capital Projects Donated to School Department		\$ 2,433,000

Total Education Capital Projects Fund		2,433,000
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(Continued)

Exhibit K-8

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

Other Capital Projects Fund

Other Operations

Other Charges

Other Charges	\$ 4,940	
Total Other Charges		\$ 4,940

Miscellaneous

Trustee's Commission	\$ 6,369	
Total Miscellaneous		6,369

Capital Projects - Donated

Capital Projects Donated to School Department

Administration Equipment	\$ 19,489	
Furniture and Fixtures	99,982	
Total Capital Projects Donated to School Department		<u>119,471</u>

Total Other Capital Projects Fund		<u>\$ 130,780</u>
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Total Governmental Funds - Primary Government		<u>\$ 50,989,893</u>
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Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 27,576,208	
Career Ladder Program	338,642	
Career Ladder Extended Contracts	187,929	
Homebound Teachers	47,609	
Educational Assistants	691,238	
Certified Substitute Teachers	103,315	
Non-certified Substitute Teachers	262,650	
Social Security	1,750,820	
State Retirement	1,844,853	
Life Insurance	54,237	
Medical Insurance	4,033,280	
Dental Insurance	125,799	
Employer Medicare	408,504	
Instructional Supplies and Materials	219,749	
Textbooks	417,308	
Other Supplies and Materials	7,613	
Fee Waivers	95,000	
Regular Instruction Equipment	156,955	
Total Regular Instruction Program		\$ 38,321,709

Alternative Instruction Program

Teachers	\$ 219,779	
Career Ladder Program	1,000	
Educational Assistants	56,344	
Certified Substitute Teachers	1,575	
Non-certified Substitute Teachers	2,942	
Social Security	16,889	
State Retirement	18,645	
Life Insurance	770	
Medical Insurance	58,308	
Dental Insurance	2,140	
Employer Medicare	3,950	
Instructional Supplies and Materials	1,087	
Total Alternative Instruction Program		383,429

Special Education Program

Teachers	\$ 3,699,660
Career Ladder Program	45,484
Homebound Teachers	54,764

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Educational Assistants	\$	669,512	
Speech Pathologist		698,368	
Other Salaries and Wages		41,809	
Certified Substitute Teachers		4,575	
Non-certified Substitute Teachers		18,175	
Social Security		313,490	
State Retirement		341,201	
Life Insurance		12,478	
Medical Insurance		855,553	
Dental Insurance		30,274	
Employer Medicare		73,730	
Contracts with Private Agencies		197,323	
Maintenance and Repair Services - Equipment		2,209	
Other Contracted Services		86,678	
Instructional Supplies and Materials		49,170	
Other Supplies and Materials		701	
Other Charges		671	
Special Education Equipment		17,977	
Total Special Education Program			\$ 7,213,802

Vocational Education Program

Teachers	\$	2,008,135	
Career Ladder Program		13,900	
Certified Substitute Teachers		1,600	
Non-certified Substitute Teachers		6,825	
Social Security		121,511	
State Retirement		129,816	
Life Insurance		3,648	
Medical Insurance		283,624	
Dental Insurance		8,826	
Employer Medicare		28,420	
Maintenance and Repair Services - Equipment		5,981	
Other Contracted Services		15,489	
Instructional Supplies and Materials		49,356	
Textbooks		7,041	
Other Supplies and Materials		8,278	
Other Charges		466	
Vocational Instruction Equipment		52,193	
Total Vocational Education Program			2,745,109

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	75,830	
Career Ladder Program		1,000	
Social Workers		30,032	
Clerical Personnel		105,036	
Other Salaries and Wages		138,779	
Social Security		21,427	
State Retirement		24,147	
Life Insurance		918	
Medical Insurance		53,764	
Dental Insurance		2,227	
Employer Medicare		5,011	
Communication		1,352	
Travel		5,410	
Other Contracted Services		4,020	
Other Supplies and Materials		18,687	
In Service/Staff Development		854	
Other Charges		3,373	
Attendance Equipment		2,289	
Total Attendance			\$ 494,156

Health Services

Medical Personnel	\$	187,075	
Secretary(ies)		20,190	
Other Salaries and Wages		52,696	
Social Security		16,103	
State Retirement		17,021	
Life Insurance		595	
Medical Insurance		38,224	
Dental Insurance		1,105	
Employer Medicare		3,766	
Communication		3,061	
Travel		8,360	
Drugs and Medical Supplies		5,304	
Other Supplies and Materials		12,642	
In Service/Staff Development		380	
Health Equipment		5,680	
Total Health Services			372,202

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$	15,549	
Guidance Personnel		1,375,492	
Social Security		84,413	
State Retirement		89,322	
Life Insurance		2,324	
Medical Insurance		161,929	
Dental Insurance		5,648	
Employer Medicare		19,729	
Evaluation and Testing		16,366	
Travel		6,890	
Other Supplies and Materials		5,400	
Total Other Student Support			\$ 1,783,062

Regular Instruction Program

Supervisor/Director	\$	334,228	
Career Ladder Program		31,565	
Career Ladder Extended Contracts		2,600	
Librarians		996,247	
Secretary(ies)		30,326	
Clerical Personnel		38,941	
Educational Assistants		158,379	
Other Salaries and Wages		47,840	
Social Security		99,331	
State Retirement		104,673	
Life Insurance		2,968	
Medical Insurance		208,056	
Dental Insurance		6,045	
Employer Medicare		23,232	
Communication		51,176	
Operating Lease Payments		28,618	
Travel		31,160	
Other Contracted Services		137,117	
Library Books/Media		38,306	
Periodicals		48,660	
Other Supplies and Materials		12,860	
In Service/Staff Development		36,228	
Other Charges		13,195	
Other Equipment		25,881	
Total Regular Instruction Program			2,507,632

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)
Support Services (Cont.)

