
ANNUAL FINANCIAL REPORT GILES COUNTY, TENNESSEE



FOR THE YEAR ENDED JUNE 30, 2010



ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED JUNE 30, 2010

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

GILES COUNTY, TENNESSEE

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Audit Highlights

Annual Financial Report
Giles County, Tennessee
For the Year Ended June 30, 2010

Scope

We have audited the basic financial statements of Giles County as of and for the year ended June 30, 2010.

Results

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

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

Findings and Best Practice

The following are summaries of the audit findings and best practice:

OFFICE OF FINANCE DIRECTOR

- ◆ Some Ambulance Service collections were not deposited within three days of receipt.
 - ◆ A computer and tires were reported stolen from the Emergency Management Office.
-

OFFICE OF CLERK AND MASTER

- ◆ The office had deficiencies in computer system backup procedures.
-

OTHER FINDING

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

BEST PRACTICE

Giles County does not have an Audit Committee. The Division of County Audit strongly believes that an Audit Committee is a best practice that should be adopted by the governing body to assist the County Commission by providing independent and objective reviews of the financial reporting process, internal controls, the audit function, and being responsible for monitoring management's plans to address various risks.

INTRODUCTORY SECTION

Giles County Officials

June 30, 2010

Officials

Janet Vanzant, County Executive
Barry Hyatt, Highway Commissioner
Terrell Jackson, Director of Schools
JoAnn Townsend, Trustee
Steve McGill, Assessor of Property
Carol Wade, County Clerk
Crystal Greene, Circuit and General Sessions Courts Clerk
Merry Sigmon, Clerk and Master
Kaye Gibbons, Register
Kyle Helton, Sheriff
Loretta Garner, Finance Director

Board of County Commissioners

Janet Vanzant, County Executive, Chairman	Ramona Flacy
Alfred Harris	Wendell Wilburn
David Bailey	Stoney Jackson
Tommy Pope	David Adams
Okalene Walls	Tim Risner
Edwin Lovell	Roger Reedy
James Woodard	Connie Howell
Bill Holt	Tommy Pollard
Rose Brown	James Harwell
Tommy Campbell	Terry Harwell
Louise Faulkner	Alan Faulkner

Board of Education

Mike Young, Chairman	James Greene
Fred Story	Rhonda Turner
Beverly Murrey	Kathy Norman
Christie Glover	

Financial Management Committee

Tommy Campbell, Chairman	Roger Reedy
Janet Vanzant, County Executive	Wendell Wilburn
Terrell Jackson, Director of Schools	Rose Brown
Barry Hyatt, Highway Commissioner	

FINANCIAL SECTION



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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INDEPENDENT AUDITOR'S REPORT

October 29, 2010

Giles County Executive and
Board of County Commissioners
Giles County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of and for the year ended June 30, 2010, which collectively comprise Giles County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Giles County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

with accounting principles generally accepted in the United States of America. The effects on the financial statements of the aggregate discretely presented component units are not reasonably determinable.

In our opinion, except for the effects of not including the financial statements of the Giles County Emergency Communications District, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of Giles County, Tennessee, as of June 30, 2010, and the results of operations of the aggregate discretely presented component units, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Additionally, in our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of June 30, 2010, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 29, 2010, on our consideration of Giles 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., Giles County has adopted the provisions of Governmental Accounting Standards Board Statement No. 51, Accounting and Financial Reporting for Intangible Assets; and Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, which became effective for the year ended June 30, 2010.

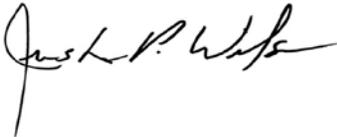
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison, pension, and other postemployment benefits information on pages 56 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

Giles County, Tennessee
Statement of Net Assets
June 30, 2010

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Giles County School Department</u>
<u>ASSETS</u>		
Cash	\$ 127,596	\$ 0
Equity in Pooled Cash and Investments	22,462,996	4,969,459
Inventories	0	66,207
Accounts Receivable	1,550,499	29,852
Allowance for Uncollectibles	(461,409)	0
Due from Other Governments	953,293	830,725
Property Taxes Receivable	7,747,869	6,710,192
Allowance for Uncollectible Property Taxes	(313,688)	(269,150)
Capital Assets:		
Assets Not Depreciated:		
Land	351,029	621,198
Construction in Progress	687,413	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	4,806,072	16,413,978
Other Capital Assets	1,334,239	2,080,616
Infrastructure	9,629,018	0
Total Assets	<u>\$ 48,874,927</u>	<u>\$ 31,453,077</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 699,545	\$ 1,716,289
Accrued Payroll	0	3,215
Payroll Deductions Payable	8,322	21,858
Accrued Interest Payable	219,902	0
Retainage Payable	27,339	0
Deferred Revenue - Current Property Taxes	7,026,221	6,094,520
Noncurrent Liabilities:		
Due Within One Year	1,385,891	0
Due in More Than One Year	12,088,002	2,951,632
Total Liabilities	<u>\$ 21,455,222</u>	<u>\$ 10,787,514</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Giles County School Department</u>
<u>NET ASSETS</u>		
Invested in Capital Assets, Net of Related Debt	\$ 14,707,771	\$ 0
Invested in Capital Assets	0	19,115,792
Restricted for:		
Debt Service	3,210,077	0
Ambulance Service	1,247,210	0
Highway/Public Works	575,298	0
Courthouse and Jail Maintenance	230,267	0
Drug Control	214,822	0
Automation Purposes - Circuit Court	81,866	0
Drug Court	59,191	0
Solid Waste/Sanitation	38,837	0
Automation Purposes - Register	27,158	0
Alcohol and Drug Treatment	23,911	0
Automation Purposes - Sheriff	22,192	0
Central Cafeteria	0	691,290
Capital Projects	0	151,852
Other Purposes	17,837	17,339
Unrestricted	<u>6,963,268</u>	<u>689,290</u>
Total Net Assets	<u>\$ 27,419,705</u>	<u>\$ 20,665,563</u>

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

Exhibit B

Giles County, Tennessee
Statement of Activities
For the Year Ended June 30, 2010

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		Giles County School Department
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit	
Primary Government:							
Governmental Activities:							
General Government	\$ 1,278,668	\$ 252,027	\$ 67,160	\$ 0	\$ (959,481)	\$ 0	0
Finance	1,298,952	714,436	13,407	0	(571,109)	0	0
Administration of Justice	964,592	679,402	9,360	0	(275,830)	0	0
Public Safety	3,861,100	527,132	140,341	0	(3,193,627)	0	0
Public Health and Welfare	3,214,766	1,616,923	326,686	0	(1,271,157)	0	0
Social, Cultural, and Recreational Services	228,202	0	0	0	(228,202)	0	0
Agriculture and Natural Resources	263,365	0	71,439	40,000	(151,926)	0	0
Other Operations	537,294	0	0	0	(537,294)	0	0
Highways/Public Works	4,345,782	0	2,147,970	249,746	(1,948,066)	0	0
Interest on Long-term Debt	588,807	0	0	0	(588,807)	0	0
Other Debt Service	208,714	0	0	0	(208,714)	0	0
Total Governmental Activities	\$ 16,790,242	\$ 3,789,920	\$ 2,776,363	\$ 289,746	\$ (9,934,213)	\$ 0	0
Total Primary Government	\$ 16,790,242	\$ 3,789,920	\$ 2,776,363	\$ 289,746	\$ (9,934,213)	\$ 0	0
Component Unit:							
Giles County School Department	\$ 37,502,681	\$ 696,796	\$ 5,036,167	\$ 0	\$ 0	\$ (31,769,718)	0
Total Component Unit	\$ 37,502,681	\$ 696,796	\$ 5,036,167	\$ 0	\$ 0	\$ (31,769,718)	0

(Continued)

Exhibit B

Giles 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 Governmental Activities	Giles County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 6,504,082	\$ 6,627,030
Property Taxes Levied for Debt Service					1,306,637	0
Local Option Sales Tax					817,377	3,198,842
Hotel/Motel Tax					77,783	0
Litigation Tax - General					133,689	0
Litigation Tax - Jail, Workhouse, or Courthouse					185,212	0
Business Tax					180,696	0
Wholesale Beer Tax					188,559	0
Mineral Severance Tax					114,799	0
Other Local Taxes					1,438	2,426
Grants and Contributions Not Restricted to Specific Purposes					579,433	20,368,412
Unrestricted Investment Earnings					511,196	1,678
Miscellaneous					88,993	22,160
Insurance Recovery					71,870	21,068
Total General Revenues					\$ 10,761,764	\$ 30,241,616
Change in Net Assets					\$ 827,551	\$ (1,528,102)
Prior-period Adjustment					(71,003)	0
Net Assets, July 1, 2009					26,663,157	22,193,665
Net Assets, June 30, 2010					\$ 27,419,705	\$ 20,665,563

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

Exhibit C-1

Giles County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2010

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Ambulance Service	Highway / Public Works	General Debt Service	Other Governmental Funds	
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 127,596	\$ 127,596
Equity in Pooled Cash and Investments	18,168,859	376,634	339,228	3,317,892	260,383	22,462,996
Accounts Receivable	141,374	1,321,256	0	4,635	83,234	1,550,499
Allowance for Uncollectibles	0	(461,409)	0	0	0	(461,409)
Due from Other Governments	215,540	0	626,419	111,334	0	953,293
Due from Other Funds	3,225	0	0	0	0	3,225
Property Taxes Receivable	3,693,363	760,399	1,896,882	1,296,824	100,401	7,747,869
Allowance for Uncollectible Property Taxes	(150,326)	(32,345)	(76,214)	(52,701)	(2,102)	(313,688)
Total Assets	\$ 22,072,035	\$ 1,964,535	\$ 2,786,315	\$ 4,677,984	\$ 569,512	\$ 32,070,381

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities	\$ 173,979	\$ 23,889	\$ 426,774	\$ 72,694	\$ 2,209	\$ 699,545
Accounts Payable	6,713	482	1,127	0	0	8,322
Payroll Deductions Payable	27,339	0	0	0	0	27,339
Retainage Payable	0	3,225	0	0	0	3,225
Due to Other Funds	3,346,430	683,817	1,722,364	1,175,311	98,299	7,026,221
Deferred Revenue - Current Property Taxes	176,387	39,688	88,194	61,735	0	366,004
Deferred Revenue - Delinquent Property Taxes	39,160	721,691	358,738	55,667	0	1,175,256
Other Deferred Revenues	\$ 3,770,008	\$ 1,472,792	\$ 2,597,197	\$ 1,365,407	\$ 100,508	\$ 9,305,912
Total Liabilities	\$ 23,911	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,911
Fund Balances	59,191	0	0	0	0	59,191
Reserved for Alcohol and Drug Treatment	7,542	0	0	0	0	7,542
Reserved for Sexual Offender Registration	230,267	0	0	0	0	230,267
Reserved for Courthouse and Jail Maintenance	27,158	0	0	0	0	27,158
Reserved for Computer System - Register	81,866	0	0	0	0	81,866
Reserved for Automation Purposes - Circuit Court	6,034	0	0	0	0	6,034
Reserved for Automation Purposes - Chancery Court						

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Ambulance Service	Highway / Public Works	General Debt Service	Other Governmental Funds	
\$ 22,192	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,192
17,843,866	0	0	0	0	0	17,843,866
0	491,743	189,118	0	464,743	0	1,145,604
0	0	0	3,312,577	0	0	3,312,577
0	0	0	0	4,261	0	4,261
<u>\$ 18,302,027</u>	<u>\$ 491,743</u>	<u>\$ 189,118</u>	<u>\$ 3,312,577</u>	<u>\$ 469,004</u>	<u>\$ 0</u>	<u>\$ 22,764,469</u>
<u>\$ 22,072,035</u>	<u>\$ 1,964,535</u>	<u>\$ 2,786,315</u>	<u>\$ 4,677,984</u>	<u>\$ 569,512</u>	<u>\$ 0</u>	<u>\$ 32,070,381</u>

LIABILITIES AND FUND BALANCES (Cont.)

Fund Balances (Cont.)
Reserved for Automation Purposes - Sheriff
Unreserved, Reported In:
General Fund
Special Revenue Funds
Debt Service Funds
Capital Projects Funds
Total Fund Balances

Total Liabilities and Fund Balances

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

Exhibit C-2

Giles County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Assets
June 30, 2010

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)		\$ 22,764,469
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 351,029	
Add: construction in progress	687,413	
Add: buildings and improvements net of accumulated depreciation	4,806,072	
Add: other capital assets net of accumulated depreciation	1,334,239	
Add: infrastructure net of accumulated depreciation	<u>9,629,018</u>	16,807,771
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (13,090,000)	
Less: compensated absences payable	(215,891)	
Less: other postemployment benefits liability	(168,002)	
Less: accrued interest on bonds	<u>(219,902)</u>	(13,693,795)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,541,260</u>
Net assets of governmental activities (Exhibit A)		<u>\$ 27,419,705</u>

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

Exhibit C-3

Giles County, Tennessee
Statement of Revenues, Expenditures,
 and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2010

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Ambulance Service	Highway / Public Works	General Debt Service	Other	Governmental Funds	
Revenues							
Local Taxes	\$ 5,006,121	\$ 850,216	\$ 2,010,937	\$ 2,168,444	\$ 0	\$ 0	\$ 10,035,718
Licenses and Permits	30,929	0	0	0	0	0	30,929
Fines, Forfeitures, and Penalties	149,174	0	0	0	80,619	0	229,793
Charges for Current Services	76,139	1,323,134	0	0	771,401	0	2,170,674
Other Local Revenues	296,241	1,223	16,798	32	475,346	0	789,640
Fees Received from County Officials	526,524	0	0	0	0	0	526,524
State of Tennessee	751,482	0	2,000,474	0	13,260	0	2,765,216
Federal Government	405,837	0	218,640	0	0	0	624,477
Other Governments and Citizens Groups	147,830	0	25,592	0	15,517	0	188,939
Total Revenues	\$ 7,390,277	\$ 2,174,573	\$ 4,272,441	\$ 2,168,476	\$ 1,356,143	\$ 0	\$ 17,361,910
Expenditures							
Current:							
General Government	\$ 702,489	\$ 0	\$ 0	\$ 0	\$ 255,370	\$ 0	\$ 957,859
Finance	756,313	0	0	0	359,336	0	1,115,649
Administration of Justice	499,725	0	0	0	314,329	0	814,054
Public Safety	3,653,131	0	0	0	81,810	0	3,734,941
Public Health and Welfare	540,914	2,006,609	0	0	55,034	0	2,602,557
Social, Cultural, and Recreational Services	212,941	0	0	0	212,941	0	425,882
Agriculture and Natural Resources	217,318	0	0	0	0	0	217,318
Other Operations	2,337,217	180	0	0	0	0	2,337,397
Highways	0	0	4,454,268	0	0	0	4,454,268
Debt Service:							
Principal on Debt	0	0	0	1,120,000	0	0	1,120,000
Interest on Debt	0	0	0	608,951	0	0	608,951
Other Debt Service	0	0	0	208,714	0	0	208,714
Total Expenditures	\$ 8,920,048	\$ 2,006,789	\$ 4,454,268	\$ 1,937,665	\$ 1,065,879	\$ 0	\$ 18,384,649
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,529,771)	\$ 167,784	\$ (181,827)	\$ 230,811	\$ 290,264	\$ 0	\$ (1,022,739)
Other Financing Sources (Uses)							
Insurance Recovery	\$ 64,862	\$ 2,644	\$ 4,364	\$ 0	\$ 0	\$ 0	\$ 71,870

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Ambulance Service	Highway / Public Works	General Debt Service	Other Governmental Funds		
<u>Other Financing Sources (Uses) (Cont.)</u>							
Transfers In	\$ 15,584,068	\$ 0	\$ 0	\$ 0	\$ 241,350	\$ 15,825,418	
Transfers Out	(241,350)	0	0	0	(15,584,068)	(15,825,418)	
Total Other Financing Sources (Uses)	\$ 15,407,580	\$ 2,644	\$ 4,364	\$ 0	\$ (15,342,718)	\$ 71,870	
Net Change in Fund Balances	\$ 13,877,809	\$ 170,428	\$ (177,463)	\$ 230,811	\$ (15,052,454)	\$ (950,869)	
Fund Balance, July 1, 2009	4,424,218	321,315	366,581	3,081,766	15,521,458	23,715,338	
Fund Balance, June 30, 2010	\$ 18,302,027	\$ 491,743	\$ 189,118	\$ 3,312,577	\$ 469,004	\$ 22,764,469	

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

Exhibit C-4

Giles 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, 2010

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)		\$	(950,869)
(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	\$	2,426,767	
Less: current year depreciation expense		<u>(1,760,042)</u>	666,725
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.			(176,665)
(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, 2010	\$	1,541,260	
Less: deferred delinquent property taxes and other deferred June 30, 2009		<u>(1,305,247)</u>	236,013
(4) The issuance of long-term debt (e.g., notes, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.			
Add: principal payments on bonds			1,120,000
(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	\$	20,144	
Change in compensated absences payable		1,777	
Change in other postemployment benefits liability		<u>(89,574)</u>	<u>(67,653)</u>
Change in net assets of governmental activities (Exhibit B)			<u>\$ 827,551</u>

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

Exhibit D

Giles County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2010

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 750
Due from Other Governments	<u>1,903,231</u>
Total Assets	<u>\$ 1,903,981</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 412,722
Due to Litigants, Heirs, and Others	<u>1,491,259</u>
Total Liabilities	<u>\$ 1,903,981</u>

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

GILES COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Giles 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 Giles County:

A. Reporting Entity

Giles County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Giles 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 Giles County School Department operates the public school system in the county, and the voters of Giles 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 Giles County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Giles County, and the Giles County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the Giles County Emergency Communications District were not available from other auditors in time for inclusion in this report.