Alternative Instruction Program

Supervisor/Director	\$	60,821	
Guidance Personnel		27,231	
Clerical Personnel		19,059	
Social Security		6,547	
State Retirement		7,544	
Life Insurance		273	
Medical Insurance		16,079	
Dental Insurance		670	
Employer Medicare		1,531	
Communication		2,251	
Travel		975	
Other Contracted Services		60	
Other Supplies and Materials		1,498	
In Service/Staff Development		473	
Other Equipment		1,654	
Total Alternative Instruction Program			\$ 146,666

Special Education Program

Supervisor/Director	\$	68,346	
Career Ladder Program		9,000	
Psychological Personnel		312,244	
Assessment Personnel		222,875	
Secretary(ies)		30,526	
Clerical Personnel		15,140	
Other Salaries and Wages		64,009	
Social Security		43,511	
State Retirement		47,110	
Life Insurance		1,127	
Medical Insurance		84,860	
Dental Insurance		2,358	
Employer Medicare		10,176	
Communication		3,626	
Operating Lease Payments		1,364	
Travel		33,668	
Other Supplies and Materials		16,249	
In Service/Staff Development		12,637	
Other Charges		846	
Other Equipment		851	
Total Special Education Program			980,523

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program

Supervisor/Director	\$	69,380	
Career Ladder Program		4,000	
Clerical Personnel		24,370	
Social Security		6,061	
State Retirement		6,675	
Life Insurance		168	
Medical Insurance		9,708	
Dental Insurance		416	
Employer Medicare		1,417	
Communication		330	
Travel		10,130	
Other Contracted Services		1,000	
Other Supplies and Materials		2,873	
In Service/Staff Development		1,052	
Other Charges		1,345	
Other Equipment		2,413	
Total Vocational Education Program			\$ 141,338

Other Programs

On-Behalf Payments to OPEB	\$	412,457	
Total Other Programs			412,457

Board of Education

Secretary to Board	\$	2,228	
Board and Committee Members Fees		13,415	
Social Security		7,033	
State Retirement		195	
Unemployment Compensation		89,372	
Employer Medicare		1,645	
Other Fringe Benefits		769,843	
Audit Services		20,200	
Dues and Memberships		8,162	
Legal Services		29,767	
Travel		153	
Liability Insurance		17,602	
Trustee's Commission		613,108	
Workers' Compensation Insurance		429,756	
In Service/Staff Development		3,895	
Other Charges		5,813	
Total Board of Education			2,012,187

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$	122,284	
Secretary(ies)		31,366	
Other Salaries and Wages		62,898	
Social Security		12,127	
State Retirement		14,416	
Life Insurance		228	
Medical Insurance		16,964	
Dental Insurance		536	
Employer Medicare		3,120	
Communication		2,134	
Dues and Memberships		6,094	
Postal Charges		18,815	
Travel		3,478	
Office Supplies		940	
Other Supplies and Materials		339	
In Service/Staff Development		1,099	
Other Charges		1,228	
Administration Equipment		474	
Total Director of Schools			\$ 298,540

Office of the Principal

Principals	\$	1,512,781	
Career Ladder Program		41,956	
Career Ladder Extended Contracts		5,992	
Assistant Principals		1,209,911	
Secretary(ies)		551,016	
Clerical Personnel		649,147	
Social Security		240,420	
State Retirement		266,172	
Life Insurance		7,868	
Medical Insurance		518,702	
Dental Insurance		17,546	
Employer Medicare		56,229	
Communication		104,371	
Other Contracted Services		55,214	
Office Supplies		19,764	
Total Office of the Principal			5,257,089

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services

Supervisor/Director	\$	74,318	
Accountants/Bookkeepers		263,002	
Purchasing Personnel		33,042	
Clerical Personnel		30,676	
Social Security		24,677	
State Retirement		32,323	
Life Insurance		903	
Medical Insurance		56,639	
Dental Insurance		2,410	
Employer Medicare		5,772	
Maintenance and Repair Services - Equipment		1,054	
Travel		4,748	
Other Contracted Services		13,406	
Office Supplies		18,385	
In Service/Staff Development		2,293	
Other Charges		9,414	
Administration Equipment		17,615	
Total Fiscal Services			\$ 590,677

Human Services/Personnel

Supervisor/Director	\$	82,264	
Clerical Personnel		81,966	
Social Security		10,146	
State Retirement		11,853	
Life Insurance		336	
Medical Insurance		19,838	
Dental Insurance		851	
Employer Medicare		2,373	
Advertising		1,567	
Communication		632	
Travel		1,209	
Other Contracted Services		12,076	
Office Supplies		5,328	
In Service/Staff Development		325	
Other Charges		9,472	
Administration Equipment		2,000	
Total Human Services/Personnel			242,236

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Supervisor/Director	\$	51,667	
Custodial Personnel		1,341,233	
Social Security		85,178	
State Retirement		91,250	
Life Insurance		6,144	
Medical Insurance		378,057	
Dental Insurance		15,394	
Employer Medicare		19,920	
Communication		194	
Janitorial Services		97,160	
Travel		1,077	
Disposal Fees		42,688	
Other Contracted Services		83,896	
Custodial Supplies		125,926	
Electricity		2,010,212	
Natural Gas		668,065	
Water and Sewer		200,546	
Other Supplies and Materials		4,026	
Building and Contents Insurance		220,634	
In Service/Staff Development		1,144	
Other Charges		99	
Total Operation of Plant			\$ 5,444,510

Maintenance of Plant

Secretary(ies)	\$	26,286
Maintenance Personnel		551,429
Social Security		35,003
State Retirement		45,270
Life Insurance		1,616
Medical Insurance		98,445
Dental Insurance		3,952
Employer Medicare		8,186
Communication		6,170
Laundry Service		18,298
Maintenance and Repair Services - Buildings		18,791
Maintenance and Repair Services - Equipment		57,960
Maintenance and Repair Services - Vehicles		8,636
Other Contracted Services		27,547
Other Supplies and Materials		211,417

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Other Charges	\$	277	
Maintenance Equipment		69,740	
Total Maintenance of Plant			\$ 1,189,023

Transportation

Supervisor/Director	\$	80,130	
Bus Drivers		1,208,537	
Clerical Personnel		53,406	
Other Salaries and Wages		218,285	
Social Security		95,132	
State Retirement		110,384	
Life Insurance		9,269	
Medical Insurance		560,294	
Dental Insurance		22,881	
Employer Medicare		22,250	
Communication		1,522	
Operating Lease Payments		1,527	
Maintenance and Repair Services - Vehicles		11,493	
Travel		500	
Other Contracted Services		201,080	
Diesel Fuel		463,771	
Tires and Tubes		97,884	
Vehicle Parts		160,932	
Other Supplies and Materials		1,029	
Vehicle and Equipment Insurance		107,204	
In Service/Staff Development		853	
Other Charges		28,556	
Transportation Equipment		18,328	
Total Transportation			3,475,247

Central and Other

Supervisor/Director	\$	66,500	
Other Salaries and Wages		309,588	
Social Security		22,716	
State Retirement		30,313	
Life Insurance		672	
Medical Insurance		41,444	
Dental Insurance		1,740	
Employer Medicare		5,312	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Central and Other (Cont.)

Communication	\$	6,568	
Maintenance and Repair Services - Equipment		1,742	
Travel		1,435	
Other Contracted Services		212,595	
Office Supplies		321	
Other Supplies and Materials		59,381	
In Service/Staff Development		4,752	
Administration Equipment		3,136	
Data Processing Equipment		118,817	
Total Central and Other			\$ 887,032

Operation of Non-Instructional Services

Early Childhood Education

Teachers	\$	509,670	
Educational Assistants		144,786	
Certified Substitute Teachers		5,959	
Social Security		39,870	
State Retirement		44,387	
Life Insurance		1,843	
Medical Insurance		111,309	
Dental Insurance		4,649	
Employer Medicare		9,325	
Travel		1,841	
Instructional Supplies and Materials		26,797	
Other Supplies and Materials		2,371	
In Service/Staff Development		7,651	
Other Equipment		10,740	
Total Early Childhood Education			921,198

Capital Outlay

Regular Capital Outlay

Land	\$	45,405	
Total Regular Capital Outlay			45,405

Principal on Debt

Education

Principal on Notes	\$	67,211	
Principal on Capital Leases		207,027	
Total Education			274,238

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Interest on Debt

Education

Interest on Notes	\$	13,042	
Interest on Capital Leases		67,253	
Total Education			\$ 80,295

Total General Purpose School Fund \$ 76,219,762

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	785,817	
Educational Assistants		182,669	
Certified Substitute Teachers		58,250	
Social Security		62,396	
State Retirement		50,987	
Life Insurance		1,469	
Medical Insurance		84,972	
Dental Insurance		2,781	
Unemployment Compensation		3,287	
Employer Medicare		14,814	
Other Contracted Services		89	
Instructional Supplies and Materials		384,428	
Other Supplies and Materials		20,077	
Regular Instruction Equipment		35,644	
Total Regular Instruction Program			\$ 1,687,680

Special Education Program

Teachers	\$	190,208	
Educational Assistants		711,942	
Other Salaries and Wages		32,536	
Certified Substitute Teachers		7,430	
Non-certified Substitute Teachers		8,497	
Social Security		56,416	
State Retirement		64,885	
Life Insurance		5,134	
Medical Insurance		272,239	
Dental Insurance		11,366	
Unemployment Compensation		4,151	
Employer Medicare		13,554	
Contracts with Private Agencies		59,999	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Contracted Services	\$	104,674	
Instructional Supplies and Materials		32,805	
Other Supplies and Materials		15,242	
Total Special Education Program			\$ 1,591,078

Vocational Education Program

Teachers	\$	11,750	
Social Security		719	
State Retirement		755	
Unemployment Compensation		92	
Employer Medicare		168	
Instructional Supplies and Materials		32,943	
Vocational Instruction Equipment		102,999	
Total Vocational Education Program			149,426

Support Services

Health Services

Medical Personnel	\$	161,170	
Social Security		9,993	
State Retirement		11,709	
Life Insurance		280	
Medical Insurance		16,847	
Dental Insurance		530	
Unemployment Compensation		318	
Employer Medicare		2,337	
Total Health Services			203,184

Other Student Support

Travel	\$	34,063	
Other Contracted Services		11,696	
Other Supplies and Materials		31,399	
In Service/Staff Development		16,930	
Other Charges		4,431	
Total Other Student Support			98,519

Regular Instruction Program

Supervisor/Director	\$	81,264	
Other Salaries and Wages		639,073	
Social Security		43,479	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

State Retirement	\$	46,261	
Life Insurance		1,082	
Medical Insurance		68,815	
Dental Insurance		2,555	
Unemployment Compensation		1,048	
Employer Medicare		10,169	
Operating Lease Payments		7,107	
Travel		59,909	
Library Books/Media		23,867	
Other Supplies and Materials		47,901	
In Service/Staff Development		145,679	
Other Equipment		23,471	
Total Regular Instruction Program			\$ 1,201,680

Special Education Program

Psychological Personnel	\$	109,504	
Clerical Personnel		30,676	
Other Salaries and Wages		63,488	
Social Security		11,204	
State Retirement		12,794	
Life Insurance		252	
Medical Insurance		23,396	
Dental Insurance		705	
Unemployment Compensation		361	
Employer Medicare		2,812	
Travel		8,549	
Other Supplies and Materials		14,404	
In Service/Staff Development		46,201	
Total Special Education Program			324,346