The Giles County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Although required by GAAP, the financial statements of the Giles County Emergency Communications District were not available in time for

inclusion, as previously mentioned. Complete financial statements of the Giles County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Giles County Emergency Communications District
P.O. Box 307
Pulaski, TN 38478

B. Government-wide and Fund Financial Statements

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

Giles County issues all debt for the discretely presented Giles County School Department. No debt issues were contributed by the county to the School Department during the year ended June 30, 2010.

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

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

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

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

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

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not

measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

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

Giles 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.

Ambulance Service Fund – This fund accounts for transactions of the county’s ambulance service.

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

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

Additionally, Giles County reports the following fund types:

Capital Projects Fund – The General Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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 Giles 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 Giles County School Department reports the following major governmental fund:

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

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

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

Capital Projects Fund – The Education Capital Projects Fund is used to account for financial resources to be used for building construction and renovations.

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

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

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Giles 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 Special Purpose Fund. Giles County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit and investments in the State Treasurer's Investment Pool are reported at cost. The State Treasurer's Investment Pool is not registered with the Securities and

Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. 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 General Fund represents amounts withheld from payments made on construction contracts pending completion of the project. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the General Fund.

3. Inventories

Inventories of the Giles County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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 column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 - 40
Other Capital Assets	3 - 20
Infrastructure:	
Roads	10 - 25
Bridges	40

5. Compensated Absences

Primary Government

It is the county's policy to permit employees (excluding the Highway Department) to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Giles 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 they have matured, for example, as a result of employee resignations and retirements.

Discretely Presented Giles County School Department

The School Department does not have a policy to permit employees to accumulate earned but unused vacation benefits. The general policy of the School Department permits all professional personnel (teachers) to accumulate an unlimited number of unused sick leave days. There is no liability for unpaid accumulated sick leave since the School Department does not have a policy to pay any amounts when employees separate from service with the government.

6. Long-term Obligations

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the

current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

7. Net Assets and Fund Equity

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

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

As of June 30, 2010, Giles County had \$10,990,000 in outstanding debt for capital purposes for the discretely presented Giles County School Department. This debt is a liability of Giles County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Giles 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, 2010:

<u>Fund/Purpose</u>	<u>Amount</u>
General:	
Future capital outlay	\$ 15,000,000
Drug Control:	
Program for reserve deputies	10,000

8. Prior-period Adjustment

The liability for other postemployment benefits was restated \$71,003 for Giles County due to changes in the actuarial estimate used to calculate the liability.

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 Giles County School Department

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

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

Primary Government

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

Discretely Presented Giles County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

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

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund

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

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

Investments

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

Investment Balances. As of June 30, 2010, Giles County had the following investments carried at cost. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Giles County and the discretely presented Giles County School Department since both pool their deposits and investments through the county trustee.

Investment	Maturities	Cost
State Treasurer's Investment Pool	Daily	\$ 21,028,222

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. Giles 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. Giles County has no investment policy that would further limit its investment choices. As of June 30, 2010, Giles County's investment in the State Treasurer's Investment Pool was unrated.

B. Capital Assets

Capital assets activity for the year ended June 30, 2010, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Capital Assets Not Depreciated:				
Land	\$ 363,389	\$ 0	\$ (12,360)	\$ 351,029
Construction in Progress	0	687,413	0	687,413
Total Capital Assets Not Depreciated	\$ 363,389	\$ 687,413	\$ (12,360)	\$ 1,038,442
Capital Assets Depreciated:				
Buildings and Improvements	\$ 7,859,911	\$ 20,655	\$ (187,640)	\$ 7,692,926
Other Capital Assets	4,552,213	296,846	(157,176)	4,691,883
Infrastructure	24,714,983	1,421,853	0	26,136,836
Total Capital Assets Depreciated	\$ 37,127,107	\$ 1,739,354	\$ (344,816)	\$ 38,521,645

Governmental Activities (Cont.):

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 2,741,059	\$ 200,524	\$ (54,729)	\$ 2,886,854
Other Capital Assets	3,100,181	383,245	(125,782)	3,357,644
Infrastructure	15,331,545	1,176,273	0	16,507,818
Total Accumulated Depreciation	<u>\$ 21,172,785</u>	<u>\$ 1,760,042</u>	<u>\$ (180,511)</u>	<u>\$ 22,752,316</u>
Total Capital Assets Depreciated, Net	<u>\$ 15,954,322</u>	<u>\$ (20,688)</u>	<u>\$ (164,305)</u>	<u>\$ 15,769,329</u>
Governmental Activities Capital Assets, Net	<u>\$ 16,317,711</u>	<u>\$ 666,725</u>	<u>\$ (176,665)</u>	<u>\$ 16,807,771</u>

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

Governmental Activities:

General Government	\$ 26,949
Finance	14,581
Administration of Justice	2,107
Public Safety	238,409
Public Health and Welfare	91,474
Social, Cultural, and Recreational Services	6,362
Agriculture and Natural Resources	11,250
Highways/Public Works	<u>1,368,910</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,760,042</u>

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

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Capital Assets Not Depreciated:				
Land	\$ 621,198	\$ 0	\$ 0	\$ 621,198
Total Capital Assets Not Depreciated	<u>\$ 621,198</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 621,198</u>

Governmental Activities (Cont.):

	Balance 7-1-09	Increases	Decreases	Balance 6-30-10
Capital Assets Depreciated:				
Buildings and Improvements	\$ 29,413,146	\$ 0	\$ 0	\$ 29,413,146
Other Capital Assets	5,942,050	417,375	(305,322)	6,054,103
Total Capital Assets Depreciated	\$ 35,355,196	\$ 417,375	\$ (305,322)	\$ 35,467,249
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 12,278,618	\$ 720,550	\$ 0	\$ 12,999,168
Other Capital Assets	3,905,195	373,614	(305,322)	3,973,487
Total Accumulated Depreciation	\$ 16,183,813	\$ 1,094,164	\$ (305,322)	\$ 16,972,655
Total Capital Assets Depreciated, Net	\$ 19,171,383	\$ (676,789)	\$ 0	\$ 18,494,594
Governmental Activities Capital Assets, Net	\$ 19,792,581	\$ (676,789)	\$ 0	\$ 19,115,792

Depreciation expense of \$1,094,164 was charged to the Support Services function of the School Department.

C. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2010, is as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Ambulance Service	\$ 3,225
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	11,578

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

Interfund Transfers:

Interfund transfers for the year ended June 30, 2010, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In	
	General Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 241,350
Nonmajor governmental funds	15,584,068	0
Total	<u>\$ 15,584,068</u>	<u>\$ 241,350</u>

Discretely Presented Giles County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Nonmajor Governmental Funds
General Purpose School Fund	\$ 0	\$ 287,289
Nonmajor governmental funds	119,883	0
Total	<u>\$ 119,883</u>	<u>\$ 287,289</u>

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.

The county made one-time transfers of \$103,992 and \$15,000,000 from the Industrial/Economic Development and Special Purpose funds, respectively, to the General Fund to consolidate operations.

D. Long-term Debt

Primary Government

General Obligation Bonds

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.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds outstanding were issued for original terms of up to 18 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2010, will be retired from the General Debt Service Fund.

General obligation bonds outstanding as of June 30, 2010, for governmental activities are as follows:

Type	Interest Rate	Original Amount of Issue	Balance 6-30-10
General Obligation Bonds	2.25 to 3.8 %	\$ 3,100,000	\$ 2,100,000
General Obligation Bonds - Refunding	1.75 to 5.25	11,625,000	10,990,000

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2010, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2011	\$ 1,170,000	\$ 557,487	\$ 1,727,487
2012	1,215,000	515,411	1,730,411
2013	1,265,000	470,782	1,735,782
2014	1,315,000	422,605	1,737,605
2015	1,370,000	370,492	1,740,492
2016-2020	6,755,000	971,203	7,726,203
Total	\$ 13,090,000	\$ 3,307,980	\$ 16,397,980

There is \$3,312,577 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$445, based on the 2000 federal census.

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2010, was as follows:

Governmental Activities:

	Bonds	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2009	\$ 14,210,000	\$ 217,668	\$ 7,425
Prior-period Adjustment	0	0	71,003
Additions	0	313,745	117,186
Deductions	(1,120,000)	(315,522)	(27,612)
Balance, June 30, 2010	<u>\$ 13,090,000</u>	<u>\$ 215,891</u>	<u>\$ 168,002</u>
Balance Due Within One Year	<u>\$ 1,170,000</u>	<u>\$ 215,891</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2010	\$ 13,473,893
Less: Balance Due Within One Year	<u>(1,385,891)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 12,088,002</u>

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

Discretely Presented Giles County School Department

Changes in Long-term Liabilities

Long-term liability activity for the discretely presented Giles County School Department for the year ended June 30, 2010, was as follows:

Governmental Activities:	Other Postemployment Benefits
Balance, July 1, 2009	\$ 2,131,422
Additions	1,326,064
Deductions	<u>(505,854)</u>
Balance, June 30, 2010	<u>\$ 2,951,632</u>
Balance Due Within One Year	<u>\$ 0</u>

E. On-Behalf Payments – Discretely Presented Giles County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Giles 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, 2010, were \$198,574 and \$40,564, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

F. Short-term Debt

Giles County issued tax anticipation notes from the General Fund in advance of property tax collections and deposited the proceeds in the Ambulance and Highway/Public Works funds. These notes were necessary because funds were not available to meet payroll and other operating expenditures coming due before current tax collections. Short-term debt activity for the year ended June 30, 2010, was as follows:

	Balance 7-1-09	Issued	Paid	Balance 6-30-10
Tax Anticipation Notes	\$ 0	\$ 700,000	\$ (700,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

Primary Government

The county 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.

Giles County does not have a workers’ compensation plan, but carries an occupational injury insurance policy. This policy covers workers’ injuries, but

does not limit the county's liability should occupational-related lawsuits be filed.

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

Discretely Presented Giles County School Department

The discretely presented Giles County School Department is exposed to various risks related to liability, property, and casualty losses. The School Department 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 School Department 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 School Department 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 School Department continues to carry commercial insurance for other risks of loss, including property. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School Department participates 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, TCA, inclusive, local governments are eligible to participate. The creation of the LGWCF provides for it to be self-sustaining through member premiums.

The School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, 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. 51, Accounting and Financial Reporting for Intangible Assets; and Statement No. 53, Accounting and Financial Reporting for Derivative Instruments became effective for the year ended June 30, 2010.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets. Intangible assets have three characteristics: lack of physical substance; nonfinancial in nature; and a useful life that extends beyond a single reporting period. Assets that have these characteristics and are identifiable to the government should be recorded as capital assets and amortized over their useful lives. Easements, water rights, patents, and computer software are examples of intangible assets that should be recognized under GASB Statement No. 51. Giles County and the Giles County School Department had no assets that met the definition of intangible assets at June 30, 2010. However, it is reasonably expected that Giles County and/or the School Department may acquire intangible assets in subsequent years.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by county governments. Derivative instruments are financial arrangements used by governments as investments; hedges against identified financial risks; or to lower the costs of borrowings. Interest rate swaps and locks, options, swaptions, forward contracts, and futures contracts are among the commonly used types of derivatives mentioned in GASB Statement No. 53. Derivative instruments associated with fluctuating financial and commodity prices result in changing cash flows and fair values that can be used as effective risk management or investment tools. For the same reasons, derivative instruments can expose governments to significant risks and liabilities. The requirements of GASB Statement No. 53 are intended to help users of financial information evaluate the effectiveness and associated risks involved with Giles County's derivative transactions. GASB Statement No. 53 requires most derivatives to be reported at fair value in the Statement of Net Assets. Changes in fair value for derivative instruments that are intended for investment purposes or that are reported like investment derivative instruments because of ineffectiveness are reported as investment revenues in the Statement of Activities. Alternatively, the changes in fair value of derivative instruments that are classified as hedging (i.e. effective) derivative instruments are reported in the Statement of Net Assets as deferrals. Giles County had not participated in derivative transactions as of June 30, 2010. However, it is reasonably expected that Giles County may enter into derivative transactions in subsequent years.

C. Subsequent Events

On July 13, 2010, the School Department entered into an energy efficient schools initiative loan agreement totaling \$176,500.

On September 9, 2010, the county's General Fund issued a \$300,000 tax anticipation note to the Highway/Public Works Fund for temporary operating funds.

D. Contingent Liabilities

The county is involved in several pending lawsuits. The county attorney has not responded to our requests to provide estimates of the potential claims not covered by insurance. However, management believes that any claims resulting from such litigation would not materially affect the county's financial statements.

E. Joint Ventures

The Economic Development Commission for Pulaski-Giles County, Tennessee, Inc., is a joint venture between Giles County and the City of Pulaski, and is governed by a 14-member board. The purpose of the board is to promote and facilitate the economic development of the City of Pulaski and Giles County, Tennessee. Giles County and the City of Pulaski provide the majority of funding for the board. Each of these entities is required to fund 40 percent of the board's annual operating budget. Giles County contributed \$111,770 to the operation of the Economic Development Commission during the year ended June 30, 2010.

The Interlocal Solid Waste Authority was formed by joint resolution of the counties of Giles, Franklin, and Lincoln, and the municipalities of Tullahoma and Fayetteville for the purpose of developing a solid waste regional plan. Each participating County Commission or City Council appointed the authority's board for varying terms of office. Giles County made no contributions to the Interlocal Solid Waste Authority for the year ended June 30, 2010.

Giles County does not retain an equity interest in either of the above-noted joint ventures. Complete financial statements for the Economic Development Commission and the Interlocal Solid Waste Authority can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Economic Development Commission
203 South First Street
P.O. Box 633
Pulaski, TN 38478

Interlocal Solid Waste Authority of Giles,
Franklin and Lincoln Counties, Tennessee
P.O. Box 807
Tullahoma, TN 37388

F. Jointly Governed Organizations

Industrial Development Board

The Industrial Development Board of Giles County and the City of Pulaski was created by Giles County and the City of Pulaski. The Industrial Development Board comprises eight members. The county and the city each appoint four members. However, the county does not have any ongoing financial interest or responsibility for the entity. Giles County made no appropriations to the Industrial Development Board for the year ended June 30, 2010.

Tennessee Southern Railroad Authority

The Tennessee Southern Railroad Authority (TSRA) was created by the county in conjunction with Lawrence and Maury counties, and its board comprises the county mayors/executives 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, Giles County does 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. Giles County made no appropriations to the Tennessee Southern Railroad Authority for the year ended June 30, 2010.

G. Commitments

Airport

Giles County and the City of Pulaski jointly own the Abernathy Field Airport; however, the day-to-day operation of the airport is administered by the City of Pulaski. The financial activity of the airport is reported in the General Fund financial statements of the City of Pulaski. Giles County is committed to contributing one-half of the operating expenses of the Abernathy Field Airport. Giles County contributed \$29,497 to airport operations during the year ended June 30, 2010.

Industrial Park

On October 20, 1997, the County Commission adopted a resolution "to participate and fund the county's share or one-half of the costs and expenses associated with the development of the new industrial park" Based on this resolution, the county will participate with the City of Pulaski to develop an industrial park. A written contract that documents this arrangement has been approved by a County Commission resolution. As of June 30, 2010, the City of Pulaski had borrowed certain funds and also funded part of this project from its local funds. Giles County made a contribution of \$154,521 to the City of Pulaski to pay its portion of these obligations during the year ended June 30, 2010, from the General Debt Service Fund.

H. Retirement Commitments

Employees

Plan Description

Employees of Giles 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 Giles County participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

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

Funding Policy

Giles County requires employees to contribute five percent of their earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2010, was 8.19 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the county is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2010, the county's annual pension cost of \$897,119 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the

July 1, 2007, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post retirement increases of three percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. The county's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2007, was eight years. An actuarial valuation was performed as of July 1, 2009, which established contribution rates effective July 1, 2010.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-10	\$897,119	100%	\$0
6-30-09	874,263	100	0
6-30-08	865,894	100	0

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the plan was 88.34 percent funded. The actuarial accrued liability for benefits was \$28.53 million, and the actuarial value of assets was \$25.21 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$3.33 million. The covered payroll (annual payroll of active employees covered by the plan) was \$10.23 million, and the ratio of the UAAL to the covered payroll was 32.5 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year 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

Giles County 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. Cost of living adjustments (COLA) are provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

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, 2010, 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, 2010, 2009, and 2008, were \$1,033,183, \$1,007,425, and \$970,965, respectively, equal to the required contributions for each year.

I. Other Postemployment Benefits (OPEB)

Plan Description

Giles County and the School Department participate in the state-administered Local Education Group Insurance Plan and the Local Government Group Insurance Plan for healthcare benefits. For accounting purposes, the plans are agent multiple-employer defined benefit OPEB plans. Benefits are established and amended by an insurance committee created by Section 8-27-302, Tennessee Code Annotated (TCA), for local education employees, and Section 8-27-207, TCA, for local governments. 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 employers in each plan develop a contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state does not provide a subsidy for local government participants; however, the state does provide a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 members in the Medicare Supplement Plan. Retirees' contributions vary depending on the insurance options they select, ranging from \$232 to \$461 per month. Giles County and the School Department recognized expenditures of \$27,612 and \$505,854, respectively, for postemployment health care during the year ended June 30, 2010.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan	Local Government Group Plan
ARC	\$ 1,321,000	\$ 117,000
Interest on the NPO	95,914	3,529
Adjustment to the ARC	(90,850)	(3,343)
Annual OPEB cost	<u>\$ 1,326,064</u>	<u>\$ 117,186</u>
Amount of contribution	(505,854)	(27,612)
Increase/decrease in NPO	\$ 820,210	\$ 89,574
Prior-period adjustment	0	71,003
Net OPEB obligation, 7-1-09	<u>2,131,422</u>	<u>7,425</u>
Net OPEB obligation, 6-30-10	<u><u>\$ 2,951,632</u></u>	<u><u>\$ 168,002</u></u>

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-08	Local Education Group	\$ 1,452,000	28%	\$ 1,038,304
6-30-09	"	1,469,248	26	2,131,422
6-30-10	"	1,326,064	38	2,951,632
6-30-09	Local Government Group*	117,000	33	78,428
6-30-10	"	117,186	24	168,002

* Local Government Group data only available for two years.