Vocational Education Program

In Service/Staff Development	\$	1,000	
Total Vocational Education Program			1,000

Transportation

Bus Drivers	\$	151,748	
Other Salaries and Wages		76,260	
Social Security		13,846	
State Retirement		14,243	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Life Insurance	\$	1,540	
Medical Insurance		97,893	
Dental Insurance		3,663	
Unemployment Compensation		1,068	
Employer Medicare		3,269	
Total Transportation			\$ 363,530

Total School Federal Projects Fund \$ 5,620,443

Central Cafeteria Fund

Support Services

Board of Education

Workers' Compensation Insurance	\$	66,871	
Total Board of Education			\$ 66,871

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	69,886
Accountants/Bookkeepers		61,832
Clerical Personnel		29,776
Cafeteria Personnel		876,634
Temporary Personnel		17,970
Longevity Pay		39,900
Other Salaries and Wages		711,786
Social Security		110,569
State Retirement		122,693
Life Insurance		8,795
Medical Insurance		480,401
Dental Insurance		19,329
Unemployment Compensation		7,870
Employer Medicare		25,859
Maintenance and Repair Services - Equipment		44,003
Travel		11,022
Other Contracted Services		50,915
Food Preparation Supplies		195,573
Food Supplies		2,157,853
Office Supplies		10,693
Other Supplies and Materials		508
In Service/Staff Development		6,937

(Continued)

Exhibit K-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Food Service Equipment	\$ 54,059	
Total Food Service		\$ 5,114,863

Total Central Cafeteria Fund \$ 5,181,734

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Engineering Services	\$ 247,028	
Building Construction	16,399,238	
Furniture and Fixtures	290	
Office Equipment	2,604	
Transportation Equipment	897,273	
Other Equipment	16,810	
Other Capital Outlay	1,682,709	
Total Education Capital Projects		\$ 19,245,952

Total Education Capital Projects Fund 19,245,952

Total Governmental Funds - Maury County School Department \$ 106,267,891

Exhibit K-10

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

	Governmental Activities - Internal Service Fund <hr/> Central Maintenance Garage Fund <hr/>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Other General Service Charges	\$ 1,928,212
Total Charges for Current Services	<u>\$ 1,928,212</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Sale of Materials and Supplies	\$ 2,049
Total Other Local Revenues	<u>\$ 2,049</u>
Total Revenues	<u>\$ 1,930,261</u>
<u>Expenses</u>	
<u>General Administration</u>	
<u>Other General Administration</u>	
County Official/Administrative Office	\$ 61,488
Mechanic(s)	188,026
Clerical Personnel	39,647
Longevity Pay	5,050
Overtime	2,828
Social Security	17,725
State Retirement	23,942
Life Insurance	387
Medical Insurance	35,637
Dental Insurance	1,601
Disability Insurance	1,395
Unemployment Compensation	392
Employer Medicare	4,145
Communication	671
Consultants	192
Laundry Service	3,581
Maintenance Agreements	2,576
Maintenance and Repair Services - Building	916
Maintenance and Repair Services - Equipment	3,783

(Continued)

Exhibit K-10

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Governmental Activities - Internal Service Fund <hr/> Central Maintenance Garage Fund <hr/>
<u>Expenses (Cont.)</u>	
<u>General Administration (Cont.)</u>	
<u>Other General Administration (Cont.)</u>	
Postal Charges	\$ 195
Printing, Stationery, and Forms	139
Travel	667
Disposal Fees	1,705
Other Contracted Services	57,598
Custodial Supplies	210
Diesel Fuel	671,082
Electricity	27,798
Equipment and Machinery Parts	171,698
Garage Supplies	1,011
Gasoline	358,488
Lubricants	13,116
Natural Gas	11,505
Office Supplies	824
Small Tools	1,170
Tires and Tubes	79,137
Depreciation	14,679
Other Equipment	5,015
Other Capital Outlay	<hr/> 7,906
Total Expenses	<hr/> <hr/> \$ 1,817,925

Exhibit K-11

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

	Business-type Activities - Enterprise Fund
	<u>Solid Waste Disposal Fund</u>
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Residential Waste Collection Charge	\$ 48,803
Transfer Waste Stations Collection Charge	1,750
Tipping Fees	1,681,614
Other General Service Charges	184,117
Service Charges	11,260
Total Charges for Current Services	<u>\$ 1,927,544</u>
 <u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Sale of Recycled Materials	\$ 125,029
Total Operating Revenues	<u>\$ 2,052,573</u>
 <u>Nonoperating Revenues</u>	
<u>Local Taxes</u>	
<u>County Property Taxes</u>	
Current Property Tax	\$ 1,592,776
Trustee's Collections - Prior Year	52,102
Trustee's Collections - Bankruptcy	1,344
Circuit/Clerk and Master Collections - Prior Years	26,580
Interest and Penalty	9,829
Pick-up Taxes	2,248
<u>Other Local Revenues</u>	
<u>Nonrecurring Items</u>	
Other Local Revenues	63,094
<u>State of Tennessee</u>	
<u>General Government Grants</u>	
Solid Waste Grants	35,522
<u>Public Works Grants</u>	
Litter Program	48,450
<u>Other State Revenues</u>	
Other State Revenues	28,134
<u>Other Governments</u>	
Contributions	55,920
Total Nonoperating Revenues	<u>\$ 1,915,999</u>
Total Revenues	<u><u>\$ 3,968,572</u></u>

(Continued)

Exhibit K-11

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund
	<u>Solid Waste Disposal Fund</u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Waste Pickup</u>	
Foremen	\$ 28,163
Longevity Pay	400
Social Security	1,771
Life Insurance	28
Disability Insurance	135
Unemployment Compensation	52
Employer Medicare	414
Contributions	6,000
Other Supplies and Materials	16,724
Vehicle and Equipment Insurance	539
Worker's Compensation Insurance	3,346
Total Waste Pickup	<u>\$ 57,572</u>
<u>Convenience Centers</u>	
Equipment Operators	\$ 182,667
Laborers	363,023
Longevity Pay	3,700
Overtime Pay	5,213
Social Security	33,984
State Retirement	16,574
Life Insurance	304
Medical Insurance	27,985
Dental Insurance	1,029
Disability Insurance	941
Unemployment Compensation	2,177
Employer Medicare	7,948
Communication	3,852
Maintenance and Repair Services - Equipment	8,840
Maintenance and Repair Services - Vehicles	19
Pest Control	1,377
Postal Charges	504
Other Contracted Services	16,372
Concrete	2,468
Crushed Stone	1,020
Diesel Fuel	57,130
Electricity	12,408
Equipment and Machinery Parts	30,676
Gasoline	6,567

(Continued)

Exhibit K-11

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund Solid Waste Disposal Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Convenience Centers (Cont.)</u>	
Lubricants	\$ 2,120
Tires and Tubes	31,604
Vehicle Parts	470
Other Supplies and Materials	28,225
Depreciation	18,761
Other Capital Outlay	56,268
Total Convenience Centers	<u>\$ 924,226</u>
<u>Landfill Operation and Maintenance</u>	
County Official/Administrative Officer	\$ 61,813
Equipment Operators	104,006
Laborers	91,437
Clerical Personnel	63,625
Longevity Pay	5,550
Overtime	5,607
Social Security	20,140
State Retirement	23,936
Life Insurance	409
Medical Insurance	37,785
Dental Insurance	1,696
Disability Insurance	1,278
Unemployment Compensation	620
Employer Medicare	4,710
Communication	3,749
Consultants	1,151
Laundry Service	5,732
Licenses	6,147
Maintenance Agreements	546
Maintenance and Repair Services - Buildings	25
Maintenance and Repair Services - Equipment	6,177
Maintenance and Repair Services - Vehicles	3
Medical and Dental Services	1,559
Pest Control	255
Postal Charges	592
Printing, Stationery, and Forms	659
Travel	3,243
Disposal Fees	1,612,128
Permits	3,000
Other Contracted Services	34,635
Crushed Stone	1,526

(Continued)

Exhibit K-11

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund <hr/> Solid Waste Disposal Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Landfill Operation and Maintenance (Cont.)</u>	
Custodial Supplies	\$ 239
Data Processing Supplies	1,225
Diesel Fuel	33,474
Electricity	30,073
Equipment and Machinery Parts	22,174
Gasoline	1,902
Lubricants	2,854
Natural Gas	14,040
Office Supplies	996
Tires and Tubes	5,564
Vehicle Parts	1,027
Other Supplies and Materials	25,153
Building and Contents Insurance	3,212
Liability Insurance	21,141
Refunds	4,530
Trustee's Commission	50,049
Vehicle and Equipment Insurance	13,481
Workers' Compensation Insurance	90,597
Depreciation	257,962
Other Charges	4,490
Furniture and Fixtures	293
Office Equipment	310
Other Capital Outlay	15
Total Landfill Operation and Maintenance	<u>\$ 2,688,540</u>
Total Operating Expenses	<u>\$ 3,670,338</u>
Total Expenses	<u><u>\$ 3,670,338</u></u>

Exhibit K-12

Maury 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	\$ 9,252,560
Total Cash Receipts	<u>\$ 9,252,560</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 9,160,034
Trustee's Commission	92,526
Total Cash Disbursements	<u>\$ 9,252,560</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

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

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

March 10, 2010

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

To the County Mayor and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2009, which collectively comprise Maury County's basic financial statements and have issued our report thereon dated March 10, 2010. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Maury Regional Hospital (major proprietary fund), the discretely presented Maury County Board of Public Utilities Water System, and the discretely presented Maury County Emergency Communications District as described in our report on Maury County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Maury 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 Maury County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Maury 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: 09.02, 09.03, 09.04, 09.06, 09.07, 09.09, 09.10, 09.11, 09.12, and 09.13.

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 Maury 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, of the significant deficiencies described above, we consider items 09.04, 09.09, 09.11, and 09.13 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Maury 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

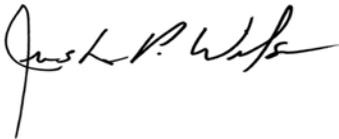
results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and are described in the accompanying Schedule of Findings and Questioned Costs as items 09.01, 09.05, and 09.08.

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

Maury County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Maury County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the county mayor, director of schools, road superintendent, Board of County Commissioners, Board of Education, others within Maury 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 long vertical stroke at the end.

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

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

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

March 10, 2010

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

To the County Mayor and Board of County Commissioners:

Compliance

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

In our opinion, Maury 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 Maury County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Maury 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 Maury 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 weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

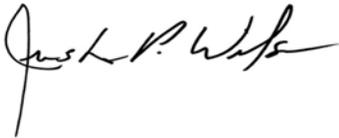
We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County as of and for the year ended June 30, 2009, and have issued our report thereon dated March 10, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Maury 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.

Maury County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Maury County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the county mayor, director of schools, road superintendent, Board of County Commissioners, Board of Education, others within Maury 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 vertical stroke at the end.