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010, was as follows:
(dollars in thousands):

	Local Education Group Plan	Local Government Group Plan
Actuarial valuation date	7-1-09	7-1-09
Actuarial accrued liability (AAL)	\$ 10,901	\$ 901
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 10,901	\$ 901
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 20,807	\$ 6,670
UAAL as a % of covered payroll	52%	14%

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 multi-year 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, 2009, actuarial valuation, the projected unit credit actuarial cost method was used, and the actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses). The annual healthcare cost trend rate for the Local Education Group Plan was four percent for fiscal year 2010. The trend will rise to ten percent in fiscal year 2011 and then will be reduced by decrements to an ultimate rate of five percent by fiscal year 2021. The annual healthcare cost trend rate for the Local Government Group Plan was three percent for fiscal year 2010. The trend will rise to ten percent in fiscal year 2011 and then will be reduced by decrements to an ultimate rate of five percent by fiscal year 2021. 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.

J. Office of Central Accounting and Budgeting

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

K. Purchasing Laws

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 5,006,121	\$ 0	\$ 5,006,121	\$ 4,984,742	\$ 4,984,741	\$ 21,380
Licenses and Permits	30,929	0	30,929	11,000	11,000	19,929
Fines, Forfeitures, and Penalties	149,174	0	149,174	152,930	152,930	(3,756)
Charges for Current Services	76,139	0	76,139	51,600	51,600	24,539
Other Local Revenues	296,241	0	296,241	379,000	446,909	(150,668)
Fees Received from County Officials	526,524	0	526,524	591,228	591,228	(64,704)
State of Tennessee	751,482	0	751,482	842,330	781,440	(29,958)
Federal Government	405,837	0	405,837	0	417,442	(11,605)
Other Governments and Citizens Groups	147,830	0	147,830	172,460	172,460	(24,630)
Total Revenues	\$ 7,390,277	\$ 0	\$ 7,390,277	\$ 7,185,290	\$ 7,609,750	\$ (219,473)
<u>Expenditures</u>						
<u>General Government</u>						
County Commission	\$ 47,997	\$ 0	\$ 47,997	\$ 44,207	\$ 52,207	\$ 4,210
County Mayor/Executive	136,986	0	136,986	138,723	140,223	3,237
County Attorney	41,711	0	41,711	43,000	43,000	1,289
Election Commission	131,600	0	131,600	178,430	178,430	46,830
Register of Deeds	13,731	0	13,731	29,610	29,610	15,879
County Buildings	330,464	0	330,464	359,707	443,707	113,243
<u>Finance</u>						
Accounting and Budgeting	378,877	0	378,877	371,543	401,053	22,176
Property Assessor's Office	307,106	0	307,106	331,173	331,173	24,067
Reappraisal Program	30,261	0	30,261	48,121	48,121	17,860
County Trustee's Office	13,373	0	13,373	14,000	14,000	627
County Clerk's Office	26,696	0	26,696	31,837	31,837	5,141

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Administration of Justice</u>						
Circuit Court	\$ 83,123	\$ 0	\$ 83,123	\$ 107,785	\$ 107,785	\$ 24,662
General Sessions Court	125,065	0	125,065	122,650	125,650	585
Chancery Court	142,867	0	142,867	147,904	147,904	5,037
Judicial Commissioners	28,040	0	28,040	28,110	29,610	1,570
Courtroom Security	120,630	0	120,630	141,661	146,661	26,031
<u>Public Safety</u>						
Sheriff's Department	1,317,895	(11,967)	1,305,928	1,389,165	1,389,165	83,237
Traffic Control	4,781	0	4,781	5,000	8,000	3,219
Administration of the Sexual Offender Registry	752	0	752	1,000	1,000	248
Jail	1,853,600	(6,398)	1,847,202	1,184,232	2,031,108	183,906
Juvenile Services	40,583	0	40,583	51,560	51,560	10,977
Fire Prevention and Control	2,000	0	2,000	2,000	2,000	0
Rescue Squad	186,600	0	186,600	195,000	195,000	8,400
Other Emergency Management	195,892	0	195,892	140,272	200,145	4,253
County Coroner/Medical Examiner	41,962	0	41,962	44,000	44,000	2,038
Other Public Safety	9,066	0	9,066	9,900	9,900	834
<u>Public Health and Welfare</u>						
Local Health Center	60,982	0	60,982	69,650	69,650	8,668
Rabies and Animal Control	49,748	0	49,748	47,634	57,895	8,147
Regional Mental Health Center	20,700	0	20,700	20,700	20,700	0
Aid to Dependent Children	7,201	0	7,201	7,780	7,780	579
Other Local Welfare Services	35,367	0	35,367	40,869	42,869	7,502
Sanitation Management	30,000	0	30,000	30,000	30,000	0
Other Waste Disposal	0	0	0	5,400	5,400	5,400

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	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>						
Other Public Health and Welfare	\$ 336,916	\$ 0	\$ 336,916	\$ 397,900	\$ 563,700	\$ 226,784
<u>Social, Cultural, and Recreational Services</u>						
Senior Citizens Assistance	23,500	0	23,500	25,200	25,200	1,700
Libraries	101,242	0	101,242	107,179	107,179	5,937
Parks and Fair Boards	60,288	(5,420)	54,868	60,900	70,623	15,755
Other Social, Cultural, and Recreational	27,911	0	27,911	40,108	40,728	12,817
<u>Agriculture and Natural Resources</u>						
Agriculture Extension Service	144,481	0	144,481	158,427	158,427	13,946
Forest Service	673	0	673	1,200	1,200	527
Soil Conservation	72,164	0	72,164	98,406	98,406	26,242
<u>Other Operations</u>						
Other Economic and Community Development	28,819	0	28,819	50,559	53,059	24,240
Public Transportation	302	0	302	60,000	60,000	59,698
Airport	29,497	0	29,497	37,747	43,980	14,483
Veterans' Services	14,075	0	14,075	14,100	14,100	25
Other Charges	444,375	0	444,375	508,227	571,657	127,282
Contributions to Other Agencies	323,552	0	323,552	250,000	350,000	26,448
Employee Benefits	1,418,650	0	1,418,650	1,424,115	1,422,855	4,205
ARRA Grant # 1	36,476	0	36,476	0	72,952	36,476
ARRA Grant # 2	40,000	0	40,000	0	80,000	40,000
Miscellaneous	1,471	0	1,471	5,000	5,000	3,529
Total Expenditures	\$ 8,920,048	\$ (23,785)	\$ 8,896,263	\$ 8,621,691	\$ 10,176,209	\$ 1,279,946
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,529,771)	\$ 23,785	\$ (1,505,986)	\$ (1,436,401)	\$ (2,566,459)	\$ 1,060,473

(Continued)

Exhibit E-1

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 64,862	\$ 0	\$ 64,862	\$ 50,000	\$ 78,888	\$ (14,026)
Transfers In	15,584,068	0	15,584,068	691,000	15,584,068	0
Transfers Out	(241,350)	0	(241,350)	(321,350)	(241,350)	0
Total Other Financing Sources (Uses)	\$ 15,407,580	\$ 0	\$ 15,407,580	\$ 419,650	\$ 15,421,606	\$ (14,026)
Net Change in Fund Balance	\$ 13,877,809	\$ 23,785	\$ 13,901,594	\$ (1,016,751)	\$ 12,855,147	\$ 1,046,447
Fund Balance, July 1, 2009	4,424,218	(23,785)	4,400,433	2,865,743	2,865,743	1,534,690
Fund Balance, June 30, 2010	\$ 18,302,027	\$ 0	\$ 18,302,027	\$ 1,848,992	\$ 15,720,890	\$ 2,581,137

Exhibit E-2

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Ambulance Service Fund
For the Year Ended June 30, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 850,216	\$ 0	\$ 850,216	\$ 834,640	\$ 834,640	\$ 15,576
Charges for Current Services	1,323,134	0	1,323,134	1,213,550	1,213,550	109,584
Other Local Revenues	1,223	0	1,223	0	0	1,223
Total Revenues	\$ 2,174,573	\$ 0	\$ 2,174,573	\$ 2,048,190	\$ 2,048,190	\$ 126,383
<u>Expenditures</u>						
Public Health and Welfare						
Ambulance/Emergency Medical Services	\$ 2,006,609	\$ (86,449)	\$ 1,920,160	\$ 2,048,390	\$ 2,064,703	\$ 144,543
Other Operations						
Other Charges	180	0	180	200	200	20
Miscellaneous	0	0	0	200	0	0
Total Expenditures	\$ 2,006,789	\$ (86,449)	\$ 1,920,340	\$ 2,048,790	\$ 2,064,903	\$ 144,563
Excess (Deficiency) of Revenues Over Expenditures	\$ 167,784	\$ 86,449	\$ 254,233	\$ (600)	\$ (16,713)	\$ 270,946
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 2,644	\$ 0	\$ 2,644	\$ 53,762	\$ 55,375	\$ (52,731)
Total Other Financing Sources (Uses)	\$ 2,644	\$ 0	\$ 2,644	\$ 53,762	\$ 55,375	\$ (52,731)
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 170,428	\$ 86,449	\$ 256,877	\$ 53,162	\$ 38,662	\$ 218,215
	321,315	(86,449)	234,866	216,920	216,920	17,946
Fund Balance, June 30, 2010	\$ 491,743	\$ 0	\$ 491,743	\$ 270,082	\$ 255,582	\$ 236,161

Exhibit E-3

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,010,937	\$ 1,850,480	\$ 1,945,480	\$ 65,457
Other Local Revenues	16,798	15,000	20,000	(3,202)
State of Tennessee	2,000,474	2,258,700	2,258,700	(258,226)
Federal Government	218,640	200,000	218,500	140
Other Governments and Citizens Groups	25,592	15,000	15,000	10,592
Total Revenues	<u>\$ 4,272,441</u>	<u>\$ 4,339,180</u>	<u>\$ 4,457,680</u>	<u>\$ (185,239)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 160,898	\$ 171,917	\$ 168,917	\$ 8,019
Highway and Bridge Maintenance	2,570,648	2,448,500	2,632,500	61,852
Operation and Maintenance of Equipment	556,601	680,000	588,000	31,399
Litter and Trash Collection	33,347	35,000	36,500	3,153
Other Charges	195,233	186,500	200,900	5,667
Employee Benefits	558,109	585,000	585,600	27,491
Capital Outlay	379,432	415,000	428,000	48,568
Total Expenditures	<u>\$ 4,454,268</u>	<u>\$ 4,521,917</u>	<u>\$ 4,640,417</u>	<u>\$ 186,149</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (181,827)</u>	<u>\$ (182,737)</u>	<u>\$ (182,737)</u>	<u>\$ 910</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 4,364	\$ 0	\$ 0	\$ 4,364
Total Other Financing Sources (Uses)	<u>\$ 4,364</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,364</u>
Net Change in Fund Balance	\$ (177,463)	\$ (182,737)	\$ (182,737)	\$ 5,274
Fund Balance, July 1, 2009	<u>366,581</u>	<u>242,236</u>	<u>242,236</u>	<u>124,345</u>
Fund Balance, June 30, 2010	<u>\$ 189,118</u>	<u>\$ 59,499</u>	<u>\$ 59,499</u>	<u>\$ 129,619</u>

Exhibit E-4

Giles County, Tennessee
Schedule of Funding Progress – Pension Plan
Primary Government and Discretely Presented Giles County School Department
June 30, 2010

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-09	\$ 25,207	\$ 28,533	\$ 3,326	88.34 %	\$ 10,234	32.50 %
6-30-07	23,997	26,425	2,428	90.81	9,348	25.97

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 went into effect during the 2007 year; therefore, only the two most recent valuations are presented.

Exhibit E-5

Giles County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefit Plans
Primary Government and Discretely Presented Giles County School Department
June 30, 2010

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date *	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a
							Percentage of Covered Payroll ((b-a)/c)
<u>PRIMARY GOVERNMENT</u>							
Local Government Group	7-1-07	\$ 0	305 \$	305	0 %	\$ 6,815	4 %
"	7-1-09	0	901	901	0	6,670	14
<u>DISCRETELY PRESENTED GILES COUNTY SCHOOL DEPARTMENT</u>							
Local Education Group	7-1-07	0	12,315	12,315	0	20,375	60
"	7-1-09	0	10,901	10,901	0	20,807	52

* An additional year will be reported as the data becomes available.

GILES COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2010

BUDGETARY INFORMATION

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

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Giles County’s recycling program.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for industrial development projects. During the year, this fund was closed into the General Fund.

Special Purpose Fund – The Special Purpose Fund is used to account for proceeds received in a prior year from the sale of the county’s hospital and interest earned on the proceeds. During the year, this fund was closed into the General Fund.

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

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

Capital Projects Fund

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

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

Exhibit F-1

Giles County, Tennessee
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2010

	Special Revenue Funds				Total	Capital Projects Fund		Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees			General Capital Projects		
\$	0	0	127,596	\$	127,596	0	\$	127,596
Equity in Pooled Cash and Investments	39,955	216,167	0		256,122	4,261		260,383
Accounts Receivable	177	289	82,768		83,234	0		83,234
Property Taxes Receivable	100,401	0	0		100,401	0		100,401
Allowance for Uncollectible Property Taxes	(2,102)	0	0		(2,102)	0		(2,102)
Total Assets	\$ 138,431	\$ 216,456	\$ 210,364	\$	565,251	\$ 4,261	\$	569,512

ASSETS

Cash
 Equity in Pooled Cash and Investments
 Accounts Receivable
 Property Taxes Receivable
 Allowance for Uncollectible Property Taxes

LIABILITIES AND FUND BALANCES

\$	575	1,634	0	\$	2,209	0	\$	2,209
Accounts Payable	98,299	0	0		98,299	0		98,299
Deferred Revenue - Current Property Taxes	\$ 98,874	\$ 1,634	\$ 0	\$	100,508	\$ 0	\$	100,508
Total Liabilities	\$ 39,557	\$ 214,822	\$ 210,364	\$	464,743	\$ 4,261	\$	469,004
Fund Balances	\$ 39,557	\$ 214,822	\$ 210,364	\$	464,743	\$ 4,261	\$	469,004
Unreserved	\$ 138,431	\$ 216,456	\$ 210,364	\$	565,251	\$ 4,261	\$	569,512
Total Fund Balances	Total Liabilities and Fund Balances							

Liabilities

Accounts Payable
 Deferred Revenue - Current Property Taxes
 Total Liabilities

Fund Balances

Unreserved
 Total Fund Balances
 Total Liabilities and Fund Balances

Exhibit F-2

Giles County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2010

	Special Revenue Funds							Capital Projects Fund		Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Constitutional Officers - Fees	Total	Capital Projects Fund			
							General Capital	Projects		
Revenues										
Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 80,619	\$ 0	\$ 80,619	\$ 0	\$ 0	\$ 80,619	
Charges for Current Services	0	0	0	0	771,401	771,401	0	0	771,401	
Other Local Revenues	3,204	0	470,822	1,320	0	475,346	0	0	475,346	
State of Tennessee	11,175	0	0	2,085	0	13,260	0	0	13,260	
Other Governments and Citizens Groups	0	0	0	15,517	0	15,517	0	0	15,517	
Total Revenues	\$ 14,379	\$ 0	\$ 470,822	\$ 99,541	\$ 771,401	\$ 1,356,143	\$ 0	\$ 0	\$ 1,356,143	
Expenditures										
Current:										
General Government	\$ 41,055	\$ 111,770	\$ 4,708	\$ 0	\$ 97,837	\$ 255,370	\$ 0	\$ 0	\$ 255,370	
Finance	0	0	0	0	359,336	359,336	0	0	359,336	
Administration of Justice	0	0	0	0	314,329	314,329	0	0	314,329	
Public Safety	0	0	0	81,810	0	81,810	0	0	81,810	
Public Health and Welfare	55,034	0	0	0	0	55,034	0	0	55,034	
Total Expenditures	\$ 96,089	\$ 111,770	\$ 4,708	\$ 81,810	\$ 771,502	\$ 1,065,879	\$ 0	\$ 0	\$ 1,065,879	
Excess (Deficiency) of Revenues Over Expenditures	\$ (81,710)	\$ (111,770)	\$ 466,114	\$ 17,731	\$ (101)	\$ 290,264	\$ 0	\$ 0	\$ 290,264	
Other Financing Sources (Uses)										
Transfers In	\$ 101,350	\$ 140,000	\$ 0	\$ 0	\$ 0	\$ 241,350	\$ 0	\$ 0	\$ 241,350	
Transfers Out	0	(103,992)	(15,480,076)	0	0	(15,584,068)	0	0	(15,584,068)	
Total Other Financing Sources (Uses)	\$ 101,350	\$ 36,008	\$ (15,480,076)	\$ 0	\$ 0	\$ (15,342,718)	\$ 0	\$ 0	\$ (15,342,718)	
Net Change in Fund Balances	\$ 19,640	\$ (75,762)	\$ (15,013,962)	\$ 17,731	\$ (101)	\$ (15,052,454)	\$ 0	\$ 0	\$ (15,052,454)	
Fund Balance, July 1, 2009	19,917	75,762	15,013,962	197,091	210,465	15,517,197	4,261	4,261	15,521,458	
Fund Balance, June 30, 2010	\$ 39,557	\$ 0	\$ 0	\$ 214,822	\$ 210,364	\$ 464,743	\$ 4,261	\$ 4,261	\$ 469,004	