Justin P. Wilson
Comptroller of the Treasury

JPW/sb

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Maury 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	(2)	\$ 348,474 (4)
Rural Business Enterprise Grant	10.769	(2)	30,000
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	(2)	691,602
National School Lunch Program	10.555	(2)	2,193,119 (4)
Summer Food Service Program for Children	10.559	(2)	3,071
Total U.S. Department of Agriculture			<u>\$ 3,266,266</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
HOME Investment Partnerships Program	14.239	HM-06-35	\$ 194,815
Total U.S. Department of Housing and Urban Development			<u>\$ 194,815</u>
U.S. Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 13,800
Total U.S. Department of Justice			<u>\$ 13,800</u>
U.S. Department of Transportation:			
Passed-through State Department of Military:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(2)	\$ 7,000
Total U.S. Department of Transportation			<u>\$ 7,000</u>
U.S. Department of Education:			
Direct Program:			
Safe and Drug-free Schools and Communities National Programs	84.184	N/A	\$ 5,175
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	2,314,515
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	2,566,849
State Fiscal Stabilization Fund - Special Education - Grants to States	84.391	N/A	34,000
Special Education - Preschool Grants	84.173	N/A	83,874
Career and Technical Education - Basic Grants to States	84.048	N/A	203,825
Safe and Drug-free Schools and Communities - State Grants	84.186	(2)	61,710
State Grants for Innovative Programs	84.298	N/A	98
Education Technology State Grants	84.318	N/A	29,500
Reading First State Grants	84.357	GG-04-10989-00	192,896
English Language Acquisition Grants	84.365	N/A	39,241
Improving Teacher Quality State Grants	84.367	N/A	562,327
Total U.S. Department of Education			<u>\$ 6,094,010</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grant	97.042	(2)	\$ 18,000
Homeland Security Grant Program	97.067	(3)	44,508
Total U.S. Department of Homeland Security			<u>\$ 62,508</u>
Total Expenditures of Federal Awards			<u>\$ 9,638,399</u>
<u>State Grants</u>			
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	\$ 24,484
Certified Voting Equipment - Tennessee Secretary of State	N/A	(2)	4,500
Coordinated Health - State Department of Education	N/A	GZ8-AAX	104,984
Health Department Program - State Department of Health	N/A	Z-09-213778-00	654,939
Safe Schools Act 1998 - State Department of Education	N/A	(2)	56,989
Early Childhood Education - State Department of Education	N/A	(2)	924,283
Family Resource Center - State Department of Education	N/A	(2)	99,900
Litter Program - State Department of Transportation	N/A	Z-09-212778-00	48,450
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	35,522
Juvenile Justice and Delinquency Prevention - State Commission on Children and Youth	N/A	Z-08-023321-00	14,000
Total State Grants			<u>\$ 1,968,051</u>

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) GG-08-26021-00: \$13,000; GG-08-24421-00: \$31,508.
- (4) Total for CFDA No. 10.555 is \$2,541,593.

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

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. Presented below are findings from the Annual Financial Report for Maury County, Tennessee, for the year ended June 30, 2008, which have not been corrected.

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
08.01	258	Material audit adjustments were required in the General Debt Service Fund for proper financial statement presentation
08.04	261	The office had deficiencies in budget operations
08.06	263	The animal shelter did not issue official prenumbered receipts for collections

OFFICE OF SHERIFF

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
08.07	264	Federal equitable shared funds were not channeled through the county's budgetary process

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
08.09	265	Duties were not segregated adequately in the Office of Register

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

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Maury County is unqualified.
2. The audit of the financial statements of Maury County disclosed significant deficiencies in internal control. Four of these deficiencies were considered to be material weaknesses.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Maury 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 Title I Grants to Local Education Agencies (CFDA No. 84.010); Special Education Cluster: Special Education – Grants to States, State Fiscal Stabilization Fund – Special Education – Grants to States, and Special Education – Preschool Grants (CFDA Nos. 84.027, 84.391, and 84.173); and Improving Teacher Quality State Grants (CFDA No. 84.367) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Maury 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. The written responses of the county mayor, director of accounts and budgets, director of schools, sheriff, and hospital management are paraphrased in this report.

OFFICE OF COUNTY MAYOR

FINDING 09.01 **THE ANIMAL SHELTER DID NOT ISSUE OFFICIAL PRENUMBERED RECEIPTS FOR SOME COLLECTIONS (Noncompliance Under Government Auditing Standards)**

Official prenumbered receipts were not issued for some collections at the animal shelter. Section 9-2-103, Tennessee Code Annotated requires official prenumbered receipts to be issued when collections are received. Without official prenumbered receipts, we were unable to determine if all funds had been accounted for and whether the office deposited public funds with the county trustee within three days of collection. This noncompliance is the result of management's decisions that increase the risk of fraud and abuse. Also, this deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

To strengthen internal controls over cash collections and deposits, official prenumbered receipts should be issued for all collections when the payments are received as required by state statute.

FINDING 09.02 **THE SOLID WASTE SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS (Internal Control – Significant Deficiency Under Government Auditing Standards)**

The solid waste software application allowed users to void or alter previously processed payments and charges without leaving an adequate audit trail. This software application did indicate that information had been changed; however, it did not retain what the original information was. Sound business practices dictate that proper application controls be implemented. Since the vendor did not design the system with proper controls, inappropriate system activity could occur. The office implemented a new software update in January 2009 that provided an audit trail of changes.

FINDING 09.03 **THE BUILDING PERMITS SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

We noted the following internal control weaknesses in the building permits software application:

- A. The software application did not provide a record of changes to previously issued receipts. Users had the capability to change information on receipts, leaving no evidence of the original receipts.
- B. The application allowed users to delete receipts without leaving an audit trail.
- C. Users could reset the receipt numbers. Section 9-2-103, Tennessee Code Annotated, provides for receipts to be prenumbered consecutively. In-lieu-of prenumbered receipts, computer-generated receipts may be printed on plain paper if the receipt number generated by the software cannot be manipulated.
- D. Customer accounts could be altered or deleted without leaving an audit trail.

Sound business practices dictate that proper application controls be implemented. These controls would help to ensure the reliability and integrity of the information maintained by the system. Since the vendor did not design the system with these controls and because management was not aware of the importance of these controls, inappropriate system activity could occur.