Exhibit F-3

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 3,204	\$ 1,000	\$ 1,000	\$ 2,204
State of Tennessee	11,175	14,600	14,600	(3,425)
Total Revenues	<u>\$ 14,379</u>	<u>\$ 15,600</u>	<u>\$ 15,600</u>	<u>\$ (1,221)</u>
<u>Expenditures</u>				
<u>General Government</u>				
Other General Administration	\$ 41,055	\$ 44,994	\$ 44,994	\$ 3,939
<u>Public Health and Welfare</u>				
Waste Pickup	21,434	38,790	38,790	17,356
Recycling Center	33,600	33,600	33,600	0
Total Expenditures	<u>\$ 96,089</u>	<u>\$ 117,384</u>	<u>\$ 117,384</u>	<u>\$ 21,295</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (81,710)</u>	<u>\$ (101,784)</u>	<u>\$ (101,784)</u>	<u>\$ 20,074</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 101,350	\$ 101,350	\$ 101,350	\$ 0
Total Other Financing Sources (Uses)	<u>\$ 101,350</u>	<u>\$ 101,350</u>	<u>\$ 101,350</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 19,640	\$ (434)	\$ (434)	\$ 20,074
Fund Balance, July 1, 2009	<u>19,917</u>	<u>1,133</u>	<u>1,133</u>	<u>18,784</u>
Fund Balance, June 30, 2010	<u><u>\$ 39,557</u></u>	<u><u>\$ 699</u></u>	<u><u>\$ 699</u></u>	<u><u>\$ 38,858</u></u>

Exhibit F-4

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>General Government</u>				
Other General Administration	\$ 111,770	\$ 128,545	\$ 111,770	\$ 0
Total Expenditures	\$ 111,770	\$ 128,545	\$ 111,770	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ (111,770)	\$ (128,545)	\$ (111,770)	\$ 0
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 140,000	\$ 140,000	\$ 140,000	\$ 0
Transfers Out	(103,992)	0	(103,992)	0
Total Other Financing Sources (Uses)	\$ 36,008	\$ 140,000	\$ 36,008	\$ 0
Net Change in Fund Balance	\$ (75,762)	\$ 11,455	\$ (75,762)	\$ 0
Fund Balance, July 1, 2009	75,762	5,762	75,762	0
Fund Balance, June 30, 2010	\$ 0	\$ 17,217	\$ 0	\$ 0

Exhibit F-5

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 470,822	\$ 691,000	\$ 691,000	\$ (220,178)
Total Revenues	\$ 470,822	\$ 691,000	\$ 691,000	\$ (220,178)
<u>Expenditures</u>				
<u>General Government</u>				
Other General Administration	\$ 4,708	\$ 8,300	\$ 8,300	\$ 3,592
Total Expenditures	\$ 4,708	\$ 8,300	\$ 8,300	\$ 3,592
Excess (Deficiency) of Revenues Over Expenditures	\$ 466,114	\$ 682,700	\$ 682,700	\$ (216,586)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (15,480,076)	\$ (691,000)	\$ (15,480,076)	\$ 0
Total Other Financing Sources (Uses)	\$ (15,480,076)	\$ (691,000)	\$ (15,480,076)	\$ 0
Net Change in Fund Balance	\$ (15,013,962)	\$ (8,300)	\$ (14,797,376)	\$ (216,586)
Fund Balance, July 1, 2009	15,013,962	15,014,543	15,014,543	(581)
Fund Balance, June 30, 2010	\$ 0	\$ 15,006,243	\$ 217,167	\$ (217,167)

Exhibit F-6

Giles 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, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 80,619	\$ 0	\$ 80,619	\$ 17,500	\$ 17,500	\$ 63,119
Other Local Revenues	1,320	0	1,320	0	0	1,320
State of Tennessee	2,085	0	2,085	3,000	3,000	(915)
Other Governments and Citizens Groups	15,517	0	15,517	0	0	15,517
Total Revenues	\$ 99,541	\$ 0	\$ 99,541	\$ 20,500	\$ 20,500	\$ 79,041
<u>Expenditures</u>						
Public Safety						
Drug Enforcement	\$ 81,810	(3,164)	\$ 78,646	\$ 97,950	\$ 97,950	\$ 19,304
Total Expenditures	\$ 81,810	(3,164)	\$ 78,646	\$ 97,950	\$ 97,950	\$ 19,304
Excess (Deficiency) of Revenues Over Expenditures	\$ 17,731	\$ 3,164	\$ 20,895	\$ (77,450)	\$ (77,450)	\$ 98,345
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ 17,731	\$ 3,164	\$ 20,895	\$ (77,450)	\$ (77,450)	\$ 98,345
	197,091	(3,164)	193,927	169,528	169,528	24,399
Fund Balance, June 30, 2010	\$ 214,822	\$ 0	\$ 214,822	\$ 92,078	\$ 92,078	\$ 122,744

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.

Exhibit G

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,168,444	\$ 2,048,258	\$ 2,048,258	\$ 120,186
Other Local Revenues	32	0	0	32
Total Revenues	<u>\$ 2,168,476</u>	<u>\$ 2,048,258</u>	<u>\$ 2,048,258</u>	<u>\$ 120,218</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 260,000	\$ 260,000	\$ 260,000	\$ 0
Education	860,000	860,000	860,000	0
<u>Interest on Debt</u>				
General Government	82,102	82,103	82,103	1
Education	526,849	526,849	526,849	0
<u>Other Debt Service</u>				
General Government	208,714	248,482	248,482	39,768
Education	0	5,000	5,000	5,000
Total Expenditures	<u>\$ 1,937,665</u>	<u>\$ 1,982,434</u>	<u>\$ 1,982,434</u>	<u>\$ 44,769</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 230,811</u>	<u>\$ 65,824</u>	<u>\$ 65,824</u>	<u>\$ 164,987</u>
Net Change in Fund Balance	\$ 230,811	\$ 65,824	\$ 65,824	\$ 164,987
Fund Balance, July 1, 2009	<u>3,081,766</u>	<u>2,994,004</u>	<u>2,994,004</u>	<u>87,762</u>
Fund Balance, June 30, 2010	<u>\$ 3,312,577</u>	<u>\$ 3,059,828</u>	<u>\$ 3,059,828</u>	<u>\$ 252,749</u>

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.

Exhibit H-1

Giles County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2010

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 750	\$ 750
Due from Other Governments	412,722	1,490,509	1,903,231
Total Assets	<u>\$ 412,722</u>	<u>\$ 1,491,259</u>	<u>\$ 1,903,981</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 412,722	\$ 0	\$ 412,722
Due to Litigants, Heirs, and Others	0	1,491,259	1,491,259
Total Liabilities	<u>\$ 412,722</u>	<u>\$ 1,491,259</u>	<u>\$ 1,903,981</u>

Exhibit H-2

Giles County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 2,340,935	\$ 2,340,935	\$ 0
Due from Other Governments	372,495	412,722	372,495	412,722
Total Assets	\$ 372,495	\$ 2,753,657	\$ 2,713,430	\$ 412,722
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 372,495	\$ 2,753,657	\$ 2,713,430	\$ 412,722
Total Liabilities	\$ 372,495	\$ 2,753,657	\$ 2,713,430	\$ 412,722
 <u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,636,567	\$ 6,533,501	\$ 6,678,809	\$ 1,491,259
Total Assets	\$ 1,636,567	\$ 6,533,501	\$ 6,678,809	\$ 1,491,259
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,636,567	\$ 6,533,501	\$ 6,678,809	\$ 1,491,259
Total Liabilities	\$ 1,636,567	\$ 6,533,501	\$ 6,678,809	\$ 1,491,259
 <u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 1,636,567	\$ 6,533,501	\$ 6,678,809	\$ 1,491,259
Equity in Pooled Cash and Investments	0	2,340,935	2,340,935	0
Due from Other Governments	372,495	412,722	372,495	412,722
Total Assets	\$ 2,009,062	\$ 9,287,158	\$ 9,392,239	\$ 1,903,981
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,636,567	\$ 6,533,501	\$ 6,678,809	\$ 1,491,259
Due to Other Taxing Units	372,495	2,753,657	2,713,430	412,722
Total Liabilities	\$ 2,009,062	\$ 9,287,158	\$ 9,392,239	\$ 1,903,981

Giles County School Department

This section presents fund financial statements for the Giles 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.

Exhibit I-1

Giles County, Tennessee
Statement of Activities
Discretely Presented Giles County School Department
For the Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instruction	\$ 21,952,592	\$ 43,881	\$ 2,590,627	\$ (19,318,084)
Support Services	12,732,952	79,596	194,766	(12,458,590)
Operation of Non-Instructional Services	2,817,137	573,319	2,250,774	6,956
Total Governmental Activities	\$ 37,502,681	\$ 696,796	\$ 5,036,167	\$ (31,769,718)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 6,627,030
Local Option Sales Tax				3,198,842
Other Local Taxes				2,426
Grants and Contributions Not Restricted to Specific Programs				20,368,412
Unrestricted Investment Earnings				1,678
Miscellaneous				22,160
Insurance Recovery				21,068
Total General Revenues				\$ 30,241,616
Change in Net Assets				\$ (1,528,102)
Net Assets, July 1, 2009				22,193,665
Net Assets, June 30, 2010				\$ 20,665,563

Exhibit I-2

Giles County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Giles County School Department
June 30, 2010

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	<u>Total</u>
	General Purpose School	Other Govern- mental Funds	Govern- mental Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 4,046,951	\$ 922,508	\$ 4,969,459
Inventories	0	66,207	66,207
Accounts Receivable	29,830	22	29,852
Due from Other Governments	805,755	24,970	830,725
Due from Other Funds	11,578	0	11,578
Property Taxes Receivable	6,710,192	0	6,710,192
Allowance for Uncollectible Property Taxes	(269,150)	0	(269,150)
Total Assets	\$ 11,335,156	\$ 1,013,707	\$ 12,348,863
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 1,596,499	\$ 119,790	\$ 1,716,289
Accrued Payroll	3,215	0	3,215
Payroll Deductions Payable	0	21,858	21,858
Due to Other Funds	0	11,578	11,578
Deferred Revenue - Current Property Taxes	6,094,520	0	6,094,520
Deferred Revenue - Delinquent Property Taxes	310,885	0	310,885
Other Deferred Revenues	514,280	0	514,280
Total Liabilities	\$ 8,519,399	\$ 153,226	\$ 8,672,625
<u>Fund Balances</u>			
Reserved for Encumbrances	\$ 127,568	\$ 25,544	\$ 153,112
Reserved for Title I Grants to Local Education Agencies	0	3,605	3,605
Reserved for Special Education - Grants to States	0	4,406	4,406
Other Federal Reserves	0	7,436	7,436
Unreserved, Reported In:			
General Fund	2,688,189	0	2,688,189
Special Revenue Funds	0	691,290	691,290
Capital Projects Funds	0	128,200	128,200
Total Fund Balances	\$ 2,815,757	\$ 860,481	\$ 3,676,238
Total Liabilities and Fund Balances	\$ 11,335,156	\$ 1,013,707	\$ 12,348,863

Exhibit I-3

Giles County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
Discretely Presented Giles County School Department
June 30, 2010

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	3,676,238
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	621,198	
Add: buildings and improvements net of accumulated depreciation		16,413,978	
Add: other capital assets net of accumulated depreciation		<u>2,080,616</u>	19,115,792
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other postemployment benefits liability			(2,951,632)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>825,165</u>
Net assets of governmental activities (Exhibit A)		\$	<u><u>20,665,563</u></u>

Exhibit I-4

Giles County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Giles County School Department
For the Year Ended June 30, 2010

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	<u>Total</u>
	General Purpose School	Other Govern- mental Funds	Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 9,888,489	\$ 0	\$ 9,888,489
Licenses and Permits	2,062	0	2,062
Charges for Current Services	123,584	573,212	696,796
Other Local Revenues	33,009	2,471	35,480
State of Tennessee	20,451,836	24,875	20,476,711
Federal Government	135,597	4,480,505	4,616,102
Other Governments and Citizens Groups	45,961	0	45,961
Total Revenues	<u>\$ 30,680,538</u>	<u>\$ 5,081,063</u>	<u>\$ 35,761,601</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 18,537,257	\$ 2,428,399	\$ 20,965,656
Support Services	11,681,247	448,327	12,129,574
Operation of Non-Instructional Services	725,190	2,087,114	2,812,304
Capital Outlay	0	98,148	98,148
Total Expenditures	<u>\$ 30,943,694</u>	<u>\$ 5,061,988</u>	<u>\$ 36,005,682</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (263,156)</u>	<u>\$ 19,075</u>	<u>\$ (244,081)</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 21,068	\$ 0	\$ 21,068
Transfers In	119,883	287,289	407,172
Transfers Out	(287,289)	(119,883)	(407,172)
Total Other Financing Sources (Uses)	<u>\$ (146,338)</u>	<u>\$ 167,406</u>	<u>\$ 21,068</u>
Net Change in Fund Balances	\$ (409,494)	\$ 186,481	\$ (223,013)
Fund Balance, July 1, 2009	<u>3,225,251</u>	<u>674,000</u>	<u>3,899,251</u>
Fund Balance, June 30, 2010	<u>\$ 2,815,757</u>	<u>\$ 860,481</u>	<u>\$ 3,676,238</u>

Exhibit I-5

Giles County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Giles County School Department
For the Year Ended June 30, 2010

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$	(223,013)
(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	\$	417,375	
Less: current year depreciation expense		<u>(1,094,164)</u>	(676,789)
(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, 2010	\$	825,165	
Less: deferred delinquent property taxes and other deferred June 30, 2009		<u>(633,255)</u>	191,910
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in other postemployment benefits liability			<u>(820,210)</u>
Change in net assets of governmental activities (Exhibit B)		\$	<u><u>(1,528,102)</u></u>

Giles County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Giles County School Department
June 30, 2010

	Special Revenue Funds			Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects		
\$	93,138	677,518	770,656	151,852	\$	922,508
	0	66,207	66,207	0		66,207
	9	13	22	0		22
	24,970	0	24,970	0		24,970
\$	118,117	743,738	861,855	151,852	\$	1,013,707

ASSETS

Equity in Pooled Cash and Investments	
Inventories	
Accounts Receivable	
Due from Other Governments	
Total Assets	

LIABILITIES AND FUND BALANCES

<u>Liabilities</u>					
Accounts Payable	89,200	30,590	119,790	0	119,790
Payroll Deductions Payable	0	21,858	21,858	0	21,858
Due to Other Funds	11,578	0	11,578	0	11,578
Total Liabilities	100,778	52,448	153,226	0	153,226
<u>Fund Balances</u>					
Reserved for Encumbrances	1,892	0	1,892	23,652	25,544
Reserved for Title I Grants to Local Education Agencies	3,605	0	3,605	0	3,605
Reserved for Special Education - Grants to States	4,406	0	4,406	0	4,406
Other Federal Reserves	7,436	0	7,436	0	7,436
Unreserved	0	691,290	691,290	128,200	819,490
Total Fund Balances	17,339	691,290	708,629	151,852	860,481
Total Liabilities and Fund Balances	118,117	743,738	861,855	151,852	1,013,707

Exhibit I-7

Giles County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Giles County School Department
For the Year Ended June 30, 2010

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects	
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 573,212	\$ 573,212	\$ 0	\$ 573,212
Other Local Revenues	0	2,471	2,471	0	2,471
State of Tennessee	0	24,875	24,875	0	24,875
Federal Government	2,929,081	1,551,424	4,480,505	0	4,480,505
Total Revenues	\$ 2,929,081	\$ 2,151,982	\$ 5,081,063	\$ 0	\$ 5,081,063
<u>Expenditures</u>					
Current:					
Instruction	\$ 2,428,399	\$ 0	\$ 2,428,399	\$ 0	\$ 2,428,399
Support Services	448,283	44	448,327	0	448,327
Operation of Non-Instructional Services	0	2,087,114	2,087,114	0	2,087,114
Capital Outlay	0	0	0	98,148	98,148
Total Expenditures	\$ 2,876,682	\$ 2,087,158	\$ 4,963,840	\$ 98,148	\$ 5,061,988
Excess (Deficiency) of Revenues Over Expenditures	\$ 52,399	\$ 64,824	\$ 117,223	\$ (98,148)	\$ 19,075
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 37,289	\$ 37,289	\$ 250,000	\$ 287,289
Transfers Out	(119,883)	0	(119,883)	0	(119,883)
Total Other Financing Sources (Uses)	\$ (119,883)	\$ 37,289	\$ (82,594)	\$ 250,000	\$ 167,406
Net Change in Fund Balances	\$ (67,484)	\$ 102,113	\$ 34,629	\$ 151,852	\$ 186,481
Fund Balance, July 1, 2009	84,823	589,177	674,000	0	674,000
Fund Balance, June 30, 2010	\$ 17,339	\$ 691,290	\$ 708,629	\$ 151,852	\$ 860,481

Exhibit I-8

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Giles County School Department
General Purpose School Fund
For the Year Ended June 30, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 9,888,489	\$ 0	\$ 0	\$ 9,888,489	\$ 9,658,800	\$ 9,700,045	\$ 188,444
Licenses and Permits	2,062	0	0	2,062	2,300	2,300	(238)
Charges for Current Services	123,584	0	0	123,584	127,692	127,692	(4,108)
Other Local Revenues	33,009	0	0	33,009	64,842	64,842	(31,833)
State of Tennessee	20,451,836	0	0	20,451,836	19,984,657	20,288,127	163,709
Federal Government	135,597	0	0	135,597	126,000	121,335	14,262
Other Governments and Citizens Groups	45,961	0	0	45,961	0	45,961	0
Total Revenues	\$ 30,680,538	\$ 0	\$ 0	\$ 30,680,538	\$ 29,964,291	\$ 30,350,302	\$ 330,236
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 15,056,252	(3,924)	20,707	\$ 15,073,035	\$ 14,561,859	\$ 15,450,758	\$ 377,723
Alternative Instruction Program	109,528	0	0	109,528	108,726	111,263	1,735
Special Education Program	2,339,410	(4,061)	0	2,335,349	2,267,890	2,347,237	11,888
Vocational Education Program	983,263	0	2,647	985,910	1,018,367	1,033,105	47,195
Adult Education Program	48,804	(353)	0	48,451	49,386	49,081	630
<u>Support Services</u>							
Attendance	82,875	0	0	82,875	86,922	88,047	5,172
Health Services	495,983	0	0	495,983	496,367	527,863	31,880
Other Student Support	919,214	0	0	919,214	847,535	958,163	38,949
Regular Instruction Program	1,246,548	0	0	1,246,548	1,268,621	1,325,917	79,369
Alternative Instruction Program	69,744	0	0	69,744	66,398	69,936	192
Special Education Program	319,025	0	0	319,025	314,252	352,431	33,406
Vocational Education Program	147,067	(2,600)	0	144,467	144,566	151,828	7,361

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Adult Programs	\$ 67,955	\$ 0	\$ 0	\$ 67,955	\$ 68,067	\$ 69,019	\$ 1,064
Other Programs	239,138	0	0	239,138	0	239,138	0
Board of Education	635,618	0	0	635,618	626,830	636,130	512
Director of Schools	240,440	0	0	240,440	244,870	246,182	5,742
Office of the Principal	1,743,852	0	0	1,743,852	1,686,634	1,764,671	20,819
Operation of Plant	2,327,592	(59)	5,259	2,332,792	2,488,799	2,505,755	172,963
Maintenance of Plant	875,258	(12,502)	90,233	952,989	785,170	1,068,650	115,661
Transportation	2,270,938	(6,297)	5,922	2,270,563	2,404,064	2,425,132	154,569
<u>Operation of Non-Instructional Services</u>							
Food Service	5,656	0	0	5,656	5,512	5,656	0
Community Services	192,470	0	0	192,470	192,500	192,500	30
Early Childhood Education	527,064	0	2,800	529,864	535,730	535,730	5,866
Total Expenditures	\$ 30,943,694	\$ (29,796)	\$ 127,568	\$ 31,041,466	\$ 30,269,065	\$ 32,154,192	\$ 1,112,726
<u>Excess (Deficiency) of Revenues</u> <u>Over Expenditures</u>	\$ (263,156)	\$ 29,796	\$ (127,568)	\$ (360,928)	\$ (304,774)	\$ (1,803,890)	\$ 1,442,962
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 21,068	\$ 0	\$ 0	\$ 21,068	\$ 0	\$ 21,068	\$ 0
Transfers In	119,883	0	0	119,883	0	378,293	(258,410)
Transfers Out	(287,289)	0	0	(287,289)	(286,000)	(536,000)	248,711
Total Other Financing Sources (Uses)	\$ (146,338)	\$ 0	\$ 0	\$ (146,338)	\$ (286,000)	\$ (136,639)	\$ (9,699)
Net Change in Fund Balance	\$ (409,494)	\$ 29,796	\$ (127,568)	\$ (507,266)	\$ (590,774)	\$ (1,940,529)	\$ 1,433,263
Fund Balance, July 1, 2009	3,225,251	(29,796)	0	3,195,455	2,325,948	2,325,948	869,507
Fund Balance, June 30, 2010	\$ 2,815,757	\$ 0	\$ (127,568)	\$ 2,688,189	\$ 1,735,174	\$ 385,419	\$ 2,302,770

Exhibit I-9

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Giles County School Department
School Federal Projects Fund
For the Year Ended June 30, 2010

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2009	Add: Encumbrances 6/30/2010	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 2,929,081	\$ 0	\$ 0	\$ 2,929,081	\$ 4,461,177	\$ 4,457,400	\$ (1,528,319)
Total Revenues	\$ 2,929,081	\$ 0	\$ 0	\$ 2,929,081	\$ 4,461,177	\$ 4,457,400	\$ (1,528,319)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 1,073,475	\$ 0	\$ 0	\$ 1,073,475	\$ 1,221,038	\$ 1,360,737	\$ 287,262
Special Education Program	1,240,873	(876)	0	1,239,997	1,952,079	1,944,766	704,769
Vocational Education Program	114,051	0	1,892	115,943	112,213	115,943	0
<u>Support Services</u>							
Other Student Support	32,565	0	0	32,565	58,904	57,250	24,685
Regular Instruction Program	262,916	(39,704)	0	223,212	334,605	497,523	274,311
Special Education Program	122,408	0	0	122,408	224,873	232,716	110,308
Vocational Education Program	286	0	0	286	500	286	0
Transportation	30,108	0	0	30,108	419,267	111,650	81,542
Total Expenditures	\$ 2,876,682	\$ (40,580)	\$ 1,892	\$ 2,837,994	\$ 4,323,479	\$ 4,320,871	\$ 1,482,877
Excess (Deficiency) of Revenues Over Expenditures	\$ 52,399	\$ 40,580	\$ (1,892)	\$ 91,087	\$ 137,698	\$ 136,529	\$ (45,442)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 120,600	\$ 257,982	\$ (257,982)
Transfers Out	(119,883)	0	0	(119,883)	(265,394)	(402,776)	282,893
Total Other Financing Sources (Uses)	\$ (119,883)	\$ 0	\$ 0	\$ (119,883)	\$ (144,794)	\$ (144,794)	\$ 24,911
Net Change in Fund Balance Fund Balance, July 1, 2009	\$ (67,484)	\$ 40,580	\$ (1,892)	\$ (28,796)	\$ (7,096)	\$ (8,265)	\$ (20,531)
Fund Balance, July 1, 2009	84,823	(40,580)	0	44,243	84,823	84,823	(40,580)
Fund Balance, June 30, 2010	\$ 17,339	\$ 0	\$ (1,892)	\$ 15,447	\$ 77,727	\$ 76,558	\$ (61,111)

Exhibit I-10

Giles County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Giles County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2010

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 573,212	\$ 704,500	\$ 827,280	\$ (254,068)
Other Local Revenues	2,471	60,643	77,843	(75,372)
State of Tennessee	24,875	25,563	26,251	(1,376)
Federal Government	1,551,424	1,253,600	1,270,087	281,337
Total Revenues	<u>\$ 2,151,982</u>	<u>\$ 2,044,306</u>	<u>\$ 2,201,461</u>	<u>\$ (49,479)</u>
<u>Expenditures</u>				
<u>Support Services</u>				
Board of Education	\$ 44	\$ 250	\$ 250	\$ 206
<u>Operation of Non-Instructional Services</u>				
Food Service	2,087,114	2,044,056	2,201,211	114,097
Total Expenditures	<u>\$ 2,087,158</u>	<u>\$ 2,044,306</u>	<u>\$ 2,201,461</u>	<u>\$ 114,303</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 64,824</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 64,824</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 37,289	\$ 0	\$ 0	\$ 37,289
Total Other Financing Sources (Uses)	<u>\$ 37,289</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 37,289</u>
Net Change in Fund Balance	\$ 102,113	\$ 0	\$ 0	\$ 102,113
Fund Balance, July 1, 2009	589,177	589,177	589,177	0
Fund Balance, June 30, 2010	<u>\$ 691,290</u>	<u>\$ 589,177</u>	<u>\$ 589,177</u>	<u>\$ 102,113</u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

Giles County, Tennessee
Schedule of Changes in Long-term Bonds
For the Year Ended June 30, 2010

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-09	Paid and/or	
						Matured During Period	Outstanding 6-30-10
BONDS PAYABLE							
<u>Payable through General Debt Service Fund</u>							
School Building	\$ 16,765,000	4.1 to 5.75 %	2-28-00	1-20-10	\$ 770,000	\$	0
School Refunding	11,625,000	1.75 to 5.25	8-1-02	2-1-20	11,080,000	90,000	10,990,000
General Obligation	3,100,000	2.25 to 3.8	8-1-04	4-1-17	2,360,000	260,000	2,100,000
Total Bonds Payable					\$ 14,210,000	\$ 1,120,000	\$ 13,090,000

Exhibit J-2

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

Year Ending June 30	Bonds		Total
	Principal	Interest	
2011	\$ 1,170,000	\$ 557,487	\$ 1,727,487
2012	1,215,000	515,411	1,730,411
2013	1,265,000	470,782	1,735,782
2014	1,315,000	422,605	1,737,605
2015	1,370,000	370,492	1,740,492
2016	1,430,000	314,734	1,744,734
2017	1,485,000	255,558	1,740,558
2018	1,215,000	192,487	1,407,487
2019	1,280,000	137,812	1,417,812
2020	1,345,000	70,612	1,415,612
Total	\$ 13,090,000	\$ 3,307,980	\$ 16,397,980

Exhibit J-3

Giles County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Giles County School Department
For the Year Ended June 30, 2010

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Solid Waste/Sanitation	Operations	\$ 101,350
General	Industrial/Economic Development	"	140,000
Special Purpose	General	"	480,076
Industrial/Economic Development	General	To close fund	103,992
Special Purpose	General	"	<u>15,000,000</u>
Total Transfers Primary Government			<u>\$ 15,825,418</u>
<u>DISCRETELY PRESENTED GILES COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 12,328
School Federal Projects	General Purpose School	Operations	107,555
General Purpose School	Central Cafeteria	"	37,289
General Purpose School	Education Capital Projects	Various projects	<u>250,000</u>
Total Transfers Discretely Presented Giles County School Department			<u>\$ 407,172</u>

Exhibit J-4

Giles County, Tennessee
 Schedule of Salaries and Official Bonds of Principal Officials
 Primary Government and Discretely Presented Giles County School Department
 For the Year Ended June 30, 2010

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <u>TCA</u>	\$ 71,322	\$ 50,000	Auto-Owners Mutual Insurance Company
Highway Commissioner	Section 8-24-102, <u>TCA</u>	67,927	100,000	State Automobile Mutual Insurance Company
Director of Schools	State Board of Education and County Board of Education	95,364 (1)	100,000	"
Finance Director	County Commission	70,000	50,000	Auto-Owners Mutual Insurance Company
Trustee	Section 8-24-102, <u>TCA</u>	61,751	960,000	State Automobile Mutual Insurance Company
Assessor of Property	Section 8-24-102, <u>TCA</u>	61,751	10,000	"
County Clerk	Section 8-24-102, <u>TCA</u>	61,751	50,000	Auto-Owners Mutual Insurance Company
Circuit and General Sessions Courts Clerk	Section 8-24-102, <u>TCA</u>	61,751	50,000	"
Clerk and Master	Section 8-24-102, <u>TCA</u>	61,751 (2)	60,000	State Automobile Mutual Insurance Company
Register	Section 8-24-102, <u>TCA</u>	61,751	25,000	Auto-Owners Mutual Insurance Company
Sheriff	Section 8-24-102, <u>TCA</u>	67,927 (3)	25,000	"
Employee Blanket Bonds				
Public Employee Dishonesty - County Departments			150,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Departments			150,000	"

- (1) Includes chief executive officer training supplement of \$1,000.
- (2) Does not include special commissioner fees of \$3,753.
- (3) Does not include \$600 for a law enforcement training supplement.

Exhibit J-5

Giles County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2010

	Special Revenue Funds							Total		
	General	Solid Waste / Sanitation	Ambulance Service	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works		Debt Service Fund	
									General	Debt
<u>Local Taxes</u>										
<u>County Property Taxes</u>										
Current Property Tax	\$ 3,521,828	\$ 0	\$ 794,050	\$ 0	\$ 0	\$ 0	\$ 1,764,552	\$ 1,235,186	\$ 7,315,616	
Trustee's Collections - Prior Year	177,089	0	38,114	0	0	0	91,601	58,758	365,562	
Circuit/Clerk & Master Collections - Prior Years	66,011	0	12,925	0	0	0	28,723	24,741	132,400	
Interest and Penalty	22,727	0	5,127	0	0	0	10,664	8,024	46,542	
Payments in-Lieu-of Taxes - T.V.A.	2,142	0	0	0	0	0	0	0	2,142	
Payments in-Lieu-of Taxes - Local Utilities	299,617	0	0	0	0	0	0	0	299,617	
Payments in-Lieu-of Taxes - Other	73	0	0	0	0	0	0	0	73	
<u>County Local Option Taxes</u>										
Local Option Sales Tax	0	0	0	0	0	0	0	841,735	841,735	
Hotel/Motel Tax	77,783	0	0	0	0	0	0	0	77,783	
Litigation Tax - General	133,689	0	0	0	0	0	0	0	133,689	
Litigation Tax - Jail, Workhouse, or Courthouse	185,212	0	0	0	0	0	0	0	185,212	
Business Tax	180,696	0	0	0	0	0	0	0	180,696	
Mineral Severance Tax	0	0	0	0	0	0	115,397	0	115,397	
<u>Statutory Local Taxes</u>										
Bank Excise Tax	149,257	0	0	0	0	0	0	0	149,257	
Wholesale Beer Tax	188,559	0	0	0	0	0	0	0	188,559	
Interstate Telecommunications Tax	1,438	0	0	0	0	0	0	0	1,438	
Total Local Taxes	\$ 5,006,121	\$ 0	\$ 850,216	\$ 0	\$ 0	\$ 0	\$ 2,010,937	\$ 2,168,444	\$ 10,035,718	
<u>Licenses and Permits</u>										
<u>Licenses</u>										
Animal Vaccination	\$ 6,511	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,511	
Cable TV Franchise	9,590	0	0	0	0	0	0	0	9,590	
<u>Permits</u>										
Beer Permits	1,188	0	0	0	0	0	0	0	1,188	
Other Permits	13,640	0	0	0	0	0	0	0	13,640	
Total Licenses and Permits	\$ 30,929	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,929	

(Continued)

Exhibit J-5

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

	Special Revenue Funds							Debt Service Fund	Total	
	General	Solid Waste / Sanitation	Ambulance Service	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works			General Debt Service
<u>Fines, Forfeitures, and Penalties</u>										
<u>Circuit Court</u>										
Fines for Littering	\$ 955	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	955	
Officers Costs	26,722	0	0	0	0	0	0	0	26,722	
Drug Control Fines	0	0	0	0	33,845	0	0	0	33,845	
Drug Court Fees	8,059	0	0	0	0	0	0	0	8,059	
Jail Fees	6,376	0	0	0	0	0	0	0	6,376	
DUI Treatment Fines	4,591	0	0	0	0	0	0	0	4,591	
Data Entry Fee - Circuit Court	943	0	0	0	0	0	0	0	943	
Courtroom Security Fee	798	0	0	0	0	0	0	0	798	
<u>General Sessions Court</u>										
Fines	15,350	0	0	0	0	0	0	0	15,350	
Fines for Littering	1,882	0	0	0	0	0	0	0	1,882	
Officers Costs	40,664	0	0	0	0	0	0	0	40,664	
Game and Fish Fines	2,160	0	0	0	0	0	0	0	2,160	
Drug Control Fines	485	0	0	0	13,161	0	0	0	13,646	
Drug Court Fees	6,272	0	0	0	0	0	0	0	6,272	
Jail Fees	15,337	0	0	0	0	0	0	0	15,337	
DUI Treatment Fines	4,832	0	0	0	0	0	0	0	4,832	
Data Entry Fee - General Sessions Court	7,800	0	0	0	0	0	0	0	7,800	
Courtroom Security Fee	1,475	0	0	0	0	0	0	0	1,475	
<u>Chancery Court</u>										
Officers Costs	2,889	0	0	0	0	0	0	0	2,889	
Data Entry Fee - Chancery Court	1,584	0	0	0	0	0	0	0	1,584	
<u>Other Fines, Forfeitures, and Penalties</u>										
Proceeds from Confiscated Property	0	0	0	0	33,613	0	0	0	33,613	
Total Fines, Forfeitures, and Penalties	\$ 149,174	\$ 0	\$ 0	\$ 0	\$ 80,619	\$ 0	\$ 0	\$ 0	\$ 229,793	
<u>Charges for Current Services</u>										
<u>General Service Charges</u>										
Patient Charges	\$ 0	\$ 0	\$ 1,323,134	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,323,134	
Service Charges	47,001	0	0	0	0	0	0	0	47,001	

(Continued)

Exhibit J-5

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

	Special Revenue Funds							Total
	General	Solid Waste / Sanitation	Ambulance Service	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works	
<u>Charges for Current Services (Cont.)</u>								
<u>Fees</u>								
Copy Fees	\$ 1,174	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,174
Telephone Commissions	10,295	0	0	0	0	0	0	10,295
Constitutional Officers' Fees and Commissions	0	0	0	0	771,401	0	0	771,401
Data Processing Fee - Register	9,234	0	0	0	0	0	0	9,234
Data Processing Fee - Sheriff	6,485	0	0	0	0	0	0	6,485
Sexual Offender Registration Fees - Sheriff	1,950	0	0	0	0	0	0	1,950
Total Charges for Current Services	\$ 76,139	\$ 0	\$ 1,323,134	\$ 0	\$ 0	\$ 771,401	\$ 0	\$ 2,170,674
<u>Other Local Revenues</u>								
<u>Recurring Items</u>								
Investment Income	\$ 40,374	\$ 0	\$ 0	\$ 470,822	\$ 0	\$ 0	\$ 0	\$ 511,196
Lease/Rentals	114,805	0	0	0	0	0	0	114,805
Sale of Maps	4,660	0	0	0	0	0	0	4,660
Sale of Recycled Materials	121	0	0	0	0	0	4,454	4,575
Commodity Rebates	0	3,204	0	0	0	0	0	3,204
Miscellaneous Refunds	67,723	0	1,223	0	1,320	0	7,344	77,642
<u>Nonrecurring Items</u>								
Sale of Equipment	85	0	0	0	0	0	5,000	5,085
Sale of Property	50,000	0	0	0	0	0	0	50,000
Damages Recovered from Individuals	5,062	0	0	0	0	0	0	5,062
Performance Bond Forfeitures	13,411	0	0	0	0	0	0	13,411
Total Other Local Revenues	\$ 296,241	\$ 3,204	\$ 1,223	\$ 470,822	\$ 1,320	\$ 0	\$ 16,798	\$ 789,640
<u>Fees Received from County Officials</u>								
<u>Excess Fees</u>								
County Clerk	\$ 27,652	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 27,652
Circuit Court Clerk	37,000	0	0	0	0	0	0	37,000
Trustee	327,448	0	0	0	0	0	0	327,448
<u>Fees in-Lieu-of Salary</u>								
Clerk and Master	118,482	0	0	0	0	0	0	118,482