RECOMMENDATION

Management should contact the software vendor concerning the addition of controls to the software application that would provide an audit trail for any changes or deletions of receipt information. The receipt number reset capability should be removed from the system. Users should not have the ability to delete or alter customer accounts.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

We agree with and are actively working on correcting the shortcomings of our current software. We have contacted our provider, and hopefully they will be able to correct the problems mentioned. If, however, any or all of the corrections cannot be solved, we have already looked into purchasing software. Unfortunately, the cost projections would not be within our budget at this time.

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 09.04 MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED IN THE GENERAL DEBT SERVICE FUND FOR PROPER FINANCIAL STATEMENT PRESENTATION
(Internal Control – Material Weakness Under Government Auditing Standards)

At June 30, 2009, certain general ledger account balances in the General Debt Service Fund were not materially correct, and audit adjustments were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Maury County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency exists due to the failure of management to correct the finding noted in the prior-year audit report. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

Maury County should have appropriate processes in place to ensure that its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Management concurs with the finding. Adjustments per the audit finding have been entered. To prevent future potential misstatements of the financial statements, the Office of Accounts and Budget will gather a better understanding of the government-wide financial process as required by generally accepted accounting principles.

FINDING 09.05 THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS
(Noncompliance Under Government Auditing Standards)

The following deficiencies were noted in budget operations:

- A. Expenditures exceeded appropriations approved by the County Commission in several major appropriation categories (the legal level of control) of the following funds:

<u>Fund/Major Category</u>	<u>Amount Overspent</u>
General:	
General Sessions Court	\$ 17,589
Civil Defense	23,090
Other Emergency Management	32,723
Miscellaneous	8,975
General Debt Service:	
Interest on Debt - Highway and Streets	1,829
Other Debt Service - General Government	3,914
Other Capital Projects:	
Other Charges	684

Section 5-9-401, Tennessee Code Annotated, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such uses by the county legislative bodies.” This deficiency exists because management failed to hold spending to the limit authorized by the County Commission, which results in unauthorized expenditures. Also, management failed to correct this finding noted in the prior-year audit report.

- B. The budget and subsequent amendments submitted to and approved by the County Commission for the Other Special Revenue Fund resulted in appropriations exceeding estimated available funding by \$29,256. Sound budgetary principles dictate that appropriations be held within estimated available funding. These budget deficiencies were the result of budget amendments increasing appropriations without providing a corresponding revenue source.

RECOMMENDATION

Expenditures should be held within appropriations approved by the County Commission. Appropriations that exceed estimated available funds should not be submitted to the County Commission, and the County Commission should not approve such appropriations.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Management concurs with the finding. The Department of Accounts and Budgets will review all budgets to ensure expenditures do not exceed appropriations and will require that budget amendments be presented to the County Commission to amend the budget when necessary in a timelier manner.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 09.06 **THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS TO PROTECT ITS INFORMATION RESOURCES**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The office did not implement adequate controls to protect its information resources. This finding does not identify specific vulnerabilities that could allow someone to exploit the office's information system or misuse county funds. Disclosing those vulnerabilities could present a potential security risk by providing the readers with information that might be confidential pursuant to Section 10-7-504(i), Tennessee Code Annotated. Sound business practices dictate that proper controls be implemented. Without these controls, unauthorized system activity could occur. This vulnerability was corrected after it was brought to the official's attention.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with the finding. We had taken measures to change the setup in the system parameters to prevent unauthorized system activity; however, it appears some parameters did not get updated. As stated in the finding, this vulnerability was corrected immediately.

OFFICE OF CIRCUIT COURT CLERK

FINDING 09.07 **THE OFFICE DID NOT ISSUE PRENUMBERED RECEIPTS**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

In-lieu-of using prenumbered receipt stock, the office generated receipts on plain paper. Because the court software provided users the ability to change the computer-generated receipt number, duplicate receipt numbers could be assigned or a gap in receipt numbers could be created. Section 9-2-103, Tennessee Code Annotated, provides for receipts to be prenumbered consecutively. In-lieu-of prenumbered receipts, computer-generated receipts may be printed on plain paper only if the receipt number generated by the software cannot be manipulated. Sound business practices dictate that proper application controls be implemented. Since the vendor did not design the system with the proper controls, inappropriate system activity could occur if prenumbered receipt stock is not used. The office implemented a new software application in January 2009 that would not allow the user to manipulate receipt numbers.

OFFICE OF SHERIFF

FINDING 09.08 **FEDERAL EQUITABLE SHARED FUNDS WERE NOT CHANNELED THROUGH THE COUNTY'S BUDGETARY PROCESS**

(Noncompliance Under Government Auditing Standards)

The office maintained a bank account for federal equitable shared funds forfeited to the county. These funds were not channeled through the county's budgetary process but were expended by the Sheriff's Department for various program operations. The sheriff had a balance in this account of \$30,518 on June 30, 2009. Section 5-9-401, Tennessee Code Annotated requires that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such use by the county legislative bodies." This deficiency exists due to the failure of management to correct the finding noted in the prior-year audit report. Management advised that they turned over the bank account to the county Finance Department during 2008-09; however, the bank account remained in the Sheriff Department's name at June 30, 2009.

RECOMMENDATION

The office should close the account and remit the federal equitable shared funds to the county trustee to be deposited in the county's General Fund or a special revenue fund. These funds should then be accounted for in separate accounts within the fund for tracking purposes. These funds should be appropriated by the County Commission and channeled through the county's budgetary process as required by state statute.

MANAGEMENT'S RESPONSE - SHERIFF

This account was closed and turned over to the budget office in July 2009.