(Continued)

Exhibit J-5

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

	Special Revenue Funds							Debt Service Fund	Total	
	General	Solid Waste / Sanitation	Ambulance Service	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works			General Debt Service
<u>Fees Received from County Officials (Cont.)</u>										
<u>Fees in-Jieu-of Salary (Cont.)</u>										
Sheriff	\$ 15,942	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,942	
Total Fees Received from County Officials	\$ 526,524	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 526,524	
<u>State of Tennessee</u>										
<u>General Government Grants</u>										
Juvenile Services Program	\$ 9,360	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,360	
State Reappraisal Grant	8,745	0	0	0	0	0	0	0	8,745	
<u>Public Safety Grants</u>										
Law Enforcement Training Programs	12,000	0	0	0	0	0	0	0	12,000	
<u>Health and Welfare Grants</u>										
Health Department Programs	103,821	0	0	0	0	0	0	0	103,821	
<u>Public Works Programs</u>										
Bridge Program	0	0	0	0	0	0	61,087	0	61,087	
State Aid Program	0	0	0	0	0	0	20,190	0	20,190	
Litter Program	0	0	0	0	0	0	35,386	0	35,386	
<u>Other State Revenues</u>										
Income Tax	123,755	0	0	0	0	0	0	0	123,755	
Beer Tax	17,778	0	0	0	0	0	0	0	17,778	
Alcoholic Beverage Tax	57,584	0	0	0	0	0	0	0	57,584	
Mixed Drink Tax	3,161	0	0	0	0	0	0	0	3,161	
Contracted Prisoner Boarding	366,205	0	0	0	0	0	0	0	366,205	
Gasoline and Motor Fuel Tax	0	0	0	0	0	0	1,860,162	0	1,860,162	
Petroleum Special Tax	0	0	0	0	0	0	23,649	0	23,649	
Registrar's Salary Supplement	16,380	0	0	0	0	0	0	0	16,380	
Other State Grants	28,031	11,175	0	0	0	0	0	0	39,206	
Other State Revenues	4,662	0	0	0	2,085	0	0	0	6,747	
Total State of Tennessee	\$ 751,482	\$ 11,175	\$ 0	\$ 0	\$ 2,085	\$ 0	\$ 2,000,474	\$ 0	\$ 2,765,216	

(Continued)

Exhibit J-5

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

	Special Revenue Funds							Debt Service Fund	Total	
	General	Solid Waste / Sanitation	Ambulance Service	Special Purpose	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works			General Debt Service
<u>Federal Government</u>										
<u>Federal Through State</u>										
Homeland Security Grants	\$ 74,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,263	
Other Federal through State	211,690	0	0	0	0	0	0	0	211,690	
<u>Direct Federal Revenue</u>										
Other Direct Federal Revenue	119,884	0	0	0	0	0	218,640	0	338,524	
Total Federal Government	\$ 405,837	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 218,640	\$ 0	\$ 624,477	
<u>Other Governments and Citizens Groups</u>										
<u>Other Governments</u>										
Prisoner Board	\$ 97,050	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 97,050	
Paving and Maintenance	0	0	0	0	0	0	25,592	0	25,592	
Contributions	50,780	0	0	0	0	0	0	0	50,780	
<u>Citizens Groups</u>										
Donations	0	0	0	0	15,517	0	0	0	15,517	
Total Other Governments and Citizens Groups	\$ 147,830	\$ 0	\$ 0	\$ 0	\$ 15,517	\$ 0	\$ 25,592	\$ 0	\$ 188,939	
Total	\$ 7,390,277	\$ 14,379	\$ 2,174,573	\$ 470,822	\$ 99,541	\$ 771,401	\$ 4,272,441	\$ 2,168,476	\$ 17,361,910	

Exhibit J-6

Giles County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 Discretely Presented Giles County School Department
 For the Year Ended June 30, 2010

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 6,207,934	\$ 0	\$ 0	\$ 6,207,934
Trustee's Collections - Prior Year	314,436	0	0	314,436
Circuit/Clerk & Master Collections - Prior Years	121,013	0	0	121,013
Interest and Penalty	39,745	0	0	39,745
<u>County Local Option Taxes</u>				
Local Option Sales Tax	3,202,935	0	0	3,202,935
<u>Statutory Local Taxes</u>				
Interstate Telecommunications Tax	2,426	0	0	2,426
Total Local Taxes	\$ 9,888,489	\$ 0	\$ 0	\$ 9,888,489
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 2,062	\$ 0	\$ 0	\$ 2,062
Total Licenses and Permits	\$ 2,062	\$ 0	\$ 0	\$ 2,062
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Out-of-State Systems	\$ 43,881	\$ 0	\$ 0	\$ 43,881
Lunch Payments - Children	0	0	381,171	381,171
Lunch Payments - Adults	0	0	52,720	52,720
Income from Breakfast	0	0	63,877	63,877
A la carte Sales	0	0	75,444	75,444
Receipts from Individual Schools	79,596	0	0	79,596
<u>Other Charges for Services</u>				
Other Charges for Services	107	0	0	107
Total Charges for Current Services	\$ 123,584	\$ 0	\$ 573,212	\$ 696,796
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 0	\$ 1,678	\$ 1,678
Sale of Materials and Supplies	994	0	0	994
Miscellaneous Refunds	10,812	0	793	11,605
<u>Nonrecurring Items</u>				
Sale of Equipment	8,900	0	0	8,900
Damages Recovered from Individuals	165	0	0	165
Contributions and Gifts	11,642	0	0	11,642
<u>Other Local Revenues</u>				
Other Local Revenues	496	0	0	496
Total Other Local Revenues	\$ 33,009	\$ 0	\$ 2,471	\$ 35,480
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-Behalf Contributions for OPEB	\$ 239,138	\$ 0	\$ 0	\$ 239,138
<u>State Education Funds</u>				
Basic Education Program	17,472,305	0	0	17,472,305
Basic Education Program - ARRA	791,500	0	0	791,500
Early Childhood Education	674,475	0	0	674,475
School Food Service	0	0	24,875	24,875

(Continued)

Exhibit J-6

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

	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>State of Tennessee (Cont.)</u>				
<u>State Education Funds (Cont.)</u>				
Energy Efficient School Initiative	\$ 35,976	\$ 0	\$ 0	\$ 35,976
Driver Education	16,946	0	0	16,946
Other State Education Funds	61,018	0	0	61,018
Coordinated School Health - ARRA	100,000	0	0	100,000
Statewide Student Management System (SSMS) - ARRA	10,648	0	0	10,648
Career Ladder Program	214,814	0	0	214,814
Career Ladder - Extended Contract - ARRA	7,529	0	0	7,529
<u>Other State Revenues</u>				
State Revenue Sharing - T.V.A.	755,404	0	0	755,404
Other State Grants	37,857	0	0	37,857
Safe Schools - ARRA	23,100	0	0	23,100
Other State Revenues	11,126	0	0	11,126
Total State of Tennessee	\$ 20,451,836	\$ 0	\$ 24,875	\$ 20,476,711
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,001,133	\$ 1,001,133
USDA - Commodities	0	0	157,155	157,155
Breakfast	0	0	387,556	387,556
USDA - Other	0	0	5,580	5,580
Adult Education State Grant Program	82,129	0	0	82,129
Vocational Education - Basic Grants to States	0	76,032	0	76,032
Other Vocational	0	55,292	0	55,292
Title I Grants to Local Education Agencies	0	1,050,082	0	1,050,082
Innovative Education Program Strategies	0	318	0	318
Special Education - Grants to States	26,718	1,467,013	0	1,493,731
Special Education Preschool Grants	0	25,267	0	25,267
English Language Acquisition Grants	0	1,222	0	1,222
Safe and Drug-free Schools - State Grants	0	13,214	0	13,214
Eisenhower Professional Development State Grants	0	213,536	0	213,536
Other Federal through State	26,750	27,105	0	53,855
Total Federal Government	\$ 135,597	\$ 2,929,081	\$ 1,551,424	\$ 4,616,102
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 45,961	\$ 0	\$ 0	\$ 45,961
Total Other Governments and Citizens Groups	\$ 45,961	\$ 0	\$ 0	\$ 45,961
Total	\$ 30,680,538	\$ 2,929,081	\$ 2,151,982	\$ 35,761,601

Exhibit J-7

Giles County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2010

General Fund

General Government

County Commission

Board and Committee Members Fees	\$ 34,845	
Dues and Memberships	1,750	
Travel	11,102	
Other Supplies and Materials	300	
Total County Commission		\$ 47,997

County Mayor/Executive

County Official/Administrative Officer	\$ 71,322	
Secretary(ies)	28,000	
Other Salaries and Wages	24,000	
Advertising	1,252	
Communication	2,328	
Dues and Memberships	1,550	
Postal Charges	1,030	
Other Supplies and Materials	994	
Other Charges	6,510	
Total County Mayor/Executive		136,986

County Attorney

Legal Services	\$ 40,517	
Travel	194	
Liability Claims	1,000	
Total County Attorney		41,711

Election Commission

County Official/Administrative Officer	\$ 55,576	
Deputy(ies)	29,504	
Clerical Personnel	18,945	
Election Commission	660	
Communication	930	
Legal Notices, Recording, and Court Costs	225	
Postal Charges	1,384	
Other Supplies and Materials	8,623	
Other Charges	6,198	
Office Equipment	2,900	
Voting Machines	6,655	
Total Election Commission		131,600

Register of Deeds

Communication	\$ 878	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Maintenance and Repair Services - Office Equipment	\$	360	
Postal Charges		386	
Travel		720	
Other Supplies and Materials		2,759	
Other Charges		1,472	
Data Processing Equipment		7,156	
Total Register of Deeds			\$ 13,731

County Buildings

Custodial Personnel	\$	119,500	
Communication		8,867	
Maintenance and Repair Services - Buildings		32,703	
Maintenance and Repair Services - Equipment		8,600	
Pest Control		1,550	
Custodial Supplies		14,067	
Utilities		67,434	
Building Improvements		77,743	
Total County Buildings			330,464

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	70,000	
Accountants/Bookkeepers		240,619	
Advertising		2,566	
Audit Services		8,834	
Communication		1,340	
Data Processing Services		26,635	
Maintenance and Repair Services - Equipment		2,054	
Postal Charges		6,300	
Rentals		1,900	
Travel		4,002	
Other Supplies and Materials		11,535	
In Service/Staff Development		2,007	
Other Charges		1,085	
Total Accounting and Budgeting			378,877

Property Assessor's Office

County Official/Administrative Officer	\$	61,751	
Deputy(ies)		216,580	
Bonus Payments		1,979	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Board and Committee Members Fees	\$	2,250	
Communication		1,784	
Dues and Memberships		1,680	
Maintenance and Repair Services - Equipment		3,814	
Maintenance and Repair Services - Vehicles		266	
Postal Charges		4,000	
Rentals		4,168	
Travel		1,129	
Gasoline		1,390	
Other Supplies and Materials		5,058	
Vehicle and Equipment Insurance		899	
Other Charges		358	
Total Property Assessor's Office			\$ 307,106

Reappraisal Program

Contracts with Government Agencies	\$	14,025	
Other Charges		16,236	
Total Reappraisal Program			30,261

County Trustee's Office

Communication	\$	656	
Data Processing Services		5,589	
Postal Charges		4,309	
Other Supplies and Materials		2,819	
Total County Trustee's Office			13,373

County Clerk's Office

Communication	\$	1,313	
Legal Notices, Recording, and Court Costs		135	
Maintenance Agreements		10,792	
Maintenance and Repair Services - Office Equipment		238	
Postal Charges		8,040	
Travel		1,921	
Other Supplies and Materials		3,016	
Other Charges		1,138	
Office Equipment		103	
Total County Clerk's Office			26,696

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice

Circuit Court

Jury and Witness Expense	\$ 19,175	
Communication	4,344	
Operating Lease Payments	3,673	
Postal Charges	3,066	
Rentals	24,000	
Travel	5,123	
Other Supplies and Materials	18,603	
Other Charges	140	
Office Equipment	4,999	
Total Circuit Court		\$ 83,123

General Sessions Court

Judge(s)	\$ 98,752	
Other Salaries and Wages	23,520	
Communication	453	
Travel	824	
Other Supplies and Materials	597	
Other Charges	919	
Total General Sessions Court		125,065

Chancery Court

County Official/Administrative Officer	\$ 61,751	
Deputy(ies)	61,469	
Other Salaries and Wages	7,340	
Communication	923	
Data Processing Services	5,234	
Postal Charges	1,893	
Travel	326	
Other Supplies and Materials	3,373	
Other Charges	558	
Total Chancery Court		142,867

Judicial Commissioners

Other Salaries and Wages	\$ 27,156	
Travel	789	
In Service/Staff Development	95	
Total Judicial Commissioners		28,040

Courtroom Security

Deputy(ies)	\$ 75,685	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Courtroom Security (Cont.)

Sergeant(s)	\$ 39,182	
Uniforms	974	
Office Equipment	4,789	
Total Courtroom Security		\$ 120,630

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 67,927	
Deputy(ies)	432,045	
Investigator(s)	151,734	
Captain(s)	47,840	
Lieutenant(s)	82,098	
Sergeant(s)	73,194	
Accountants/Bookkeepers	53,166	
School Resource Officer	36,033	
Overtime Pay	41,709	
Communication	34,229	
Dues and Memberships	2,172	
Maintenance and Repair Services - Equipment	2,461	
Maintenance and Repair Services - Vehicles	34,567	
Postal Charges	1,794	
Travel	4,731	
Data Processing Supplies	1,429	
Gasoline	98,449	
Tires and Tubes	6,939	
Uniforms	6,658	
Other Supplies and Materials	7,915	
Vehicle and Equipment Insurance	30,483	
In Service/Staff Development	6,250	
Other Charges	4,025	
Law Enforcement Equipment	17,873	
Motor Vehicles	72,174	
Total Sheriff's Department		1,317,895

Traffic Control

Traffic Control Equipment	\$ 4,781	
Total Traffic Control		4,781

Administration of the Sexual Offender Registry

Postal Charges	\$ 132	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry (Cont.)

Other Charges	\$ 620	
Total Administration of the Sexual Offender Registry		\$ 752

Jail

Supervisor/Director	\$ 31,344	
Sergeant(s)	102,624	
Foremen	24,526	
Guards	474,128	
Cafeteria Personnel	44,190	
Maintenance Personnel	24,751	
Overtime Pay	23,576	
Maintenance and Repair Services - Buildings	55,113	
Medical and Dental Services	102,256	
Pest Control	1,296	
Drugs and Medical Supplies	51,515	
Food Supplies	126,458	
Prisoners Clothing	1,658	
Utilities	96,276	
Other Charges	25,245	
Building Improvements	<u>668,644</u>	
Total Jail		1,853,600

Juvenile Services

Supervisor/Director	\$ 35,000	
Communication	447	
Travel	928	
Other Contracted Services	4,188	
Other Charges	<u>20</u>	
Total Juvenile Services		40,583

Fire Prevention and Control

Contracts with Government Agencies	\$ 2,000	
Total Fire Prevention and Control		2,000

Rescue Squad

Contributions	\$ 186,600	
Total Rescue Squad		186,600

Other Emergency Management

County Official/Administrative Officer	\$ 42,000	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Other Salaries and Wages	\$ 27,269	
Communication	13,534	
Maintenance and Repair Services - Vehicles	345	
Travel	1,646	
Gasoline	2,590	
Other Supplies and Materials	3,156	
Other Charges	48,564	
Communication Equipment	<u>56,788</u>	
Total Other Emergency Management		\$ 195,892

County Coroner/Medical Examiner

Other Contracted Services	\$ 41,962	
Total County Coroner/Medical Examiner		41,962

Other Public Safety

Communication	\$ 796	
Rentals	7,150	
Other Supplies and Materials	<u>1,120</u>	
Total Other Public Safety		9,066

Public Health and Welfare

Local Health Center

Communication	\$ 2,660	
Janitorial Services	14,376	
Maintenance and Repair Services - Buildings	5,333	
Maintenance and Repair Services - Equipment	271	
Pest Control	420	
Other Contracted Services	22,000	
Utilities	13,628	
Other Supplies and Materials	1,794	
Furniture and Fixtures	<u>500</u>	
Total Local Health Center		60,982

Rabies and Animal Control

Supervisor/Director	\$ 26,914	
Communication	2,103	
Maintenance and Repair Services - Buildings	2,104	
Maintenance and Repair Services - Vehicles	1,156	
Veterinary Services	2,382	
Animal Food and Supplies	2,589	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Gasoline	\$ 3,585	
Tires and Tubes	597	
Uniforms	1,306	
Utilities	2,502	
Other Supplies and Materials	80	
Vehicle and Equipment Insurance	805	
Other Charges	<u>3,625</u>	
Total Rabies and Animal Control		\$ 49,748

Regional Mental Health Center

Contributions	\$ 20,700	
Total Regional Mental Health Center		20,700

Aid to Dependent Children

Contributions	\$ 7,201	
Total Aid to Dependent Children		7,201

Other Local Welfare Services

Contributions	\$ 31,367	
Pauper Burials	<u>4,000</u>	
Total Other Local Welfare Services		35,367

Sanitation Management

Contracts with Private Agencies	\$ 30,000	
Total Sanitation Management		30,000

Other Public Health and Welfare

Other Salaries and Wages	\$ 238,246	
Social Security	18,220	
Employee and Dependent Insurance	51,134	
Life Insurance	236	
Unemployment Compensation	874	
Local Retirement	18,606	
Travel	6,582	
Other Supplies and Materials	2,256	
Other Charges	<u>762</u>	
Total Other Public Health and Welfare		336,916