FINDING 09.09 **INMATE FUNDS TOTALING \$540 WERE MISSING** (Internal Control – Material Weakness Under Government Auditing Standards)

On January 26, 2010, while an inmate was being released, it was discovered that the inmates' property envelope containing \$487 could not be located. Therefore, the county's Office of Accounts and Budgets reimbursed the inmate from the county's General Fund while the Sheriff's Department conducted an internal investigation into the missing funds. During the investigation, sheriff's office personnel discovered an additional \$53 missing from another inmate's property envelope. A check was written from the sheriff's fee account to replace the funds in this inmate's property envelope. The internal investigation led the Sheriff's Department to question a former employee regarding the missing funds, and the former employee agreed to reimburse the Sheriff's Department. On January 29, 2010, the former employee reimbursed the Sheriff's Department \$540, and auditors were notified of the theft.

We reviewed the Sheriff's Department operations and noted the following internal control weaknesses:

- A. Inmate funds were not adequately safeguarded. Collections under \$50 were placed into envelopes that were stored in an unlocked filing cabinet accessible to numerous people, while collections over \$50 were placed in a lockbox accessible to only a few designated personnel.
- B. The master key for the lockbox containing collections over \$50 was stored in a separate lockbox located in the reception area at the Sheriff's Department; however, the lockbox containing the master key was rarely locked.
- C. Change taken from inmates during the booking process was not counted before being placed into the property envelopes. The property receipts placed with the envelopes only noted loose change.
- D. Auditors found several instances where money was still inside a purse or wallet and was not listed on the property receipt.
- E. During a cash count of inmates' money, auditors discovered \$10 missing from one inmate's property envelope.

This \$540 shortage was the result of a lack of management oversight related to safeguarding assets. We have discussed this finding with the district attorney general.

RECOMMENDATION

Management should perform a risk assessment and analyze their internal control procedures over inmates' property and the safeguarding of assets.

MANAGEMENT'S RESPONSE - SHERIFF

It has been brought to my attention that we had deficiencies in our 2009 audit. We have taken all recommendations into consideration and have corrected them.

- A. All money and valuables are placed in a locked cabinet accessible to only a few designated personnel.
- B. The master key is locked in a lockbox in the reception area at all times when not in use.
- C. All money, including change, is counted and documented then placed into sealed envelopes.

- D. All money is taken out of all purses and wallets and is counted, documented, and placed into property envelopes.
 - E. A \$10 check was written and placed in an inmate's property envelope.
-

OFFICE OF REGISTER

FINDING 09.10 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICE OF REGISTER**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

Duties were not segregated adequately among the official and employees in the Office of Register. Employees responsible for maintaining the accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide 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 decision 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

The official should segregate duties to the extent possible using available resources.

MAURY REGIONAL HOSPITAL (ENTERPRISE FUND)

The following three findings were included in the other independent auditor's report issued on Maury County Regional Hospital for the year ended June 30, 2009:

FINDING 09.11 **MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION**
(Internal Control – Material Weakness Under Government Auditing Standards)

During the audit, we identified various retirement benefits that were not appropriately recorded in the financial statements.

RECOMMENDATION

We recommend that management review its process for approving and reporting policies and determine that board involvement is considered where appropriate.

MANAGEMENT'S RESPONSE – JEFF STRAWN, CONTROLLER; NICK SWIFT, CFO;
AND BEVERLY MAY, ASSISTANT CONTROLLER

As a result of the audit finding, we have established a reserve for sick pay liability and a reserve for retiree health insurance. These accounts will be analyzed on a continuing basis to ensure that the accruals match the approved policies of the hospital.

FINDING 09.12 **THE HOSPITAL DID NOT IMPLEMENT ADEQUATE
CONTROLS TO PROTECT ITS INFORMATION RESOURCES**
(Internal Control – Significant Deficiency Under Government
Auditing Standards)

Various employees have access to modify information within financial reporting systems that is not necessary for their assigned responsibilities. This access reduces the effectiveness of the segregation of duties.

RECOMMENDATION

We recommend that the hospital review access to modify information within all significant financial reporting systems and limit access to employees with assigned responsibility for that area.

MANAGEMENT'S RESPONSE – JEFF STRAWN, CONTROLLER; NICK SWIFT, CFO;
AND BEVERLY MAY, ASSISTANT CONTROLLER

In fiscal year 2010, a Meditech user audit will be performed by the information technology department (IT) and the owners of the BAR, human resources, and payroll modules. Inquiry access only menu options will be built for those employees requiring access to these modules but not requiring enter/edit/processing capabilities. IT is in the process of combining the network and Meditech login request forms, which will require that the requestor indicate if the employee needs inquiry access only or enter/edit/processing access to the various Meditech modules.

FINDING 09.13 **HOSPITAL FUNDS TOTALING \$25,140 WERE STOLEN**
(Internal Control – Material Weakness Under Government Auditing
Standards)

On April 30, 2008, representatives from the Maury Regional Hospital informed their internal auditors that they suspected a theft involving cafeteria cash and manipulation of cafeteria records. The internal audit department of the hospital performed an examination of the cafeteria cash and check receipts for the period July 1, 2007, through February 25, 2009. This examination disclosed a cash shortage of \$25,140. As a result of the investigation, an employee was terminated on February 28, 2009, and another employee was terminated on March 1, 2009. Both former employees were indicted by the

Maury County Grand Jury on May 22, 2009, for one count of theft of property between \$10,000 and \$60,000. As of the date of this audit report, the case is pending.

RECOMMENDATION

We recommend that management review its control processes related to cash collections.

MANAGEMENT'S RESPONSE – JEFF STRAWN, CONTROLLER; NICK SWIFT, CFO;
AND BEVERLY MAY, ASSISTANT CONTROLLER

The internal audit department performed a review of cash controls in July 2009. Based on the results of their review, the business office manager and assistant comptroller have been developing standard policies and procedures to be used by all areas of the hospital where cash is handled (i.e. petty cash funds, cash registers, point of sale collection areas, etc.) These policies and procedures include secured cash handling, daily balancing and reconciling, approval processes, etc. These policies should have been completed and all processes in place at December 31, 2009.

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

There were no findings and questioned costs for federal programs.

**MAURY 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.