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$ 23,500	
Total Senior Citizens Assistance		\$ 23,500

Libraries

Contributions	\$ 101,242	
Total Libraries		101,242

Parks and Fair Boards

Contributions	\$ 22,000	
Maintenance and Repair Services - Buildings	3,120	
Other Contracted Services	16,750	
Custodial Supplies	770	
Utilities	10,933	
Liability Insurance	1,350	
Other Charges	20	
Building Improvements	188	
Other Construction	5,157	
Total Parks and Fair Boards		60,288

Other Social, Cultural, and Recreational

Part-time Personnel	\$ 11,025	
Other Salaries and Wages	14,721	
Communication	443	
Maintenance and Repair Services - Office Equipment	993	
Duplicating Supplies	300	
Other Supplies and Materials	429	
Total Other Social, Cultural, and Recreational		27,911

Agriculture and Natural Resources

Agriculture Extension Service

Salary Supplements	\$ 82,592	
Secretary(ies)	344	
Other Salaries and Wages	2,156	
Board and Committee Members Fees	660	
Other Fringe Benefits	28,547	
Communication	5,178	
Maintenance and Repair Services - Buildings	2,627	
Maintenance and Repair Services - Equipment	814	
Maintenance and Repair Services - Vehicles	91	
Postal Charges	650	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Travel	\$	550	
Other Contracted Services		3,660	
Food Preparation Supplies		4,566	
Gasoline		834	
Instructional Supplies and Materials		1,794	
Tires and Tubes		464	
Utilities		6,681	
Other Supplies and Materials		1,336	
Vehicle and Equipment Insurance		937	
Total Agriculture Extension Service			\$ 144,481

Forest Service

Communication	\$	673	
Total Forest Service			673

Soil Conservation

Clerical Personnel	\$	34,442	
Other Salaries and Wages		35,922	
Other Charges		1,800	
Total Soil Conservation			72,164

Other Operations

Other Economic and Community Development

Contributions	\$	23,650	
Dues and Memberships		5,169	
Total Other Economic and Community Development			28,819

Public Transportation

Bridge Construction	\$	302	
Total Public Transportation			302

Airport

Contributions	\$	29,497	
Total Airport			29,497

Veterans' Services

Supervisor/Director	\$	13,000	
Travel		275	
Other Charges		800	
Total Veterans' Services			14,075

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Other Charges

Building and Contents Insurance	\$ 29,733	
Liability Insurance	161,701	
Premiums on Corporate Surety Bonds	5,930	
Trustee's Commission	92,433	
Workers' Compensation Insurance	154,556	
Other Charges	<u>22</u>	
Total Other Charges		\$ 444,375

Contributions to Other Agencies

Contracts with Government Agencies	\$ 124,899	
Contributions	<u>198,653</u>	
Total Contributions to Other Agencies		323,552

Employee Benefits

Educational Incentive - Other County Employees	\$ 12,000	
Social Security	253,357	
Employee and Dependent Insurance	812,188	
Life Insurance	4,032	
Unemployment Compensation	10,385	
Local Retirement	318,301	
Other Fringe Benefits	7,887	
Liability Insurance	<u>500</u>	
Total Employee Benefits		1,418,650

ARRA Grant # 1

Motor Vehicles	\$ <u>36,476</u>	
Total ARRA Grant # 1		36,476

ARRA Grant # 2

Building Improvements	\$ <u>40,000</u>	
Total ARRA Grant # 2		40,000

Miscellaneous

Refunds	\$ <u>1,471</u>	
Total Miscellaneous		<u>1,471</u>

Total General Fund \$ 8,920,048

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund

General Government

Other General Administration

Supervisor/Director	\$ 33,118	
Communication	419	
Travel	748	
Other Contracted Services	6,620	
Other Supplies and Materials	150	
Total Other General Administration		\$ 41,055

Public Health and Welfare

Waste Pickup

Other Contracted Services	\$ 21,434	
Total Waste Pickup		21,434

Recycling Center

Other Charges	\$ 33,600	
Total Recycling Center		33,600

Total Solid Waste/Sanitation Fund \$ 96,089

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

Supervisor/Director	\$ 54,581
Medical Personnel	789,914
Secretary(ies)	16,118
Part-time Personnel	191,600
Overtime Pay	116,454
Social Security	85,929
State Retirement	82,546
Life Insurance	905
Medical Insurance	180,021
Unemployment Compensation	7,873
Communication	10,042
Data Processing Services	8,915
Maintenance and Repair Services - Buildings	10,756
Maintenance and Repair Services - Equipment	7,706
Maintenance and Repair Services - Vehicles	28,864
Postal Charges	249
Travel	963
Drugs and Medical Supplies	84,097
Gasoline	56,134

(Continued)

Exhibit J-7

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Lubricants	\$ 11,126	
Tires and Tubes	6,450	
Uniforms	10,779	
Utilities	11,146	
Other Supplies and Materials	1,549	
Building and Contents Insurance	1,479	
Liability Insurance	25,397	
Refunds	570	
Trustee's Commission	29,483	
Vehicle and Equipment Insurance	7,978	
Workers' Compensation Insurance	46,238	
In Service/Staff Development	3,516	
Other Charges	16,475	
Building Construction	14,238	
Motor Vehicles	83,949	
Other Equipment	2,569	
Total Ambulance/Emergency Medical Services		\$ 2,006,609

Other Operations

Other Charges

Premiums on Corporate Surety Bonds	\$ 180	
Total Other Charges		180

Total Ambulance Service Fund \$ 2,006,789

Industrial/Economic Development Fund

General Government

Other General Administration

Contributions	\$ 24,051	
Water and Sewer	11,756	
Other Charges	68,463	
Other Construction	7,500	
Total Other General Administration		\$ 111,770

Total Industrial/Economic Development Fund 111,770

Special Purpose Fund

General Government

Other General Administration

Trustee's Commission	\$ 4,708	
Total Other General Administration		\$ 4,708

Total Special Purpose Fund 4,708

(Continued)

Exhibit J-7

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

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$ 1,615	
Confidential Drug Enforcement Payments	15,000	
Dues and Memberships	630	
Travel	3,509	
Veterinary Services	1,241	
Animal Food and Supplies	663	
Other Supplies and Materials	3,461	
Other Charges	8,702	
Building Construction	8,093	
Law Enforcement Equipment	28,688	
Motor Vehicles	<u>10,208</u>	
Total Drug Enforcement		<u>\$ 81,810</u>

Total Drug Control Fund \$ 81,810

Constitutional Officers - Fees Fund

General Government

Register of Deeds

Constitutional Officers' Operating Expenses	<u>\$ 97,837</u>	
Total Register of Deeds		\$ 97,837

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	<u>\$ 133,243</u>	
Total County Trustee's Office		133,243

County Clerk's Office

Constitutional Officers' Operating Expenses	<u>\$ 226,093</u>	
Total County Clerk's Office		226,093

Administration of Justice

Circuit Court

Constitutional Officers' Operating Expenses	<u>\$ 310,510</u>	
Total Circuit Court		310,510

General Sessions Court

Constitutional Officers' Operating Expenses	<u>\$ 67</u>	
Total General Sessions Court		67

(Continued)

Exhibit J-7

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

Constitutional Officers - Fees Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 3,752	
Total Chancery Court		\$ 3,752

Total Constitutional Officers - Fees Fund \$ 771,502

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 67,927	
Assistant(s)	38,971	
Custodial Personnel	4,000	
Educational Incentive - Other County Employees	1,500	
In-Service Training	210	
Communication	8,603	
Dues and Memberships	3,195	
Evaluation and Testing	2,670	
Legal Notices, Recording, and Court Costs	1,068	
Maintenance and Repair Services - Buildings	1,901	
Maintenance and Repair Services - Office Equipment	275	
Postal Charges	468	
Travel	2,284	
Custodial Supplies	1,678	
Drugs and Medical Supplies	1,196	
Electricity	19,916	
Office Supplies	3,201	
Other Supplies and Materials	500	
Office Equipment	1,335	
Total Administration		\$ 160,898

Highway and Bridge Maintenance

Supervisor/Director	\$ 180,624
Foremen	145,920
Equipment Operators - Heavy	202,032
Equipment Operators - Light	245,731
Truck Drivers	259,839
Laborers	137,973
Rentals	127
Asphalt - Hot Mix	159,929
Asphalt - Liquid	760,401
Concrete	5,479

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Crushed Stone	\$ 397,662	
Fertilizer, Lime, and Seed	1,475	
General Construction Materials	4,496	
Other Road Supplies	24,722	
Pipe	22,665	
Road Signs	20,130	
Structural Steel	1,443	
Total Highway and Bridge Maintenance		\$ 2,570,648

Operation and Maintenance of Equipment

Mechanic(s)	\$ 190,337	
Equipment and Machinery Parts	118,293	
Fuel Oil	210,843	
Garage Supplies	4,330	
Tires and Tubes	32,798	
Total Operation and Maintenance of Equipment		556,601

Litter and Trash Collection

Assistant(s)	\$ 3,736	
Truck Drivers	4,749	
Travel	282	
Instructional Supplies and Materials	14,519	
Other Supplies and Materials	10,061	
Total Litter and Trash Collection		33,347

Other Charges

Building and Contents Insurance	\$ 1,178	
Liability Insurance	36,351	
Trustee's Commission	58,234	
Vehicle and Equipment Insurance	27,269	
Workers' Compensation Insurance	70,714	
Liability Claims	1,487	
Total Other Charges		195,233

Employee Benefits

Social Security	\$ 112,978	
State Retirement	116,717	
Employee and Dependent Insurance	311,548	
Unemployment Compensation	11,546	
Laundry Service	5,320	
Total Employee Benefits		558,109

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

Engineering Services	\$ 11,800	
Matching Share	28,000	
Bridge Construction	75,000	
Highway Equipment	38,687	
Motor Vehicles	25,945	
State Aid Projects	200,000	
Total Capital Outlay		\$ 379,432

Total Highway/Public Works Fund \$ 4,454,268

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 260,000	
Total General Government		\$ 260,000

Education

Principal on Bonds	\$ 860,000	
Total Education		860,000

Interest on Debt

General Government

Interest on Bonds	\$ 82,102	
Total General Government		82,102

Education

Interest on Bonds	\$ 526,849	
Total Education		526,849

Other Debt Service

General Government

Contributions	\$ 154,521	
Trustee's Commission	54,131	
Other Debt Service	62	
Total General Government		208,714

Total General Debt Service Fund 1,937,665

Total Governmental Funds - Primary Government \$ 18,384,649

Exhibit J-8

Giles County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Giles County School Department
For the Year Ended June 30, 2010

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 9,577,068	
Career Ladder Program	125,360	
Career Ladder Extended Contracts	48,300	
Homebound Teachers	12,650	
Educational Assistants	263,610	
Other Salaries and Wages	488,558	
Certified Substitute Teachers	88,890	
Non-certified Substitute Teachers	236,072	
Social Security	641,284	
State Retirement	676,654	
Medical Insurance	1,725,957	
Employer Medicare	150,618	
Tuition	43,528	
Other Contracted Services	38,346	
Instructional Supplies and Materials	167,454	
Textbooks	598,786	
Other Supplies and Materials	9,100	
Fee Waivers	19,931	
Regular Instruction Equipment	144,086	
Total Regular Instruction Program		\$ 15,056,252

Alternative Instruction Program

Teachers	\$ 70,400	
Educational Assistants	14,964	
Social Security	5,168	
State Retirement	5,745	
Medical Insurance	10,874	
Employer Medicare	1,209	
Other Contracted Services	920	
Instructional Supplies and Materials	248	
Total Alternative Instruction Program		109,528

Special Education Program

Teachers	\$ 1,137,929
Career Ladder Program	12,421
Homebound Teachers	790
Educational Assistants	317,041
Attendants	27,649
Certified Substitute Teachers	1,001

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Non-certified Substitute Teachers	\$ 12,865	
Social Security	90,412	
State Retirement	100,182	
Medical Insurance	275,552	
Employer Medicare	21,145	
Consultants	118,185	
Contracts with Private Agencies	198,453	
Other Contracted Services	6,159	
Instructional Supplies and Materials	14,672	
Other Supplies and Materials	2,103	
Special Education Equipment	2,851	
Total Special Education Program		\$ 2,339,410

Vocational Education Program

Teachers	\$ 678,490	
Career Ladder Program	4,000	
Certified Substitute Teachers	6	
Non-certified Substitute Teachers	248	
Social Security	39,343	
State Retirement	42,016	
Medical Insurance	116,750	
Employer Medicare	9,201	
Maintenance and Repair Services - Equipment	882	
Other Contracted Services	10,732	
Instructional Supplies and Materials	6,363	
Textbooks	4,971	
Other Supplies and Materials	61,180	
Vocational Instruction Equipment	9,081	
Total Vocational Education Program		983,263

Adult Education Program

Teachers	\$ 42,475	
Social Security	2,633	
State Retirement	2,727	
Employer Medicare	616	
Instructional Supplies and Materials	353	
Total Adult Education Program		48,804

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	56,602	
Career Ladder Program		1,000	
Other Salaries and Wages		6,260	
Social Security		3,441	
State Retirement		3,698	
Medical Insurance		8,673	
Employer Medicare		896	
Travel		2,305	
Total Attendance			\$ 82,875

Health Services

Supervisor/Director	\$	52,833	
Career Ladder Program		1,000	
Medical Personnel		260,290	
Clerical Personnel		23,177	
Other Salaries and Wages		585	
Social Security		19,305	
State Retirement		26,715	
Medical Insurance		72,696	
Employer Medicare		4,515	
Communication		720	
Travel		3,895	
Drugs and Medical Supplies		3,374	
Other Supplies and Materials		26,878	
Total Health Services			495,983

Other Student Support

Career Ladder Program	\$	7,000	
Guidance Personnel		431,631	
Career Ladder Extended Contracts		9,900	
Assessment Personnel		48,282	
Clerical Personnel		77,308	
Social Security		33,836	
State Retirement		38,227	
Medical Insurance		98,311	
Employer Medicare		7,913	
Contracts with Government Agencies		77,406	
Evaluation and Testing		34,865	
Other Supplies and Materials		51,570	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

In Service/Staff Development	\$	381	
Other Charges		484	
Other Equipment		2,100	
Total Other Student Support			\$ 919,214

Regular Instruction Program

Supervisor/Director	\$	134,854	
Career Ladder Program		19,333	
Career Ladder Extended Contracts		20,300	
Librarians		411,357	
Instructional Computer Personnel		143,722	
Clerical Personnel		58,483	
Other Salaries and Wages		102,610	
Social Security		51,622	
State Retirement		58,353	
Medical Insurance		131,596	
Employer Medicare		12,387	
Travel		17,922	
Other Contracted Services		23,446	
Library Books/Media		17,554	
Periodicals		1,598	
Other Supplies and Materials		19,271	
In Service/Staff Development		13,898	
Other Charges		8,242	
Total Regular Instruction Program			1,246,548

Alternative Instruction Program

Supervisor/Director	\$	55,260	
Career Ladder Program		1,000	
Social Security		3,402	
State Retirement		3,612	
Medical Insurance		5,674	
Employer Medicare		796	
Total Alternative Instruction Program			69,744

Special Education Program

Supervisor/Director	\$	66,916	
Career Ladder Program		3,167	
Psychological Personnel		31,600	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Career Ladder Extended Contracts	\$	5,600	
Assessment Personnel		98,792	
Secretary(ies)		37,806	
Social Security		13,067	
State Retirement		14,298	
Medical Insurance		19,105	
Employer Medicare		3,514	
Communication		3,861	
Travel		15,510	
Other Contracted Services		1,395	
Other Supplies and Materials		4,144	
In Service/Staff Development		250	
Total Special Education Program	\$		319,025

Vocational Education Program

Secretary(ies)	\$	16,920	
Clerical Personnel		36,820	
Other Salaries and Wages		50,736	
Social Security		6,478	
State Retirement		7,659	
Medical Insurance		11,330	
Employer Medicare		1,515	
Travel		10,901	
Other Supplies and Materials		1,786	
Other Equipment		2,922	
Total Vocational Education Program			147,067

Adult Programs

Supervisor/Director	\$	49,296	
Career Ladder Program		667	
Social Security		2,765	
State Retirement		3,208	
Medical Insurance		9,463	
Employer Medicare		647	
Travel		1,360	
In Service/Staff Development		549	
Total Adult Programs			67,955

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Programs

On-Behalf Payments to OPEB	\$ 239,138	
Total Other Programs		\$ 239,138

Board of Education

Secretary to Board	\$ 1,500	
Board and Committee Members Fees	4,722	
In-Service Training	3,175	
Social Security	323	
State Retirement	123	
Life Insurance	16,582	
Unemployment Compensation	36,345	
Employer Medicare	87	
Audit Services	5,200	
Legal Services	13,742	
Travel	5,198	
Liability Insurance	85,240	
Trustee's Commission	216,996	
Workers' Compensation Insurance	241,632	
Criminal Investigation of Applicants - TBI	4,620	
Other Charges	133	
Total Board of Education		635,618

Director of Schools

County Official/Administrative Officer	\$ 95,364
Secretary(ies)	61,604
Other Salaries and Wages	5,803
Social Security	9,835
State Retirement	11,540
Medical Insurance	12,958
Employer Medicare	2,300
Advertising	1,940
Communication	12,419
Dues and Memberships	9,502
Postal Charges	4,608
Travel	4,510
Other Contracted Services	1,098
Office Supplies	1,799
Other Supplies and Materials	1,962
Other Charges	2,622

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Administration Equipment	\$ 576	
Total Director of Schools		\$ 240,440

Office of the Principal

Principals	\$ 549,272	
Career Ladder Program	15,000	
Career Ladder Extended Contracts	14,000	
Assistant Principals	401,739	
Secretary(ies)	297,026	
Clerical Personnel	37,509	
Other Salaries and Wages	14,424	
Social Security	80,140	
State Retirement	90,999	
Medical Insurance	171,648	
Employer Medicare	18,743	
Communication	42,604	
Other Contracted Services	10,748	
Total Office of the Principal		1,743,852

Operation of Plant

Custodial Personnel	\$ 417,750	
Other Salaries and Wages	10,900	
Social Security	25,706	
State Retirement	32,991	
Medical Insurance	96,298	
Employer Medicare	6,170	
Laundry Service	7,355	
Pest Control	8,475	
Other Contracted Services	99,436	
Custodial Supplies	39,618	
Electricity	1,124,093	
Natural Gas	204,553	
Propane Gas	40,237	
Water and Sewer	123,748	
Other Supplies and Materials	582	
Building and Contents Insurance	82,118	
Plant Operation Equipment	7,562	
Total Operation of Plant		2,327,592

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	45,349	
Maintenance Personnel		195,728	
Other Salaries and Wages		543	
Social Security		14,876	
State Retirement		19,781	
Medical Insurance		42,513	
Employer Medicare		3,479	
Laundry Service		2,339	
Maintenance and Repair Services - Buildings		68,930	
Maintenance and Repair Services - Equipment		11,613	
Travel		801	
Other Contracted Services		29,076	
Diesel Fuel		277	
Equipment and Machinery Parts		64,933	
Gasoline		15,291	
Other Supplies and Materials		122,395	
Other Charges		57,225	
Maintenance Equipment		180,109	
Total Maintenance of Plant			\$ 875,258

Transportation

Supervisor/Director	\$	61,447
Mechanic(s)		132,399
Bus Drivers		691,715
Clerical Personnel		26,604
Other Salaries and Wages		13,206
Social Security		54,179
State Retirement		73,611
Medical Insurance		328,862
Employer Medicare		12,671
Laundry Service		2,332
Maintenance and Repair Services - Vehicles		41,530
Medical and Dental Services		3,720
Travel		1,904
Other Contracted Services		13,518
Diesel Fuel		235,302
Gasoline		10,064
Lubricants		5,211
Tires and Tubes		27,914

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Vehicle Parts	\$ 81,505	
Other Supplies and Materials	10,056	
Vehicle and Equipment Insurance	48,278	
Transportation Equipment	394,910	
Total Transportation		\$ 2,270,938

Operation of Non-Instructional Services

Food Service

Medical Insurance	\$ 5,656	
Total Food Service		5,656

Community Services

Supervisor/Director	\$ 60,256	
Teachers	34,682	
Bus Drivers	513	
Educational Assistants	6,544	
Part-time Personnel	35,766	
Social Security	8,283	
State Retirement	6,987	
Medical Insurance	4,761	
Employer Medicare	1,980	
Communication	1,983	
Maintenance and Repair Services - Equipment	260	
Travel	9,328	
Food Supplies	3,750	
Instructional Supplies and Materials	704	
Other Supplies and Materials	15,951	
In Service/Staff Development	722	
Total Community Services		192,470

Early Childhood Education

Supervisor/Director	\$ 51,087	
Teachers	168,982	
Educational Assistants	70,798	
Non-certified Substitute Teachers	304	
Social Security	17,639	
State Retirement	19,693	
Medical Insurance	54,023	
Employer Medicare	4,125	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Consultants	\$	6,630	
Dues and Memberships		70	
Travel		3,166	
Other Contracted Services		114	
Food Supplies		6,533	
Instructional Supplies and Materials		71,087	
Kindergarten Textbooks		70	
Office Supplies		1,328	
Periodicals		1,338	
Other Supplies and Materials		14,170	
In Service/Staff Development		9,081	
Other Charges		4,405	
Other Equipment		22,421	
Total Early Childhood Education			\$ 527,064

Total General Purpose School Fund

\$ 30,943,694

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	789,746	
Social Security		46,388	
State Retirement		50,700	
Medical Insurance		131,874	
Employer Medicare		10,849	
Other Contracted Services		16,969	
Other Supplies and Materials		6,621	
Other Charges		12,299	
Regular Instruction Equipment		8,029	
Total Regular Instruction Program			\$ 1,073,475

Special Education Program

Teachers	\$	91,877
Educational Assistants		490,523
Speech Pathologist		40,788
Social Security		38,123
State Retirement		48,689
Medical Insurance		181,702
Employer Medicare		8,912

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Contracts with Private Agencies	\$ 268,354	
Other Contracted Services	1,858	
Instructional Supplies and Materials	3,504	
Other Supplies and Materials	39,105	
Special Education Equipment	27,438	
Total Special Education Program		\$ 1,240,873

Vocational Education Program

Educational Assistants	\$ 19,999	
Other Salaries and Wages	2,290	
Social Security	1,382	
State Retirement	147	
Employer Medicare	323	
Other Supplies and Materials	23,400	
In Service/Staff Development	5,700	
Vocational Instruction Equipment	60,810	
Total Vocational Education Program		114,051

Support Services

Other Student Support

Travel	\$ 12,846	
Other Contracted Services	18,000	
In Service/Staff Development	1,500	
Other Charges	219	
Total Other Student Support		32,565

Regular Instruction Program

Supervisor/Director	\$ 63,418	
Instructional Computer Personnel	51,618	
Clerical Personnel	26,300	
Other Salaries and Wages	188	
Social Security	8,731	
State Retirement	9,551	
Medical Insurance	10,880	
Employer Medicare	2,042	
Communication	1,913	
Travel	4,223	
Other Contracted Services	1,696	
Other Supplies and Materials	39,254	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

In Service/Staff Development	\$ 34,126	
Other Equipment	8,976	
Total Regular Instruction Program		\$ 262,916

Special Education Program

Psychological Personnel	\$ 44,243	
Social Security	2,743	
State Retirement	2,840	
Medical Insurance	5,622	
Employer Medicare	642	
Travel	27,917	
Other Contracted Services	19,867	
Other Supplies and Materials	3,928	
In Service/Staff Development	11,482	
Other Equipment	3,124	
Total Special Education Program		122,408

Vocational Education Program

In Service/Staff Development	\$ 286	
Total Vocational Education Program		286

Transportation

Gasoline	\$ 163	
Transportation Equipment	29,945	
Total Transportation		30,108

Total School Federal Projects Fund \$ 2,876,682

Central Cafeteria Fund

Support Services

Board of Education

Trustee's Commission	\$ 44	
Total Board of Education		\$ 44

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 61,272	
Cafeteria Personnel	599,848	
Social Security	40,531	

(Continued)

Exhibit J-8

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

State Retirement	\$	43,706	
Medical Insurance		151,321	
Employer Medicare		9,479	
Communication		3,030	
Maintenance and Repair Services - Equipment		16,255	
Transportation - Other than Students		25,211	
Travel		3,257	
Other Contracted Services		2,450	
Food Supplies		833,973	
USDA - Commodities		157,155	
Other Supplies and Materials		101,749	
Food Service Equipment		<u>37,877</u>	
Total Food Service			<u>\$ 2,087,114</u>

Total Central Cafeteria Fund \$ 2,087,158

Education Capital Projects Fund

Capital Outlay

Regular Capital Outlay

Consultants	\$	7,468	
Building Improvements		<u>90,680</u>	
Total Regular Capital Outlay			<u>\$ 98,148</u>

Total Education Capital Projects Fund 98,148

Total Governmental Funds - Giles County School Department \$ 36,005,682

Exhibit J-9

Giles County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2010

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 2,340,935
Total Cash Receipts	<u>\$ 2,340,935</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 2,336,271
Trustee's Commission	4,664
Total Cash Disbursements	<u>\$ 2,340,935</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2009	<u>0</u>
 Cash Balance, June 30, 2010	 <u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



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

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

October 29, 2010

Giles County Executive and
Board of County Commissioners
Giles County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of and for the year ended June 30, 2010, which collectively comprise Giles County's basic financial statements and have issued our report thereon dated October 29, 2010. Our report on the aggregate discretely presented component units was qualified due to not including the financial statements of the Giles County Emergency Communications District, which were not available from other auditors as of the date of this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Giles 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 Giles County's internal control over financial reporting.

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

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies in internal control over financial reporting: 10.02 and 10.04. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

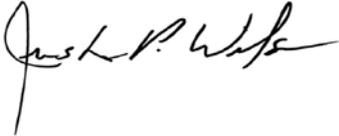
As part of obtaining reasonable assurance about whether Giles County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 10.01 and 10.03.

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

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

This report is intended solely for the information and use of management, the county executive, director of schools, highway commissioner, County Commission, Board of Education, others within Giles 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 on the left side.

Justin P. Wilson
Comptroller of the Treasury

JPW/yu



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

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

October 29, 2010

Giles County Executive and
Board of County Commissioners
Giles County, Tennessee

To the County Executive and Board of County Commissioners:

Compliance

We have audited the compliance of Giles 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, 2010. Giles 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 Giles County's management. Our responsibility is to express an opinion on Giles 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 Giles County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our

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

In our opinion, Giles 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, 2010.

Internal Control Over Compliance

The management of Giles County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Giles 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Giles County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

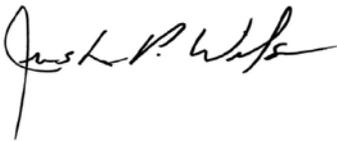
We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County as of and for the year ended June 30, 2010, and have issued our report thereon dated October 29, 2010. Our report on the aggregate discretely presented component units was qualified due to not including the financial statements of the Giles County Emergency Communications District, which were not available from other auditors as of the date of this report. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Giles 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.

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

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

Yours very truly,

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

Justin P. Wilson
Comptroller of the Treasury

JPW/yu

Giles County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2010

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Programs:			
Rural Business Enterprise Grants - ARRA	10.783	N/A	\$ 40,000
Environmental Quality Incentives Program	10.912	N/A	43,408
Emergency Watershed Protection Program	10.923	N/A	218,640
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	387,556
National School Lunch Program	10.555	N/A	1,006,713 (7)
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	157,155 (7)
Total U.S. Department of Agriculture			<u>\$ 1,853,472</u>
U.S. Department of Justice:			
Direct Program:			
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Programs/Grants to States and Territories	16.803	N/A	\$ 36,476
Total U.S. Department of Justice			<u>\$ 36,476</u>
U.S. Department of Labor:			
Passed-through South Central Tennessee Workforce Alliance:			
WIA Youth Activities	17.259	(2)	\$ 25,000
Total U.S. Department of Labor			<u>\$ 25,000</u>
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	Z-10-218506-00	\$ 82,129
Passed-through State Department of Education:			
Title I Cluster:			
Title I Grants to Local Educational Agencies	84.010	N/A	857,033
Title I Grants to Local Educational Agencies, Recovery Act	84.389	N/A	212,867
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,118,367
Special Education - Preschool Grants	84.173	N/A	24,324
Special Education - Grants to States, Recovery Act	84.391	N/A	383,372
Special Education - Preschool Grants, Recovery Act	84.392	N/A	1,597
Career and Technical Education - Basic Grants to States	84.048	N/A	129,432
Safe and Drug-free Schools and Communities - State Grants	84.186	(2)	18,319
State Grants for Innovative Programs	84.298	N/A	4,913
Education Technology Cluster:			
Education Technology State Grants	84.318	(2)	10,914
Education Technology State Grants, Recovery Act	84.386	(2)	23,848
English Language Acquisition Grants	84.365	N/A	1,486
Improving Teacher Quality State Grants	84.367	N/A	236,811
State Fiscal Stabilization Fund Cluster:			
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	(2)	791,500
State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	84.397	(2)	201,748
Total U.S. Department of Education			<u>\$ 4,098,660</u>

(Continued)

Giles 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 Health and Human Services: Passed-through State Department of Health: Development and Coordination of Rural Health Services	93.223	(3)	\$ 211,690
Total U.S. Department of Health and Human Services			<u>\$ 211,690</u>
U.S. Department of Homeland Security: Passed-through State Department of Military: Emergency Management Performance Grants	97.042	(4)	\$ 18,785
Homeland Security Grant Program	97.067	(5)	55,478
Total U.S. Department of Homeland Security			<u>\$ 74,263</u>
Total Expenditures of Federal Awards			<u>\$ 6,299,561</u>

State Grants

		Contract Number	
State Reappraisal Program - Comptroller of the Treasury	N/A	(2)	\$ 8,745
Health Department Programs - State Department of Health	N/A	(6)	103,821
Adult Education - State Department of Labor and Workforce Development	N/A	(2)	37,857
Early Childhood Education - State Department of Education	N/A	(2)	674,475
Energy Efficient Schools Initiative - State Department of Education	N/A	(2)	35,976
Lottery for Education Afterschool Program - State Department of Education	N/A	(2)	61,018
State Agricultural Enhancement Program - State Department of Agriculture	N/A	Z-08-021388-00	28,031
Litter Program - State Department of Transportation	N/A	(2)	35,386
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	11,175
Juvenile Justice and Delinquency Prevention - State Commission on Children and Youth	N/A	(2)	<u>9,360</u>
Total State Grants			<u>\$ 1,005,844</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) Z-09-213725-00: \$10,886; Z-10-219841-00: \$200,804.
- (4) 34101-0000003835: \$16,985; 34101-0000000585: \$1,800.
- (5) Z-421-DHS-2008-HSGP: \$32,511; 34101-0000012610: \$22,967.
- (6) Z-09-213725-00: \$17,762; Z-10-219841-00: \$86,059.
- (7) Total for CFDA No. 10.555 is \$1,163,868.

Giles County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2010

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 Giles County, Tennessee, for the year ended June 30, 2009, which have not been corrected.

OTHER FINDING

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
09.04	176	Duties were not segregated adequately in the Offices of Clerk and Master and Register

GILES COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2010

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the aggregate discretely presented component units is qualified. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.
2. The audit of the financial statements of Giles County disclosed significant deficiencies in internal control. None of these deficiencies were considered to be material weaknesses.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of Giles County.
4. Our audit disclosed no significant deficiencies in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555); the Title I Cluster: Title I Grants to Local Educational Agencies and Title I Grants to Local Educational Agencies Recovery Act (CFDA Nos. 84.010 and 84.389); the Special Education Cluster: Special Education – Grants to States, Special Education – Grants to States Recovery Act, Special Education – Preschool Grants, and Special Education – Preschool Grants Recovery Act (CFDA Nos. 84.027, 84.391, 84.173, and 84.392); and the State Fiscal Stabilization Funds Cluster: State Fiscal Stabilization Funds – Education State Grants Recovery Act and State Fiscal Stabilization Funds – Government Services Recovery Act (CFDA Nos. 84.394 and 84.397) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Giles 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 response of the register is paraphrased in this report.

OFFICE OF FINANCE DIRECTOR

FINDING 10.01 SOME AMBULANCE SERVICE COLLECTIONS WERE NOT DEPOSITED WITHIN THREE DAYS OF RECEIPT
(Noncompliance Under Government Auditing Standards)

In some instances, collections at the Ambulance Service were not deposited with the county trustee within three days of receipt. Section 5-8-207, Tennessee Code Annotated, requires county officials to deposit public funds within three days of receiving the funds. This deficiency can be attributed to a lack of management oversight. The delay in depositing the collections increases the risks of fraud and misappropriation.

RECOMMENDATION

Officials should ensure that all collections at the Ambulance Service are deposited with the county trustee within three days of receipt as required by state statute.

FINDING 10.02 A COMPUTER AND TIRES WERE REPORTED STOLEN FROM THE EMERGENCY MANAGEMENT OFFICE
(Internal Control – Significant Deficiency Under Government Auditing Standards)

The theft of a laptop computer and tires from the Giles County Emergency Management Office was reported to the state Comptroller's Office on January 12, 2010. The computer and tires were valued at \$1,200 and \$300, respectively. A police report has been filed with the Giles County Sheriff's Department, and the matter is under investigation.

OFFICE OF CLERK AND MASTER

FINDING 10.03 THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES
(Noncompliance Under Government Auditing Standards)

System backups were not regularly stored off-site. Section 10-7-121, Tennessee Code Annotated, provides that records required to be retained by any government official may be maintained on a computer or removable storage media as long as certain standards are met. One of these standards requires that all data generated and stored within the

computer system should be copied to storage media daily, and media more than one week old should be stored at an off-site location. This deficiency is the result of management's failure to implement adequate disaster recovery planning procedures. In the event of a disaster, all backup data could be destroyed, resulting in costly delays in generating and recording information accounted for through the automated process. The office began taking backups off-site in July 2010. Proper system backup procedures are now in place.

OTHER FINDING AND RECOMMENDATION

FINDING 10.04 **DUTIES WERE NOT SEGREGATED ADEQUATELY IN THE OFFICES OF CLERK AND MASTER AND REGISTER**
(Internal Control – Significant Deficiency Under Government Auditing Standards)

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

RECOMMENDATION

The clerk and master and register should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – REGISTER

The cost of hiring enough employees to segregate each step involved is not feasible for the Register's Office. We now have only two employees in the office. The budget will not allow us to increase our staff to comply with this recommendation.

AUDITOR'S COMMENT

We have not recommended hiring additional employees. We realize that due to limited resources and personnel, management may not be able to fully segregate duties among employees. However, duties should be segregated to the extent possible.

BEST PRACTICE

AN AUDIT COMMITTEE HAS NOT BEEN ESTABLISHED

Giles County does not have an Audit Committee. Sound business practices dictate that establishing an Audit Committee would significantly improve management oversight and accountability. The absence of an Audit Committee has been a management decision by the County Commission. The Division of County Audit strongly believes that an Audit Committee is a best practice that should be adopted to assist the County Commission by providing independent and objective reviews of the financial reporting process, internal controls, the audit function, and being responsible for monitoring management's plans to address various risks.

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

There were no findings and questioned costs for federal awards.

**GILES COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2010**

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